

impresses itself on me and that is that although men in receipt of £9 to £10 a week are to be covered, no provision is included in the Bill to increase the rate payable to such workers during their periods of incapacity. The maximum rate provided in the First Schedule for a man who is injured is £3 10s. per week. That rate was fixed years ago when on the goldfields the basic wage was about £4 a week, whereas now it is £5 5s. 7d. I contend that if years ago £3 10s. was an adequate rate to fix, present-day conditions require a review of that amount. Although we may ensure by the passing of the Bill that a miner or a munition worker who earns £9 or £10 a week will receive compensation in the event of injury, he will not be able to receive more than £3 10s. a week during incapacity. That point should receive attention.

I agree to a large extent with the remarks by Mr. Holmes regarding doctors and the high cost of workers' compensation insurance largely arising out of the provision for £100. I cannot see any better means of overcoming the trouble than by the appointment of the proposed committee. Though the great majority of doctors are honourable in their actions, every member of this House has knowledge of excessive charges in connection with workers' compensation cases. To me it has always seemed a strange point of view that if someone is injured, say, by the driver of a motor car, the first query raised is, "Is this man insured?" If the individual is insured, then every effort is made to secure the last penny it is possible to obtain. Quite a different attitude is adopted if those concerned find that the individual has to meet the liability himself. The attitude of some doctors seems to be: "This is an insurance case and we are sure of our money. Here is an opportunity to recoup ourselves for a lot of the honorary work we have to do." In my opinion the appointment of the suggested committee will have a disciplinary effect. As Mr. Holmes suggested, it may mean added expense but I am afraid that cannot be avoided. The change will not affect the good doctors who have nothing to be afraid of, but it will apply the brake to the activities of those who have abused the provisions of the Act in the past. I congratulate the Government upon the introduction of this legislation and

I hope the Minister will give some consideration to the point I have raised regarding weekly payments.

On motion by Hon. C. F. Baxter, debate adjourned.

ADJOURNMENT—SPECIAL.

THE CHIEF SECRETARY (Hon. W. H. Kitson—West) [9.28]: I move—

That the House at its rising adjourn till Tuesday the 7th October.

Question put and passed.

House adjourned at 9.29 p.m.

Legislative Assembly.

Wednesday, 1st October, 1941.

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

QUESTION—BULK WHEAT.

Albany Terminals and Zone Rates.

Mr. WATTS asked the Premier: 1, Is it the intention of the Government to ensure that bulk wheat terminals are provided at Albany, as at other ports? 2, If not, is it intended to charge, as appears from a recent statement by him published in the Press, the higher grain rate on wheat grown in the Albany zone which has to be railed to other ports for shipment? 3, If the answer to question No. 2 is in the affirmative, how does the Government justify such a procedure as a fair one?

The PREMIER replied: 1, Yes, as soon as economically possible. 2, No. The lower rate will apply when bulk wheat is consigned to the nearest port at which bulk handling facilities are available. 3, See No. 2.

QUESTION—MINING, ASBESTOS.

Mr. RODOREDA asked the Minister for Industrial Development: 1, Is any asbestos mined in W.A. being used by (a) Local manufacturers? (b) Manufacturers in other Australian States? 2, If so, in what quantities, separate for 1 (a), 1 (b)? 3, If not, what are the reasons why preference is given to imported asbestos?

The MINISTER FOR INDUSTRIAL DEVELOPMENT replied: 1, (a) No; (b) No. 2, Answered by reply to question No. 1. 3, The main use of raw asbestos in Australia is for the fibro-cement industry which requires a low-grade short fibre asbestos valued between £25 and £35 per ton. Up to the present only a small quantity of this type of asbestos has been mined in Western Australia, mainly on account of its comparatively low market value.

The Mines Department is endeavouring to encourage the production of low-grade asbestos suitable for the fibro-cement industry as a by-product from the production of high grade asbestos.

QUESTION—DROUGHT RELIEF.

Mr. SEWARD asked the Minister for Lands: In view of the Minister's reply to my question on the 12th August, in which he stated (a) proceeds from 1940-41 wheat certificates will not be used to repay drought relief payments; (b) no instructions have been issued by the head office of the Agricultural Bank relating to repayment of drought relief moneys, will he explain the following memo. recently received by one of my constituents from a branch of the Agricultural Bank:—"12th September, 1941. In reply to your letter of the 10th inst., I have to advise that as far as I am aware at present all advances from drought relief are repayable from this season's proceeds."

The MINISTER FOR LANDS replied: The position is as stated in subparagraph (b) of my reply of the 12th August. viz:—Each case will be reviewed on its merits. If,

after paying statutory claim, there are insufficient funds to carry on for the following year, advances will be made from drought relief to supplement the balance of requirements.

QUESTION—TAXATION.

Mr. McDONALD asked the Treasurer: 1, What was the taxation per head of the people of Western Australia as at the 30th June, 1931, in respect of direct taxation imposed by the State? 2, Will he give the same information as at the 30th June, 1941?

The TREASURER replied: 1930-31, £2 0s. 4d.; 1940-41, £6 5s. 9d. Whereas in 1930-31 many people were unable to pay taxation already assessed on them, the collections for 1940-41 included substantial arrears from other years. It was partly owing to the difference in taxation that in 1930-31 there was a deficit of £1,420,539, while in 1940-41 there was a surplus.

BILLS (2)—FIRST READING.

1, Potato Growers Licensing.

Introduced by the Minister for Agriculture.

2, Rights in Water and Irrigation Act Amendment.

Introduced by the Minister for Works.

MOTION—ECONOMIC PROBLEMS.

Commonwealth Bank and National Credit.

MR. MARSHALL (Murchison) [4.36]: I move—

That in view of the fact that the Federal Government has persistently declined—although four Governments have passed resolutions indicating that the Commonwealth Bank should be used to supply all money necessary for a full and vigorous war effort, national works and social services without debt or any charge, and, further, that as the orthodox method now used by the Commonwealth Government to finance the nation's requirements at present and in the future must inevitably lead to such a colossal burden of debt, interest and taxation that a state of debt slavery must ultimately be reached—this House is therefore of opinion that the Premier of Western Australia should again approach the Prime Minister with a view of having the resolution carried by this Assembly last session given effect to, and, further, that the Government should take steps to ascertain the feeling of the taxpayers of Western Australia upon this question.

I hope members will pardon my persistence in constantly bringing this subject before the Assembly for consideration. Were it not of such importance I probably might not be so persistent. Almost every day one sees evidence of the necessity to do something on the lines set out in the motion. At present we hear a great deal about freedom, democracy and the virtues of democratic institutions. We also hear much about the necessity for making the supreme sacrifice in order to retain those institutions. In actual fact, however, democracy exists now only as a sham or pretence. You will recall, Mr. Speaker, that last session this Chamber carried by a large majority a motion on the same lines as this. The resolution so carried asked the Premier to convey to the Prime Minister of the Commonwealth the opinion of this House, and further suggested that the Premier should seek the support of other State Premiers in the matter. From that day until this we have not heard anything by way of reply from the Premier as to whether or not the resolution was conveyed to the Prime Minister.

The Premier: It was!

Mr. MARSHALL: This is the first intimation we have had that it was safely transmitted to the Prime Minister. We do not know whether any State Premiers agreed to support our Premier in bringing forward this important matter.

The Minister for Works: The Treasurer replied through the Press.

Mr. MARSHALL: No, I mean not along the lines suggested by the resolution. The Treasurer of the Commonwealth replied to the motion because of Senator E. B. Johnston, and not because of the Premier of Western Australia. I wish to say, in passing, that I replied to the Treasurer of the Commonwealth, but the free Press of Western Australia refused to publish my reply. I made a second appeal to the editor of that paper correcting misunderstandings which existed between us and pleaded with him to publish that statement, but he had not the courtesy to reply to that letter.

Mr. Stubbs: That was not fair.

Mr. MARSHALL: No one here will doubt my statement. I have not the letters with me but they are in my room, as is also my final appeal to the editor. I also replied to Sir Hal Colebatch and again the free Press of this country refused to publish it. I have

never had any scruples respecting the Press; nor have I many scruples respecting wireless or the cinema. They are all, in the main, controlled by the individuals who are interfered with by motions of this kind.

I appreciate the fact that anything hostile to the policy of orthodox banking will find no room in the columns of the very free Press. Its policy is dictated today by those who reap the profit. It does not take the responsibility of answering for its rules. This same body uses the Government that is elected by the people. It only rules so far as it is allowed to rule, by the secret hand of an international financial oligarchy. If the results of this particular activity did not deal with the welfare of millions of people; if it were not for the fact, due to misjudgment on the part of those secret or hidden individuals, that millions of people would be in a state of poverty and degradation, and that their destinies were badly controlled by them, it would not in all probability matter much. We have frequently heard the statement in this Chamber, and read it too, as having been made in other public places and other Houses of Parliament, that "Government is finance and finance is Government," which implies that unless a Government controls finance it cannot govern. The position today is that no Government, no matter where situated, controls the finance necessary to govern. In my humble and limited way I have endeavoured constantly to bring this matter before this Chamber. A better appreciation of the fact is now held because of the terrific burden of taxation. The people of the Commonwealth have joyfully carried that burden, believing it to be necessary to win the war. Although that terrific burden has been carried, it is now proposed that it be increased. Under the cloak or disguise of war necessity very much can be done with a community at war. Most people will make extreme sacrifices to protect themselves against an aggressor nation. Not being fully aware of the facts they are prepared to carry terrific loads of taxation, believing it to be absolutely essential in order to prosecute this war. Nothing can be further removed from the actual facts.

The basic principle upon which this motion rests is this: Can the Commonwealth Bank, the nation's bank, finance the nation's Government? If it can, why is that bank not being used for that purpose? I have not yet known one man from a pro-

fessor of economies to a credited publicity agent or well-known mouthpiece for high finance, to be stupid enough to say that the Commonwealth Bank cannot do the job. It is true, of course, that they have all, in their turn, used other arguments to draw the people's attention away, and to incite fear by using their own Aunt Sally which they first set up and then proceeded to knock down—unlimited credit, the printing of unlimited notes and the old stork, inflation. All these things have been used by them, but never has one of them stated openly, or attempted to justify it because he has never stated it, that the Commonwealth Bank is incapable of doing it.

Until the people realise that their own bank, the National Bank, a bank which has the whole of the resources and the assets of this nation behind it, can do that job and do it debt-free without any charge, they will go on carrying one load of taxation upon another until they reach the stage of economic serfdom. In all probability my utterances would not be accepted as being very orthodox on the question whether the Commonwealth Bank can do this work, so I may be permitted to quote statements made by Sir Denison Miller, who was the first Governor of the Commonwealth Bank. I want it to be understood that that gentleman was an orthodox man. He was not a Socialist or a Communist, but an orthodox banker, thinking and acting along the lines of orthodox banking. He knew no other form of banking, and practised no other form. We have heard a lot about him and the good he did for the Commonwealth whilst Governor of the bank.

All that is undeniable. Never at one stage did he depart from the orthodox method, better known as usury. He upset the calculations of the Bank of England and of the Reserve Bank of America in 1922 when those institutions attempted to shackle us by a shrinkage of our currency back to the gold standard, as was done in England. He defeated them in that move, because when the Associated Banks which constitute the Australian end of the English banks set out to shrink credits and refused to buy securities, he acted in a reverse way and extended credits and bought securities. He got so much money in circulation that their endeavour to depress this nation failed dismally. He did that and many other things besides, but he never departed from ortho-

dox banking. I have here some remarks he made at the official opening of the Commonwealth Bank and its various branches throughout Australia. His speech was of historical importance and contained much valuable matter. Amongst other things he said:—

The bank is being started without capital, as none is required at the present time, but it is backed by the entire wealth and credit of the whole of the Commonwealth of Australia.

The bank has all that behind it; it has practically everything Australia possesses behind it. It has all the security the private banks are now using against which to extend credits. On another occasion Sir Denison was speaking in London at a gathering of bankers, who no doubt endeavoured to influence him to return to the gold standard. They could not, however, convince the Governor of the Commonwealth Bank that gold was more valuable than were human lives and happiness. He knew the value of gold so far as the currency was concerned, that it was a fetish and a symbol of confounded hypocrisy. He knew that at the back of it all was the capacity of the nation to produce real wealth, and he did not intend to starve the people of the Commonwealth to satisfy London Shylocks. On the occasion in question when speaking to the bankers in England he said—

The bank is in an unique position in having the whole of the Commonwealth of Australia at its back. It has no capital, nor has it required any, as the people themselves and their country are its security.

The Premier: Where do you get all that?

Mr. MARSHALL: It is contained in a book by Lang, and these are statements from it that I am quoting. Sir Denison Miller knew what actual security his bank had and he used it to the full during the last war. I understand that in London within 24 hours he made available sufficient money by way of credits for the purchase of the entire fleet known as the Commonwealth line of steamers. He financed the wheat-growers and the woolgrowers to the extent of millions. He did much more with his bank which started with no capital, but which had the security of the Commonwealth behind it. Had it not been for the Commonwealth Bank the producers of this country would never have enjoyed the prices they received for their commodities, and the cheap freights they secured.

Hon. C. G. Latham. Did he charge interest on the money he advanced to the producers on account of their wheat and wool?

Mr. MARSHALL: I have already stated that Sir Denison did not depart from the orthodox methods. Where would the money have come from in those instances but for the Commonwealth Bank? Has the hon. member forgotten that every bank in England shut its doors on the 4th August, 1914, every bank with the exception of the branch of the Commonwealth Bank.

Hon. C. G. Latham: And the Bank of England!

Mr. MARSHALL: The Bank of England shut its doors. Not a bank was open except the branch of the Commonwealth Bank, and they remained closed until the Government manufactured £280,000,000 worth of Government notes, and until it passed legislation to prevent claims being made upon the banks for payment in gold. Having saved the banks from bankruptcy and used public credit by way of public-owned notes, the banks set out to exploit every part of the British Empire to the full. I am not blaming the banks, but I do blame the alleged statesmen who prompted this action. Until we fully realise that for many years there has been in existence a group of individuals who never appear in public life or before the public, and that those people have for years past been scheming and planning to obtain complete control of the whole world by virtue of controlling the money of the world, we cannot appreciate the dangers that lie ahead.

There are many intellectual people who, at the suggestion that the Central Reserve Bank of America could hold any influence over the Commonwealth Bank, would merely laugh. But it does—through the Bank of England, which is the Jewish medium of American banking in London. Montague Norman was sent across for the express purpose of taking over that bank and accepting directions for its conduct from the Central Reserve Bank of America. He has never failed to comply with that bank's wishes. Moreover it is on record that a certain Government desiring to adjust certain loan arrangements in America was told that, before it could be granted sufficient credit in America for the purpose, it would have to reduce its unemployment dole by £12,000,000 or more annually.

The Government in question rejected those terms. It stood out against them. It pleaded with Montague Norman, who replied that he had no control in the matter but would cable America. And the whole British Cabinet sat waiting for the reply, which was to the effect that what the British Cabinet desired could not be done. So down came the relief by dole to the extent of £12,000,000. The impudence of those persons is almost unbelievable. A still more remarkable fact, however, is that through the medium of the Press they can create statesmen and put them in control of countries. While those so-called statesmen accept the leadership of the people, they betray the very people who trust them. They give effect, in the main secretly, sometimes openly, to the dictates of high finance.

In confirmation of my statement that all is not well with statesmen and that there is some secret hand controlling the destinies of this country, I desire to make two or three quotations, though I shall not load my speech with many. Still, those quotations need to be placed on record so that there can be no doubt as to what has been going on and is still going on. If what is asserted in these quotations cannot be detected by application to every-day happenings, then I suggest that I have been misled by the writers; but you, Mr. Speaker, and members will see that what was asserted years and years ago is now becoming an accomplished fact. Unless the people wake up speedily, the intriguers and corruptors who have been at work for years will emerge supreme.

It can be confidently stated that I have given some study to this subject and read the authorities upon it, but I wish to reiterate and emphasise that all the writers I have studied are orthodox writers. They are not Socialists nor Labourites, nor are they Communists or Nazis or Fascists. I repeat, they are all orthodox writers on finance. Yet all of them admit that the price level of the entire world and the value of money are today controlled by the Central Reserve Bank of America. Although most of them blame America for what has happened, it must be realised that the position could never have got so far as it has were it not for the fact that we lacked statesmen courageous enough to call a halt.

My first quotation will be from a book by A. N. Field entitled "The Truth about the Slump: What the News Never Tells";

and the quotation is itself a quotation, being a circular, which incidentally may be found in the "Congressional Records" of the United States of America. It was read in Congress about the period of the American Civil War—either immediately prior to that conflict, or shortly after it. The circular is one sent out to the American banking fraternity of that time. The bankers were not then as well organised as they are now, but they have begun their planning, of which we see a great deal today, though not more in America than in the British Empire. It represents a definite effort to bring about complete centralisation of the economic and industrial life of the world. Now, because there is a war on, the planning becomes more effective, since people accept it as necessary. The schemers are getting further ahead, and are not far from completing their job. The circular reads—

Slavery is likely to be abolished by the war power and all chattel slavery abolished. This I and my European friends are in favour of, for slavery is but the owning of labour and carries with it the care of the labourers, while the European plan, led on by England, is that capital shall control labour by controlling wages. The great debt, capitalists will see to it, made out of the war must be used as a means to control the volume of money. To accomplish this, bonds must be used as a banking basis. We are now waiting for the Secretary of the Treasury to make his recommendations to Congress. It will not do to allow the green-back, as it is called (Government paper money), to circulate as money for any length of time, as we cannot control that. But we can control the bonds, and through them the bank issues.

That circular was read out in Congress a long time ago, in 1862. Progress was made, a special meeting of Congress was called to deal with the question, and the bankers succeeded.

Again I quote a circular which appeared in the "Congressional Records." It is dated the 11th March, 1893, and reads as follows:—

The interest of national banks requires immediate financial legislation by Congress. Silver, silver certificates, and Treasury notes must be retired, and national bank notes upon a gold basis made the only money. This will require the authorisation of five hundred millions to one thousand millions of new bonds as the basis of circulation. You will at once retire one-third of your circulation and call in one-half of your loans. Be careful to make a monetary stringency among your patrons, especially among influential business men. Advocate an extra session of Congress to repeal the purchasing clause of the Sherman law, and for

its unconditional repeal per accompanying form. Use personal influence with your Congressmen, and particularly let your wishes be known to your Senators. The future life of national banks as fixed and safe investments depends upon immediate action as there is an increasing sentiment in favour of Government legal tender notes and silver coinage.

The bankers naturally wished to get rid immediately of that form of finance, lest it should become too popular.

Now I desire to make another quotation from matter published immediately after the American Civil War. Probably all members have read the life of Abraham Lincoln and that of his successor President Garfield. Abraham Lincoln set out to force banks back into their proper category, and to establish that the only authority that would control the nation's money would be the Government of the United States, which would reserve to itself the sole right of expanding credit and issuing notes. Obviously, he encountered formidable opposition from the banks; but Lincoln fought the war and while fighting it made the historic statement that he had two enemies, the Southern States armies in front of him and the banks in the rear, and that he feared the banks more than the armies. Abraham Lincoln could not possibly have appreciated the validity of his own statement. He did indeed have great reason to fear the banks, for he was assassinated, as also was his successor Garfield. Let me quote what was printed in the "London Times"—

If that mischievous financial policy which had its origin in the North American Republic, during the late war in that country, should become indurated down to a fixture, then that Government will furnish its own money without cost. It will pay off its debt and be without a debt. It will have all the money necessary to carry on its commerce. It will become prosperous beyond precedent in the history of the civilised government of the world. That Government must be destroyed. . . .

And it was destroyed. Members may cynically smile at my endeavours to enlighten the people concerning what goes on.

Mr. Watts: Who is doing that?

Mr. MARSHALL: The bankers have succeeded to that extent. We do not need a further illustration, or a better illustration, of what they can achieve than we ourselves received in 1930. Stanley M. Bruce, at one time Prime Minister of Australia, paved the way for it.

Then came a striking illustration of the terrific power of international finance. Sir Otto Niemeyer—a Britisher, I should say from his name—and Professor Gregory—Gregory not being his name at all; it was in fact Guggenheim, or some other form of “heim”—I should need some “Zambuk” if I were to pronounce these names correctly—came to Australia and, supported by Giblin and Copland, formulated what was known as the Premiers’ Plan and said to us, “Do this, and prosperity will be yours,” and within three years told us we were confounded fools, that it could not succeed. However, they accomplished their objective. They lowered the standard of living in this country. Their action led to thousands being unemployed and to thousands being faced with misery and degradation. They succeeded in their objective; they robbed the people of something approaching a standard of comfort, and reduced them to the level of coolies. That was what the Premiers’ Plan was intended to do. I am not convinced that those men did not know what they were doing. They did know. They were working under the direction of those interested in the result.

A statement was made recently in which occurred these words: “They are treasonable utterances.” That is to say, those who attacked the present Federal Budget were accused of making treasonable utterances. Because one refuses to accept the principle that taxation must be imposed in order to win the war, one is guilty of making a treasonable utterance. My reply to that statement is that there is no greater traitor to Australia today than the man who referred to treasonable utterances, and I am sorry I am not in the House of Representatives in order that I might make that statement there. An individual who tells us in this enlightened age that we have to pawn our wealth to private pawnbrokers, to banking institutions, and pay interest on what belongs to ourselves, and then put our hands in our pockets and pay the robber compensation for having robbed us, himself is guilty of treasonable utterances.

Mr. Stubbs: What do you suggest as an alternative?

Mr. MARSHALL: The Commonwealth Bank alone should do it. It should be the only bank functioning in this direction. Now

that the hon. member has reminded me let me quote from Professor Soddy’s book, “Wealth, Virtual Wealth and Debt.” Professor Soddy is not a socialist nor a Communist; he is not even a Labourite; but let me quote for the benefit of the hon. member what Professor Soddy says about this subject; who he thinks should control the issue of the nation’s money, whether it should be the private banks or—in our case—the Commonwealth Bank. At page 296 of the book is to be found the following:—

The banks have usurped the prerogative of the Crown with regard to the issue of money and corrupted the purpose of money from that of an exchange medium to that of an interest-bearing debt, but the real evil is that we have now a concertina instead of a currency. These powers have fallen to them in consequence of the invention and development of the cheque system, unforeseen before it became an established fact. It has been connived at by politicians of all parties, who have betrayed the people and without their knowledge or consent have abdicated the most important function of government and ceased to be de facto rulers of the nation. The issue and withdrawal of money should be restored to the nation for the general good and should entirely cease from providing a source of livelihood to private corporations. Money should not bear interest because of its existence, but only when genuinely lent by an owner who gives it up to the borrower.

And the banks do not do that!

Mr. Stubbs: I agree with you.

Mr. MARSHALL: The hon. member is not agreeing with me but with Professor Soddy, whose works, I understand, are accepted as standards. He points out quite clearly, quite distinctly and quite ably that the banks control the nation. He also points out that where credit expansion takes place, where there is no money exchanged—and that is in the case of credit expansion—there should be no interest-bearing debt attached; that it should be the Government’s job to do that, and up to a few years ago that was the case.

Mr. Stubbs: Quite true!

Mr. MARSHALL: But these people have stealthily crept in by means of the cheque system, as has been pointed out, and have obtained complete control of the nation’s money, complete, undeniable and unchallengeable control. Yet we pretend to the people that we, because we form a Parliament elected by them, control the destinies of the nation! We do nothing of the kind! I believe it was Rothschild—another fine

Britisher!—who once said, "Let me control the money of a nation and I care not who makes its laws."

Where has this principle of pawning the nation's credit to private Shylocks led us? Only a day or two ago the Premier of this State referred to the revenue and expenditure of Western Australia. He elaborated upon most of the important and vital points of his Budget, but he passed over rather quickly the amount it is costing us to service our debt. As a matter of fact, he said it was £3,542,000—I think that was approximately the amount he mentioned. That is not altogether correct. That is the direct interest payment on given loans only. Over half a million pounds is paid in exchange on our interest payments abroad. There are several items under other headings in respect of which interest comes into the picture. There is a sum of about £25,000 for money borrowed for wire netting purposes, and I cannot find any trace of the half a million pounds borrowed by way of a special loan for the additional unit for the East Perth power house. I assume that it is swallowed up in one of the other loans. However, I do not wish to digress; I shall have an opportunity to deal with that matter later on.

What I desire to ask now is: Where is our stupid method of financing this nation taking us? We hear a good deal about our vigorous war effort, yet every turn, every move, every item, every article, everything that is required in the development of a vigorous war effort is delayed for the want of money! We are stodgy, inactive, and yet we talk about a vigorous war effort!

Hon. C. G. Latham: I think that is rather an exaggeration, now.

Mr. MARSHALL: After two years?

Hon. C. G. Latham: Yes.

Mr. MARSHALL: Does the Leader of the Opposition suggest that in this State alone every available bit of labour and machinery is being utilised to the full?

Hon. C. G. Latham: It is, as far as it is possible to obtain the machinery required.

Mr. MARSHALL: I passed on to the Premier letters indicating where lathes and other machinery that could be utilised are lying idle.

Hon. C. G. Latham: I would like to know where they are.

Mr. MARSHALL: Let the Leader of the Opposition understand that I am not attempting to exaggerate the position! In New South Wales when I was there six weeks ago there were 20,000 registered employables unemployed.

Hon. C. G. Latham: That is quite possible.

Mr. MARSHALL: Why are they not employed?

Hon. C. G. Latham: Probably because they are inefficient.

Mr. MARSHALL: The fact of the matter is that no money is available to employ them. I have friends whom you, Mr. Speaker, met, and who are employed in an engineering works, capable of doing a good deal towards assisting the war effort, but it is difficult for full-time employment to be maintained in that establishment.

Hon. C. G. Latham: As a matter of fact, you are aware that almost every factory over there is paying overtime.

Mr. MARSHALL: I put it frankly to the Leader of the Opposition: Can we talk about a vigorous war effort when, after two years, we find that there are 20,000 employables unemployed in New South Wales and probably half that number again not registered. I know factories that could work the round of the clock but are unable to do so. At the one where my relatives are engaged it is a problem to keep the men fully occupied. That is what our vigorous war effort amounts to!

Hon. C. G. Latham: When I was over there most of the establishments were working overtime.

Mr. MARSHALL: A few are doing so.

Hon. C. G. Latham: Not a few; a great many!

Mr. MARSHALL: There are not a great many. As a matter of fact, the hon. member—

Hon. C. G. Latham: Some of the strikes were caused because of overtime.

Mr. MARSHALL: The hon. member must have seen reference in the newspaper to the fact that one factory, with £70,000 worth of machinery, had not turned a wheel preceding his visit. There was a deputation to the responsible Minister concerning the matter. Let us not be humbugged like that! We are carrying on the affairs of the State Parliament only by virtue of sacrificing our

assets. That is undeniable. With possibly one or two exceptions there is not a State asset that is not deplorably neglected.

Let members take a walk down St. George's-terrace, one of Perth's most beautiful streets, and have a look at the fence round Government Gardens. Let them stroll into the adjacent buildings. The architecture is admittedly rather attractive but the edifice is badly in need of a coat of paint. I suggest that members have a look at the railway stations.

Mr. Withers: Do not mention that!

Mr. MARSHALL: Some of them are in a damnable state of disrepair.

Mr. Stubbs: My word!

Mr. MARSHALL: Some have never had a coat of paint for years. I have said nothing so far about the deplorable state of the mechanical side of the railways.

Mr. Styants: Do not mention the rolling stock!

Mr. MARSHALL: In some places one can hear the brasses knocking for miles. I have heard them approaching Cue from a distance of four miles.

The Premier: That is on account of the lateral play.

Mr. MARSHALL: The lateral play has nothing to do with it in this instance.

The Premier: How does the train pass round curves?

Mr. MARSHALL: By using lateral play; but that does not account for the mechanical knock.

The Premier: I know something about the subject.

Mr. MARSHALL: I know something about it, too. I know all about big ends and driving shafts. I have had personal experience and I know that when an engine is in a decent state of repair, there is lateral play regulating every turn but that is not that terrific knock—

Mr. Styants: A knock like a 10-head battery!

Mr. MARSHALL: That is so. It is useless for the Premier to try to put that suggestion forward. I have had a long mechanical experience and have driven engines in a bad state of repair. I know what knocks are. I know the knock that indicates disrepair and the knock that indicates a little latitude allowed in order to make a turn on a curve. Take the question of coaches. With the exception of a few lately installed, just think of them!

Some have been in running for over 30 years. They are obsolete, crude and unattractive, to say the least of them. Let members consider the state of our schools. How many schools have we; and how many more do we require but are not forthcoming?

The Premier: Very few!

Mr. MARSHALL: That is not so.

The Premier: Why is it necessary to libel the State in order to make out a good case for your motion?

Mr. MARSHALL: It is not a question of libel at all. I shall speak when the Education Estimates are before us for consideration. One of the most damnable institutions I have ever looked at is the State school at Meekatharra.

Mr. Seward: I can beat that.

Mr. MARSHALL: It amounts to positive impudence on the part of the Education Department to suggest that parents should send clean and tidy children to such a deplorable school.

Mr. Styants: The Bunbury school is said to be pretty bad.

Mr. MARSHALL: I do not know anything about Bunbury.

Mr. Stubbs: You had better come over on the Opposition side!

Mr. MARSHALL: If the member for Wagin (Mr. Stubbs) were sitting on the Government side of the House, he could not do any more. He would not be in a position to control the finances of the State and, in fact, I think if he were on this side of the House the position would be a damned sight worse.

Mr. J. H. Smith: That is only foolish talk.

Hon. C. G. Latham: Is swearing allowed in the House, Mr. Speaker?

Mr. MARSHALL: I will quote another instance—the school at Tuekanarra. The building is portion of a hotel that was erected 50 years ago.

Mr. Wilson: What is the matter with the member for the district?

Mr. MARSHALL: The small portion of the hotel that remains—the skillion roofed part—is used as a school. Every time there is a willy-willy in the offing, or the wind blows with a little more than the customary violence, the teacher takes the children outside so as not to run any risk of the building collapsing. I tell the Premier candidly

that he is carrying on the government of the State by the expedient of sacrificing its assets. If he were obliged to raise the money necessary to provide the people with all they are justly entitled to, his position would be utterly impossible.

Consider the requirements for water supplies! Look at the water supply at Cue! If the Premier were under an obligation to give effect to the wishes of the people and place the State assets in a decent state of repair and provide others where necessary, millions of pounds would be required. He could not possibly secure the funds. Why not? The Premier will merely go along to the Loan Council cap in hand and practically beg for funds. There is no fight in him.

The Premier: That is not so.

Mr. MARSHALL: Of course there is no fight in him.

The Premier: You should go to the East yourself: you would find they had a comeback!

Mr. MARSHALL: That would be no good to me. I would be better pleased to see the Prime Minister and Federal Treasurer, Mr. Fadden, sitting at the opposite side of the table. I always have a comeback. I have never shirked that responsibility, and Mr. Fadden does not frighten me in the slightest. I know that justice is on my side: I know he is wrong, and he knows it.

Hon. C. G. Latham: You are right, and you know it!

Mr. MARSHALL: This is the man who takes his high salary out of the pockets of the taxpayers in return for what he regards as correct leadership!

Mr. Stubbs: Here we have the candid critic.

Mr. Styants: The caustic critic.

Mr. MARSHALL: I do not know about that; I am conscientiously of the opinion that my statement is true—I care not who else may believe what I say. I will stand by my expressed opinion. Others may have the protection of a capitalistic Press which can publish its articles, creating little bogeys and Aunt Sallies that it can knock down at its pleasure. All that I say is plain for anyone to see if he but gives a few hours' thought to the subject. Where are we getting to?

Mr. Raphael: I'll be the mug!

Mr. MARSHALL: The lengthening shadows of orthodox finance are—interest charges. That means taxation—taxation—always taxation. No matter where we may look, taxation confronts us. Those having the authority to alter all this send the highway robber into the homes of the people. He sits at their tables, enters their wardrobes, and makes his choice from their jewellery boxes.

There is taxation on everything we drink or wear; there is nothing but taxation everywhere. It may be all right for members who sit in this Chamber and enjoy some degree of luxury and comfort, but let me warn them that if a change does not come quickly the expression on the faces of some of them will alter appreciably for current conditions cannot be maintained much longer.

Mr. Stubbs: It will not worry me.

Mr. MARSHALL: Present conditions cannot continue much longer without the bread and butter of members being affected as already has been the experience of others in lowlier circumstances. Miners have had to pay from £40 to £60 in taxation. Business people are faced with the necessity, practically speaking, of mortgaging their properties in order to pay taxes. We have reached that confounded state by virtue of the complacent hypocrisy of Governments that lead the people to believe that they rule, rather than high finance. I shall give members some indication of exactly how taxation has increased, but before I quote some figures I desire to reply to a statement made by the Prime Minister, Mr. Fadden, respecting the compulsory loan. The other day Mr. Fadden issued a statement to the effect that the loan would be repaid after the war.

Mr. Raphael: Which war?

Mr. MARSHALL: We may assume that he meant the present war. Why is Mr. Fadden imposing the compulsory loan upon the people? If he does not propose to use the money but to hoard it until the war is ended, why impose the compulsory loan? The impost is based on the plea that money is required for war expenditure. If Mr. Fadden is to spend the money, at the end of the war he will have none left. If that is so, how will the Federal Treasurer repay the compulsory loans? The Prime Minister will have an empty treasury. Where will the money be obtained?

Mr. Withers: From the same source.

Mr. MARSHALL: Presumably the Prime Minister, in his capacity as Federal Treasurer, may say to me, "You paid in £100 to the compulsory loan for the war period and we will now repay it by imposing further taxation on you. If you take the money out of one pocket and give it to me, I will pay it back to you so that you can put it into the other pocket."

Mr. Hughes: You must have a decent income!

Mr. MARSHALL: I am not arguing about that. The Prime Minister will have to adopt the course I have suggested, or he may follow the suggestion of Mr. Keynes to its logical conclusion and impose a capital levy so that he may secure the funds from that source. Should he adopt that expedient what will happen? The war being over, all Governments will be hard-pressed to raise the necessary funds with which to repatriate soldiers and others and enable them to return to civilian life. All that would follow the imposing of a capital levy would be that ready cash and banking accounts would be reduced to a minimum. Those having assets would be forced to mortgage them to the banks in order to pay the levy. That is what the banks desire: it will give them complete control. The banks will have the title deeds of the people's assets, and everyone will be enslaved. Mr. Fadden talks about repaying! He can only repay by extracting more taxation from the people. It is sheer hypocrisy to say that he will repay.

Mr. Cross: There will be a wonderful change in the national debt structure after the war.

Mr. MARSHALL: Let us consider taxation. Today I read an article by two professors of the Adelaide University in which they claim that at the end of the present war taxation will show a tendency to decline. Did taxation decline after the last war? Of course not! On the contrary, it rapidly increased and has continued to increase ever since. True, Governments here and there agreed to small reductions. That happened in Western Australia. The Government did away with the 25 per cent. super tax but within a few years imposed a financial emergency tax. That is how taxation has been reduced! It is all rubbish to say that we can carry the colossal burden of debt under the orthodox system

of banking, and still reduce taxation. There must be big changes in the nation's financial arrangements before any tax reduction can be effected. In 1902 throughout the Commonwealth taxation collected totalled £11,500,000, an average of £3 0s. 3d. per head. In 1937 tax collections had increased to £108,300,000, or a jump from £3 0s. 3d. per head to £15 18s. 4d. per head.

Mr. North: Was that State and Federal tax combined?

Mr. MARSHALL: Yes. In 1937 the national debt stood at £1,400,000,000 and from 1901 to 1937 we paid interest totalling £1,090,000,000 and we have rapidly added to the national indebtedness each year. Let me give later figures to show that taxation has increased. In 1914 taxation collections in the Commonwealth amounted to £23,061,000 and by 1940 the amount had risen to £144,397,000. In other words, there was an increase during the 26 years of 526 per cent. If we take those figures on a per capita basis, in 1914 the amount was £4 14s. 4d. and by 1940 it had increased to £20 12s. I have not the figures for 1941. Thus we are going along in grand style. Now many millions must be added to this debt, heavy and all as it is, under the present system, while the Commonwealth Bank stands there able to act, but allowing this tragedy to be imposed upon the community.

Many people really believe that a vigorous war effort is being maintained throughout the British Empire, and so I have endeavoured to get some figures on that aspect. I have a quotation from the "Economist" dated the 21st June, 1941. I hope the Leader of the Opposition will digest this also, because it affords a good indication of how money restricts a vigorous war effort. The British Empire, after depending upon American promises of help for two years, is now beginning to realise that it must do something for itself. I see the secret hand of high finance at work there. Though the American people may be ever so sympathetic towards the British people, they have no more control over their Government than we have over ours. The people of the United States elect members just as do the people of the Commonwealth, not to give them what they want, but to give them that which they do not want. The

extract from the "Economist," which gives a good idea of what is happening in England, reads—

Inclusive of relief workers, the number of unemployed at the end of March last year was 8,500,000. During the 12 months ended March, 1941, the number of employable persons has increased by about 500,000; the fighting services have absorbed 885,000; while employment in civil occupation, other than agriculture, has increased by about 2,365,000. The number of unemployed at the end of last March—the latest figures available—was therefore about 5,750,000. This total includes the 1,767,000 W.P.A. workers, of which 70 per cent. are engaged in urgent Government work, such as construction of aerodromes and roads. In view of the short month worked by W.P.A., it is estimated that some 750,000 persons, on full time, could carry out their present tasks. On this assumption, the number of unemployed may be put at 5,000,000 rather than at 4,000,000.

That is the position in England today and we are waiting for America to save us. After two years of war and in a highly mechanised country like England there are still 5,000,000 unemployed. Yet we are told there is a vigorous war effort. There never can be a vigorous war effort until we get some alteration in the monetary policy. Recent debates in the House of Commons have been enlightening and most encouraging. People are beginning to realise what is happening. They are beginning to realise that they have been sold by the very people who re-armed Germany and made her the brutal and ferocious enemy she is today. England is being held back to equalise matters, and so with the equalisation we shall become exhausted and America will rule supreme. In saying this I do not mean the American people will rule supreme; I mean the Central Reserve Bank of America. That is the direction in which we are being driven.

I can appreciate almost every move. We got from America 50 obsolete destroyers and we are giving away important positions which America is fortifying and converting into naval bases so that she will soon encircle us. It is now on record that the war material supplied by America has been paid for in cash by virtue of the securities held by private individuals in America. The Lend and Lease Act has as yet had no tangible effect; we have paid for everything we have received. For the 50 obsolete destroyers, we have given away our heritage. America is arming to the teeth and building a colossal navy. She did not do that during the 1914-18 war, and I feel very sceptical

about her intentions on this occasion. Again I refer not to the people of America, but to the secret hand—

Mr. SPEAKER: Order! I think the hon. member is getting away from the motion in discussing the American attitude to the war and American armament.

Mr. MARSHALL: I agree that I may be. I was speaking about a vigorous war effort. We were told that Hitler had to strike hard and quickly, and that if he did not do so within 12 or 18 months, he would be defeated and Germany would be a conquered nation. Let me give another quotation, this one from the "London Times," to show how vigorous is the war effort in both countries. Germany was insolvent when she started the war; Britain was positively solvent. The extract says—

Our financial and economic authorities have been staggered by the miraculous feat of Nazi finance. The achievement has been so surprising that for a long time outside critics were inclined to regard it as an optical illusion. So far, Germany seems to have had no serious difficulty in financing the war. Nothing is ever heard of the necessity for increasing taxation, compulsory saving, or the issue of enormous war loans. Quite the contrary. Recently one important tax was abolished. Hitler seems to have discovered the secret of making something out of nothing, and to have evolved a system based on perpetual motion. These changes may well call for drastic readjustments in our established conventions. In military matters the French General Staff enjoyed up to a few months ago a prestige similar to that of our own authorities in finance and business. A hidebound persistence in methods and doctrines which were sound fifty years ago may easily prove as costly in the financial and economic field as in the field of actual war. It might not lose the war; it would almost certainly lose the peace. We should study the Nazis' achievements prepared to adopt whatever may be useful in them.

What is the secret of Hitler's success? During the period in which Germany spent £5,500,000,000 in equipping armies to defeat the democracies, Britain could manage only £3,000,000,000. We are told that we are out to win the war. Yet we have this huge expenditure by a formidable enemy who was armed by the same individuals as those who restricted Britain to an expenditure of £3,000,000,000.

When speaking on the Address-in-reply, I was challenged by the member for West Perth (Mr. McDonald) to give some indication of the then Prime Minister's holdings in financial institutions in the Eastern

States. Seeing that he has been removed from the position of Prime Minister, I do not propose to give them, but I have them.

What I am particularly concerned about is the burden of taxation on the people, against which I shall continue to enter my emphatic protest. I do not care whether it is John Curtin or anyone else who is Prime Minister of the Commonwealth; if he fails to utilise the Commonwealth Bank in the correct though it may be unorthodox way for the welfare of the people, he will have my opposition. Everywhere we look we are confronted with taxes. I am heartily sick of them.

Members: Hear, hear!

Mr. Raphael: You have our support.

Mr. MARSHALL: I have not received much support. But for the terrific burden of taxation that has rapidly descended upon us, the hon. member might never have awakened. There is a saying, however, that when the stomach is pinched, mentality commences to function. I do not wish it to be said that I am making rash assertions because the Commonwealth Government is anti-Labour. I have already said in this House that Mr. Scullin and Mr. Theodore made one of the greatest mistakes ever committed by a Labour Government. Rather than go to the electors, Mr. Scullin put the bankers' policy into operation. I do not withdraw any of the remarks I made on that occasion. It is high time something was done in the matter, and I refuse to sit idly by and allow taxation to be piled up without voicing an emphatic protest.

I want the Premier to make another effort by approaching the Commonwealth Government. I remind him that the votes are now more equal than they were at the last meeting of the Loan Council. We are still outvoted by one. I understood that the votes were even, but on looking up the financial agreement I found that the chairman had a casting vote as well as two deliberative votes, making three in all for the Federal Government in the event of a tie occurring. So we are outvoted by one. I am delighted to find that the Labour Party of New South Wales is awakening to the position and is moving in the matter. Throughout Australia and indeed throughout the Empire people are beginning more fully to realise the despicable action of permitting private institutions to take complete control of the destinies of the people by utilis-

ing that which belongs to the people and issuing it to the people as a debt against the people. Something that was said 100 years ago applies just as aptly now as it did then. I shall quote from the "Manchester Guardian" of the 18th December, 1839.

Hon. C. G. Latham: You have a reprint.

Mr. MARSHALL: This is the extract—

The Board will add a reflection upon the subject of undue privileges possessed by the Bank of England. That such a power over property and, as has been seen, the health, morals and very lives of the community should be vested in the hands of 26 irresponsible individuals for the exclusive benefit of the body of bank proprietors, must be regarded as one of the most singular anomalies of the present day.

That the secrets of these individuals, veiled as they are, even from the eyes of their own constituents, should decide the fortunes of our capitalists, and the fate of our artisans—that upon the error or wisdom of their judgment should depend the happiness or misery of millions and that against the most capricious exercise of this power there should be neither appeal nor remedy; that such a state of things should be allowed to exist, must be regarded as a reproach to the intelligence of the age and totally irreconcilable with every principle of public justice.

I make a final appeal to members. It is no use the Leader of the Opposition talking about the rehabilitation of the farmer, nor is it any use my asking the Premier to provide further school facilities for my electorate; it is no use for any member to make an appeal because there is no money available. Until we give up grasping for the shadow and take hold of the substance, things will remain not only as they are, but become worse.

Talk about the rehabilitation of the farmer! That poor individual has been misled. He believes he can be rehabilitated by the State Government, which has not a solitary shilling available for the purpose. But the Government which can help the farmer and make him debt-free will not take the necessary action. Members must realise that every shilling taken out of the pockets of the people either by means of compulsory loans or taxation must ultimately be recovered in the price of goods. Therefore inflation must ensue and prices of goods inevitably rise. We can only recover money to pay taxation through the productive capacity of the nation.

I shall now quote some figures showing the prices of goods, when England had no debt, in the thirteenth century, and compare

them with the prices prevailing in the twentieth century, when England's debt was £8,000,000,000. That was the figure at the time the article was written, but the debt is considerably greater now. The figures are astounding. Members must not forget that taxation must be added to the price of goods. To assert that Mr. Fadden, Mr. Menzies, Mr. Marshall or anybody else can, by collecting taxes, prevent inflation, is a positive error.

Mr. Stubbs: Your statement is like a dog chasing its tail; you will never get anywhere.

Mr. MARSHALL: I am not going to argue with the member for Wagin (Mr. Stubbs), because while I might give him information I cannot expect him to have the intelligence to understand it.

Mr. SPEAKER: Order!

Mr. MARSHALL: The following are the prices for the thirteenth century:—

Meat: ½d. per lb.
Fat goose: 2d.
Beer: 1d. per gallon.

That may interest many people.

Shoes: 4d. per pair.
Holidays: 152 a year.
Week: Four days.
Productive power: Man and horse.
Man's achievement: Cathedrals, Guildhalls, Art, Literature.

For the twentieth century the prices are as follows:—

Meat: 2s. per lb.
Fat goose: 8s. 6d.
Beer: 5s. 4d. a gallon.
Shoes: 12s. 6d. a pair.
Holidays: 56 a year.
Week: 6½ days.

Productive power: Steam, electricity, petrol (about a million times greater than the thirteenth century).

Man's achievement: Slums, crowded hospitals, distressed areas, public assistance committees.

That is the position into which we have drifted, simply because we have not kept control of our own money and credit. I may be severe in my criticism, but we have drifted into a deplorable condition, what with our farmers walking off their holdings and our women being asked to bear children who will subsequently be killed on foreign battlefields! No wonder our population is falling. It is such facts that make me speak in this strain. The times are serious and the immediate future presents nothing but tragedy. It is no use our talking of free-

dom, liberty and democracy if this form of taxation is to continue, because we shall never enjoy economic freedom. I hope the Premier will do his best to force the Federal authority to utilise the Commonwealth Bank and national credit in the way I have indicated, as we then might attain to higher things and, instead of degradation, poverty and ultimate economic serfdom, we shall have glorious achievements.

On motion by Mr. J. H. Smith, debate adjourned.

BILL—MUNICIPAL CORPORATIONS ACT AMENDMENT.

Returned from the Council without amendment.

BILL—AGRICULTURAL BANK ACT AMENDMENT.

Second Reading.

MR. BOYLE (Avon) [6.12] in moving the second reading said: This Bill proposes to insert in the parent Act a new section, namely, Section 51A. Settlers indebted to the Agricultural Bank are subject to the provisions of the Agricultural Bank Act, 1934. The settlers who will be affected by the Bill are as follows:—

Sheep-farmers only	450
Wheat-farmers only	556
Wheat and sheep-farmers	3,386
	<hr/>
	4,392

These are all clients of the Agricultural Bank. There are about 7,600 holdings in production mortgaged to the Agricultural Bank. This Bill is really a complementary Bill to the Growers Charge Act, which was passed last session and which affects farmers whose holdings are not mortgaged to the Agricultural Bank. The Bill is necessary in order to give Agricultural Bank clients the benefits enjoyed by farmers who can avail themselves of the Growers Charge Act. The Agricultural Bank Act passed in 1934 has not yet been amended; this is a tribute to the infallibility of the Government, which has resisted any attempt to ameliorate the lot of the farmers under the control of the bank. The Opposition has on several occasions introduced amending Bills, but these, including that of the mem-

ber for Greenough (Mr. Patrick) were defeated. I had no intention, nor have I any intention, to make wholesale amendments to the Act, but I point out that Section 51 of the parent Act bears oppressively on a great section of the farming community. There is precedent for the Bill. I refer to New South Wales legislation and to the recommendations of the Dickson Commission.

Sitting suspended from 6.15 till 7.30 p.m.

Mr. BOYLE: Before tea I was referring to the fact that this amending Bill has a precedent. In order that members may understand exactly what the Bill means, I point out that it is an attempt to provide a percentage of the proceeds of the farmers for their own personal needs. The sustenance allowance from the Agricultural Bank is not a gift to farmers but is an advance under the Industries Assistance Act. What I propose is that a straight-out percentage of the proceeds of the crop shall go to the farmer as a legal right. Already that is an inherent right, but, according to the section of the Act I wish to amend, the right is not a legal one. I propose that the farmer shall retain out of the proceeds of his wheat and oat crops, and wool or wool-clips, in each year for the purpose of clothing and paying medical expenses for himself and his family, and otherwise for his personal use and benefit, an amount equal to 10 per cent. of so much of the gross proceeds of the marketing of the wheat and oat crops and wool or wool-clips as does not exceed £500, 5 per cent. of so much of the proceeds as exceeds £500 but does not exceed £1,000, and 2½ per cent. of the balance of such proceeds.

Such right of retainer is subject to provisos which are similar in character to those contained in the Growers' Charge Act now on the statute-book. I lay down that the Commissioners shall receive the amount of interest payable by the borrower for one year. That comes in under Section 51 of the Act. I also lay down that it shall be within the rights of the Commissioners to receive each year the amount (if any) advanced by them under the provisions of the Industries Assistance Act to enable the borrower to grow and harvest the crops, shear the sheep, and market the wool or wool-clips of the borrower for that year (including therein the amount advanced to the borrower

in that year for sustenance) together with interest thereon at the current rate. There is provision for adjusting the pro rata payment according to the new commercial attitude in regard to pools. We know that under the National Security Regulations dealing with wheat and wool, payments are made by instalments to the farmers throughout the period. My Bill provides for that. I referred to a precedent in Australia for this action. The Dickson Royal Commission sat in this State in 1931 to deal with the disabilities of farmers. That was the first Royal Commission during the depression period to sit in Western Australia. It had opportunities then to examine the debt structure, and to provide corrections therefor. I assure the House that I do not regard this amending Bill as anything more than an amelioration. We shall never get down to solid ground until we alter completely the financial structure in regard to the agricultural industry generally.

The Dickson Commission recommended firstly that all costs, charges and out-of-pocket expenses incidental to the preparation and registration of securities, and expenses, if any, incurred during the period of control, should be allowed for. Secondly, it recommended that 5 per cent. of the gross proceeds of the farm should be allotted for the personal use of the farmer, and that he shall also collect any bonus on wheat granted by the State or the Federal Governments. I place supplies for the year under the Industries Assistance Act before a recommendation of that sort, but the Royal Commissioners in 1931 placed third the debts for approved current supplies, services and advances necessary in connection with the ensuing crop or wool-clip or stock. They placed one year's mortgage interest and one year's land rents, etc., in fourth place. I do not wish to deprive the bank of its one year's interest. That comes first in my Bill. Provision for putting in the crop comes second, and thirdly I provide for the farmer's own personal use the percentage deduction proposed.

Mr. Marshall: Will that apply only to Agricultural Bank clients?

Mr. BOYLE: The Growers Charge Act applies to others than clients of the Agricultural Bank, and those working conjointly with that institution.

Mr. Marshall: Have they the same concessions under the Growers Charge Act.

Mr. BOYLE: That had to be worked differently. I proposed in that legislation 4d. a bushel on wheat and oats and 3s. per acre up to a limit of 500 acres, and 1s. per acre over that. On 500 acres the amount would be £75, and for 600 acres it would be another £5, making a total of £80 for that purpose. It was not convenient to include that in this Bill. Under section 51 of the Act, the Agricultural Bank has control of the whole of the proceeds of the farmer. In New South Wales in 1932 the Government brought down what is known as the Farmers' Relief Act, which made provision for 7½ per cent. of the gross proceeds of the farm to be paid for the personal use of the farmer, not for sustenance, but for clothing, medical expenses, life insurance policies, etc. Under the operations of that Act there are today nearly 5,000 farmers. I find that a great deal of the friction and unhappiness that had been engendered between the borrower and the lender has to a large extent been removed by that legislation.

The Minister for Justice: What are the prior payments?

Mr. BOYLE: I will tell the Minister. Under the New South Wales Act, a 7½ per cent. deduction was allowed for under the 1932 Act, but that was amended in 1934 to read as follows:—

(b) secondly, in payment to the farmer for the purpose of clothing and paying the medical expenses of himself and family and otherwise for his personal use and benefit an amount equal to 10 per cent. of so much of the gross proceeds of the marketing of the produce of the farm grown in the season or other income of the farmer as does not exceed £500, 5 per centum of so much of such proceeds or income as exceeds £500, 5 per centum of so much of such proceeds or income as exceeds £500 but does not exceed £1,000, and 2½ per centum of the balance of such proceeds or income.

My attempt to bring in similar legislation is based on the fact that the Agricultural Bank farmer today under the rate of sustenance allowance paid to him receives £4 per month in the case of a single man, and £6 per month in the case of a married man, with 10s. per month per child under the age of 16, and a limit of £9 10s. per month. It is obvious that that is what would be called only a bread-and-butter allowance.

Mr. Warner: And barely that.

Mr. F. C. L. Smith: Will this Bill cut out that sustenance?

Mr. BOYLE: The Bill will provide for something in addition to sustenance. It provides for the personal needs of the farmer, such as clothing, medical expenses, etc. Surely the hon. member does not suggest that, if the Bill becomes an Act, the Government will cut out the sustenance being paid to the farmer and substitute these provisions for it!

Mr. F. C. L. Smith: I thought you were making the substitution yourself.

Mr. BOYLE: Sustenance is not a gift to the farmer, but merely an advance under the Industries Assistance Act. That sustenance is afforded under an Act of 1915, an obsolete piece of legislation that is renewed in Parliament every year. I can promise the House that I will oppose its renewal this year by every means in my power.

Mr. F. C. L. Smith: No threats!

Mr. BOYLE: The Act is out of date. It is being misused today, though I do not say it is being illegally used. It is being used for a purpose for which it was not originally intended. Let me instance life policies. Hundreds of those policies have been surrendered by farmers. They began by making provision for themselves, their wives and their families. Farmers have no superannuation fund and they have no means of protecting themselves in that respect. Throughout the farming areas policies have lapsed by the hundred. This Bill will give the farmers a chance to get a little for themselves as a right. It is not long ago that the church took 10 per cent. from the farmers in the Old Country in the form of tithes. Battles have been fought in and out of Parliament, for the disestablishment of the Church in Wales and Ireland, where farmers irrespective of the religion to which they belonged had to pay in tithes 10 per cent. of their gross proceeds. I wish to reverse that.

It is extraordinary that I should have to stand here and appeal to Parliament to give the farmer something on which to live, to give him 10 per cent. of his own proceeds to enable him to enjoy some of the things of life, to clothe himself, provide for medical and dental attention, for the payment of insurance policies and for a few shillings to spend. In a bad, or even a normal, year what has the married

farmer got? At this stage I ask the Minister whether it is intended this year that the Federal drought relief shall be refunded in one year. If so, it makes a Bill of this type all the more necessary. It will be a big year this year. We will have a record year. Is it going to benefit the producers? Is it even going to provide them with a holiday? I can assure members—and the Federal Royal Commission stresses this fact—that there are families who have never had a holiday; there are farmers and their families in Western Australia, and especially their youngsters, who have not at the ages of 10, 12 or 15 years, seen the sea. I have people of that description in my own district.

Another important matter in this measure is the provision for the ordinary maternity needs of farmers' wives. The Agricultural Bank allowance makes no provision for their natural functions. This measure, I hope, will provide about £60 or £70 for the farmer, which no one else can touch.

The Minister for Justice: That is after these prior payments have been made.

Mr. BOYLE: Yes. I would very much like to have made this a first charge. I do not intend, however, to put upon the Speaker the necessity of ruling the Bill out of order. It would palpably be out of order according to our Constitution if I were to interfere with the revenue of this State embodied in one year's interest, from the return of that year's cropping, to the Industries Assistance Board. This amendment should be a first charge, but I have to conform to usage and Standing Orders. I do that very unwillingly. This provision is not new, or original by any means. It is a humanitarian attempt to bring the farmers of this State into line with those of the Eastern States. It brings this State, nine years later, in line with the provisions made in the New South Wales Act. There has been a change of Government in New South Wales. The cut was first introduced by the Lang Labour Government in 1932, and enlarged by the Mair-Bruce Government which came after.

Mr. Marshall: Where does Stevens come in?

Mr. BOYLE: I conclude in the interregnum after the Lang Government went out! It is not a measure which belonged to any one Government. It was the realisation of the justice that would be done in allowing the

farmer certain of his proceeds as a legal as well as a moral right. I move:—

That the Bill be read a second time.

On motion by the Minister for Lands, debate adjourned.

MOTION—EDUCATION.

School Bus Service Insurance.

Debate resumed from the 24th September on the following motion by Mr. Seward (Pingelly):—

That this House expresses its dissatisfaction at conditions existing where children are conveyed to school by motor bus, particularly in regard to—

(a) type of vehicle used; (b) conditions of insurance effected by the drivers of such buses; and asks the Government to, 1, take such steps as will insure an improved type of vehicle being used, and, 2, compel the drivers of these buses to be the holders of comprehensive insurance policies.

THE MINISTER FOR THE NORTH-WEST (Hon. A. A. M. Coverley—Kimberley) [7.50]:

This motion is a censure on the Education Department. I trust the House will give very serious consideration before passing its verdict on the points raised by the mover of the motion and other speakers. The present arrangement is a distinct advantage to the country children and their parents. Under it a motor bus system has been inaugurated, bringing about a centralised method of education for country children. Country children thus receive a higher standard of education than under the old system, where a small country school might consist of 10 or 12 pupils, or even less. With a centralised organisation many more children attend schools which are more advanced and have more teachers.

The whole advantage is with the country children. Further, it is common knowledge to those who know anything of country districts that many more country towns are clamouring for the Education Department to inaugurate this particular system in their areas. What is more, this better system of education is not costing the country people any more. The collection of the children under the bus system and the carrying of them to school is a burden borne by the Education Department. The parents of the children are not asked or expected to assist financially.

Mr. Watts: Would the department establish a bus service unless it saved money?

The MINISTER FOR THE NORTH-WEST: The department considers every aspect. Where it can it saves money, and if it did not do so the hon. member would be the first to criticise the uneconomical way the department functioned. It will definitely inaugurate new systems where it can effect savings to itself and the taxpayers of this State.

Mr. Withers: Sometimes it has to carry out its work without effecting a saving.

The MINISTER FOR THE NORTH-WEST: That is not the only consideration. Nobody will challenge the statement that this centralised system is an advantage to the country children.

Two points, particularly, have been raised by previous speakers: First of all, the types of buses in operation; and, secondly, the manner in which the children are covered by insurance. I will deal first with the types of buses. The department is not wholly guilty or responsible for the type or condition of the buses in operation. The majority of these buses are in operation in country districts. Contracts are made for a certain district after being let by tender. It is natural that some person in the district should be the successful tenderer.

Mr. McLarty: Not always!

The MINISTER FOR THE NORTH-WEST: Probably not always but it is usually the case. The vast majority of contractors are local people. When a contract is let the department looks to the local traffic inspector to inspect the bus and report on it. On each and every occasion when a bus has to be registered it has to be registered in a country district under the supervision of the local traffic inspector. In 99 cases out of a hundred the local traffic inspector is also the secretary of the road board and the secretary of the local health authority. He holds dual positions from which he can condemn these buses. The department asks for, and does receive, a quarterly report from the local traffic inspector on the buses in each district. Not long ago a local health inspector did put in an adverse report on a bus in the district of the member for Pingelly (Mr. Seward). That bus has for some weeks now been replaced by a new one. The Education Department does not look on these things lightly.

All members know that these buses have to be registered by the local traffic inspector in each particular district. Why should he not take some responsibility? Why is it desired to put all the blame on the Education Department? The hon. member in moving the motion might not have meant to be unfair, and probably did not deliberately try to put all the blame on the department, but I am sure he did not do it through ignorance. He knows that the local health inspector and local traffic inspector have some authority under the law as it stands. If a bus is unsuitable, the complaint should come from the local authority—the authority which inspects and registers the bus. Members who complain about this system should put some of the responsibility on the local authorities. I do not think the Education Department is entitled to interfere even if the buses are as unsuitable as is claimed by the particular members who spoke.

The second complaint was that the country children were entitled to more protection under comprehensive insurance policies. I cannot agree with that. First of all, the Education Department and the local traffic inspectors insist that any passenger-carrying vehicle shall take out a passenger license. That is done under the law as it stands today. That is all that the Education Department can be expected to insist upon, and it definitely does insist upon it. If a case can be made out to give some specified protection to country children as against city children, then it is up to the member who moved the motion to see that the law is altered to provide for that, and not blame the Education Department for the law as it stands. Members say that the Education Department should be responsible for a child from the time it leaves home until it returns. I do not know but I cannot convince myself that that should be the department's responsibility. In fact, I am positive that children travelling to school in urban areas by tram or train or bus get no special protection.

To me it is not sound commonsense to say that because a child travels in a bus owned by the Education Department, that department should be responsible for the child from the time it leaves the bus until it returns to the bus after school hours to go back home. Children travelling on city trams on their way to school, as many

thousands do, are protected by the Tramway Department from the time they enter the tram until they leave it. The same remark applies to buses. Immediately a child leaves a tram or a bus, the responsibility is that of the parents. If in such circumstances a child should unfortunately be hit by a passing vehicle the parents of the child cannot rush to the Education Department for compensation. The same thing applies to children travelling in country buses.

Mr. McLarty: The children are forced to travel in country buses.

The MINISTER FOR THE NORTH-WEST: They are not forced to travel by any vehicle. I am strongly of opinion that country parents do not look for any greater care, or for more compensation, in respect of their children than do the parents of the city children. Besides, the country child has more initiative than has the town child. It is useless for the member for Murray-Wellington (Mr. McLarty) to try to tell me the opposite. I know too much about country children. I believe the hon. member and the mover of the motion were the only speakers who specifically stressed the matter of compensation. Both hon. members are unlucky enough to have had a child hurt in their districts. For that reason I forgive them some of the statements they made, and I refrain from replying in the strain that I might have adopted had it not been for those unfortunate accidents. However, I think the House will be fair enough to agree that the Education Department is not responsible in respect of compensation, and should not be asked to accept responsibility for the child after it leaves the bus until it returns to the bus.

If the House agrees to pass a compulsory insurance measure, the position will be different. Such a Bill has been passed by this Chamber, but unfortunately has not been finalised. If such a measure is enacted, covering third-party risk, compensation will be recoverable in respect of injured children; but until that time comes it is not fair to ask the Education Department to accept risks where it has no control over the children. Unfortunate accidents will happen in spite of all the care given to children at school by the teachers, and the Education Department should not be held responsible for compensation as proposed by the motion, which I hope will not be carried.

MR. SEWARD (Pingelly—in reply) [8.5]: The Minister has said that if the House agrees to this motion, it will be censuring and castigating the Education Department. Certainly I did not move my motion with a view to complimenting the department. In my opinion, the House will be quite justified in passing a vote of censure on the department if the conditions are as I depicted them in moving the motion. The Minister says that the present system is a distinct advantage; that is, the system of bringing children in to centralised schools. Opinions may differ on that point. Strange to say I was at the Education Department today pointing out that in one centralised school not a scholarship has been won for 12 years, while the parent who made the complaint to me had a relative whose children were attending a school not a third the size of the other one and each of those children had won a scholarship.

The Minister for the North-West: Do you blame the teachers for that?

Mr. SEWARD: Emphatically I do blame them. I am not to be told that it is right if for 12 years the children attending a fairly large school have not won a single scholarship while in the case of a small school further out, with an attendance of only 15, and under a probationer, a child was to sit for a scholarship examination the next week. Of course I do not know whether the child has won the scholarship. I do not agree that all centralised schools are for the benefit of children. About two months ago I was talking to a parent, and she made this statement: "There is no doubt that my children have been going in by bus: I can tell it by their language."

The Minister for Mines: Do you blame the Education Department for that?

Mr. SEWARD: No.

The Minister for Mines: Then why bring it up?

Mr. SEWARD: I consider I have a perfect right to bring it up. The Minister has claimed that all the advantages are with the centralised schools. To that statement I do not agree. I have given my reasons for disagreeing to it.

The Minister for the North-West: All the material advantages are certainly with the children attending the centralised schools.

Mr. SEWARD: I have just pointed out that whereas children attending a very small school won scholarships, children attending

a large school did not win any. The Minister referred to the types of buses used, and said the department was not wholly responsible for that. I ask, who is responsible? That is one of my reasons for moving the motion. I contend it is the duty of the Education Department to see that the buses are of a proper type. The Minister asked why I put the blame on the Education Department, why I did not put some on the road board secretary.

Road board secretaries do not deal with buses from the point of view of children's health. They deal with those vehicles as buses, and license them as such. Is it not fair that the school inspector should periodically examine buses, or that the head master or a senior teacher should do so? The contractor should be made to keep his buses up to the proper standard. I recently saw a public statement to the effect that vehicles carrying passengers in the city of Perth are periodically examined to ensure that they are fit and proper for that purpose. If the buses carrying children to centralised schools in the country were similarly examined it would be a very good thing.

The Minister for the North-West: Surely the local health authorities should do that!

Mr. SEWARD: The local traffic inspector is not the proper person for that. An officer of the Education Department should do it. Only two weeks ago when I was in the country a headmaster complimented me on this motion. I pointed out that while the buses were quite all right when they went on the line some of them had a 20 or 30 miles run once a day, and the wear and tear on the vehicles would be very heavy, and that consequently a necessity existed for constant supervision of the buses.

The Minister for the North-West: That is done. The Education Department gets quarterly reports.

Mr. SEWARD: It is a wonder the Minister did not refer to that circumstance while he was speaking.

The Minister for the North-West: As a matter of fact, I did.

Mr. SEWARD: The Minister wanted to put the responsibility elsewhere. It is not the duty of anybody except the officials of the Education Department. If the school teacher said, "I am not qualified to inspect buses; let me appoint the policeman or the secretary of the road board to do it," I would be quite satisfied. In fact, I shall be

satisfied if somebody is appointed for the purpose. Under present conditions it is nobody's duty to inspect the buses.

The Minister for the North-West: Yes, it is.

Mr. SEWARD: As a consequence, some of the buses are in their present unsatisfactory condition. Speaking of insurance of the children, the Minister said it was not fair to ask the Education Department to go to that expense. The child has to be covered for the period it is in the bus, but that is not done. As I pointed out in connection with the tragic Wickepin case—

The Minister for the North-West: There was neglect of duty in the licensing of that bus.

Mr. SEWARD: When I moved this motion, and last year the motion referring to the Wickepin accident, I learnt that the contractor was not insured. That was admitted to me. It has never been possible to get him to produce his insurance policy. There we have proof positive that it is a case of anybody's business, which means nobody's business. That is the category in which I am endeavouring to put the present case. I see no valid reason why a comprehensive policy cannot be taken out. The premium is not so wonderfully large as to put a severe strain on the parents.

The Minister remarked that when children travelled by tram they were covered while on it but were not covered when they got off the tram. But there is a vast difference between the two cases. In the case of children going to school by tram, a journey of five miles would be a long one. Country children, however, have journeys of 25 and 30 miles. The particular bus to which I referred in moving my motion has no windows. It has merelyessian curtains, and the inside of it is just like a black hole. Would the Minister sit in a vehicle like that, from which he could not see out, for 25 to 30 miles on country roads? It is not a small matter for a child of six years. I do not wonder the health of such children is affected. Cushions are now supplied in some buses, but only after representations had been made were they furnished. That is not the type of bus in which we should expect a little child of six or seven years of age to make a journey of 30 miles every week for from 35 to 40 weeks a year.

Mr. SPEAKER: The hon. member, in referring to cushions in buses, is introducing new matter into the discussion.

Mr. SEWARD: I am referring to the type of bus which is used. There is no comparison between the five-mile journey undertaken by the city child in a tram and the journeys that have to be made in the country. It is undoubtedly a duty of the Education Department to ensure that children are properly looked after, and that there is a comprehensive policy of insurance covering them from the time they leave home. Admittedly there is a good deal of traffic in the city area, but considerable vigilance is exercised by policemen on point duty and others. I venture to suggest that the child who travels in the city is far safer than are many children travelling in the country where such supervision is not maintained.

It has to be remembered that half the people in a tram in the city are likely to be adults and there would be more control over the children travelling in the vehicles. In buses, however, the driver sits in front of the children. There are no other adults, and probably there is a partition between the driver and his charges and he does not know what is going on. Consequently, a child can jump out, just as happened at Wickepin, and be run over by another bus. That child has been an invalid for two years and still has to receive surgical treatment. That case alone is an indication that there is a necessity for a comprehensive policy to be taken out to give full protection to children travelling in those buses.

Many children in the country leave home in the winter time before the sun is up. The whole circumstances impose a considerable strain on parents, many of whom very much doubt whether sending their children to school is worth the worry they have to endure while the youngsters are out of their care. I think I was justified in moving the motion. I am not particularly keen about passing a vote of censure on the Education Department. I am simply asking the House to express the opinion that under existing circumstances conditions are not as rigid and supervision is not as careful in regard to children travelling in country buses as they should be. By passing the motion the House will agree that stricter supervision should be maintained, and that comprehensive insurance policies should be taken out in respect to such children.

Question put, and a division taken with the following result:—

Ayes	..	..	..	..	20
Noes	..	..	..	..	20
					—
A tie	..	..	..	..	0
					—

AYES.	
Mr. Abbott	Mr. McDonald
Mr. Berry	Mr. McLarty
Mr. Boyle	Mr. North
Mrs. Cardell-Oliver	Mr. Sampson
Mr. Hill	Mr. Seward
Mr. Hughes	Mr. Shearn
Mr. Keenan	Mr. Warner
Mr. Kelly	Mr. Watts
Mr. Latham	Mr. Willmott
Mr. Mann	Mr. Doney

(Teller.)

NOES.	
Mr. Coverley	Mr. Pantou
Mr. Cross	Mr. Raphael
Mr. Hawke	Mr. Rodoreda
Mr. J. Hegney	Mr. F. C. L. Smith
Mr. W. Hegney	Mr. Tonkin
Mr. Johnson	Mr. Triet
Mr. Leahy	Mr. Willcock
Mr. Marshall	Mr. Wise
Mr. Needham	Mr. Withers
Mr. Nulsen	Mr. Wilson

(Teller.)

PAIRS.	
AYES.	NOES.
Mr. Stubbs	Mr. Collier
Mr. Patrick	Mr. Fox
Mr. J. H. Smith	Mr. Holman
Mr. Thorn	Mr. Millington

Mr. SPEAKER: The voting being equal, I give my casting vote with the Noes.

Question thus negatived.

BILL—DEATH PENALTY ABOLITION.

Second Reading.

Debate resumed from the 24th September.

MR. TONKIN (North-East Fremantle) [8.21]: By introducing this Bill the member for Subiaco (Mrs. Cardell-Oliver) asks the House to make a decision on the question of the abolition of capital punishment. Formerly there was a long category of crimes punishable by death, but as time went on those crimes were expunged one by one until we can now say that for all practical purposes the death penalty is imposed only for the crime of wilful murder. Three theories are held regarding the imposition of any type of punishment. There is the theory of the reformation of the person who commits the crime; the theory of retribution; and the theory that punishment will prevent other persons from committing similar crimes or the same person from committing additional crimes. I think that

capital punishment should be abolished because it has done irrevocable harm on account of the unfairness and inequality with which justice is administered.

We have had a number of examples where there has been a clear case of murder but in respect of which the death penalty has not been inflicted. I direct the attention of members to a case in this State in which a woman entered a ball-room and, in the view of all the persons present, shot a man dead. It was obvious that she killed the man and that she had gone there deliberately with that purpose. But the death penalty was not imposed.

Mr. Hughes: The jury found her not guilty.

Mr. TONKIN: Exactly!

Mr. Hughes: How can the death penalty be imposed on a person who has been found not guilty?

Mr. TONKIN: I will come to that later. Everyone saw what happened. A man was shot dead in the presence of a number of people but the woman was found not guilty.

Mr. Abbott: The finding of the jury was one of accidental death.

Mr. TONKIN: I will deal with that aspect later. There was another instance in Fremantle where a man murdered his son but the death penalty was not inflicted because the verdict was that he was of unsound mind. It is a remarkable fact, however, that there has been considerable agitation since to have him liberated because he is not of unsound mind. The reason why in both instances the verdict returned was not one of wilful murder was the reluctance on the part of the jury to convict because they knew the penalty was the death sentence.

Juries always have a reluctance to inflict the death penalty on a woman. It is to be expected, therefore, that in almost every instance in which a woman is charged with wilful murder, rather than have that woman executed the jury will find some other way out of the difficulty, even going so far as to register an acquittal, whereas if the penalty were not death there is not the slightest doubt that a verdict of guilty would be returned. That is why I say there is inequality in the administration of justice. In different circumstances another person

committing a somewhat similar crime would be found guilty of wilful murder and be called upon to pay the supreme penalty.

Experience in different countries has shown that it is more difficult to secure a verdict of wilful murder after an execution than before it. In those countries where an execution has recently taken place, experience has indicated that it is more difficult to persuade a jury to convict a man of murder than is the case when there has not been a verdict of wilful murder and a consequent execution for some time. Then again a good deal is left at times to the decision of Executive Council. There was a case in this State where a man was found guilty of murder but is at present in Fremantle gaol. The reason the death penalty was not carried out in that instance was the youth of the accused. The Government of the day had the sentence commuted to life imprisonment. That person was found guilty of wilful murder but did not pay the supreme penalty, whereas other people similarly found guilty have been executed. There is an inequality. I agree that the circumstances might have been different, but the law provides for the extreme penalty, and when we start to differentiate between punishment meted out to different people against whom the same verdict has been returned we introduce inequalities.

One of the main arguments advanced by persons who want to retain the death penalty is that it has the sanction of Divine authority. The whole scriptural argument rests upon what is found in the sixth verse of the ninth chapter of Genesis, which says "Whosoever sheddeth man's blood, by man shall his blood be shed." I understand that by permission of the Hebrew and English languages "shall" may be read as "will," in which case the passage does not read that it is essential that man's blood be shed by man. It is simply a statement of the great retributive law of God's providence. Furthermore, in Hebrew "shall" is not always imperative. The Mosiac Law was laid down for the control of the Hebrews and is not necessarily binding on other nations. Although the part of the Bible to which I have referred is asserted by some to mean that the death penalty has the sanction of Divine authority, many passages can be found in the Bible that assert the contrary. For example, it is contrary to the spirit of Christianity.

The supreme rule is that we must return good for evil. What do we find in the 39th verse of the fifth chapter of Matthew? We find that those persons who advocate the principle of retaliation cannot do so if they rely upon the teaching of the Bible. We are told there that it is necessary to turn the other cheek. To assert, therefore, that the death penalty has the sanction of Divine authority is perfectly useless. We also know, as a final statement on this point, that the Jewish penalties and retaliations which comprised originally the very law of a life for a life, were repealed by Christ. So I claim, Mr. Speaker, that there is no sanction on the part of Divine authority for the exaction of the death penalty.

The argument was advanced by the member for Nedlands (Hon. N. Keenan) that the death penalty was a deterrent, and many people also take refuge in that contention as justification for the continuance of that penalty. In my view, the instances quoted by the hon. member, rather than supporting his case, lent strength to the claims of those opposed to the point he was endeavouring to establish. The hon. member said that despite the fact that the argument is advanced that the death penalty is no deterrent, in every instance within his knowledge where a criminal had been found guilty of wilful murder, he had pulled all the strings possible in an endeavour to dodge the penalty. My claim is that the harder any such criminal tried to dodge the extreme penalty, the more was evidenced the fact that the penalty was no deterrent because the criminal knew beforehand that the law provided that penalty. If the fear of death was such that the man resorted to pulling all possible strings to dodge that end, why did not the penalty deter him from committing the crime of wilful murder? As the member for Nedlands stated, the man first of all committed the crime and then endeavoured to dodge the extreme penalty by every means possible. I think the assertions of the hon. member prove that the death penalty is no deterrent whatever; otherwise the man would not have committed the crime in the first instance.

Furthermore, we know that in countries where the death penalty has been abolished there has been no appreciable increase in the murders committed, and there are in-

stances on record where the number has been reduced. I think it idle to argue that the person who commits murder thinks about the penalty beforehand. During the course of his speech, the member for Brown Hill-Ivanhoe (Mr. F. C. L. Smith) quoted the statement by a learned judge who said that in 90 per cent. or more of murder cases, the man committing the crime did not know when he was shaving in the morning that he would commit murder that day. I think most such men act upon impulse, although no doubt there are some murders that are premeditated. Should they be premeditated over long periods, and the death penalty is hanging over the heads of the criminals all the time, the mere fact that such murders are committed indicates clearly that the death penalty constitutes no deterrent. Nor can it be argued that the death penalty is reformatory, because once we take a man's life we leave him with no opportunity whatever to reform. If it is not a deterrent, then we cannot argue that the death penalty is preventive. Then why resort to it?

The mere fact that juries are reluctant to convict when they know that the penalty is death should be an inducement to us to provide them with some other penalty so that juries will not tend to allow guilty people to go free instead of returning verdicts the result of which will mean the imposition of the death penalty. I believe that if that penalty were abolished we would ensure less likelihood of the guilty escaping justice than there is of justice being met with the death penalty continuing. I commend the member for Subiaco (Mrs. Cardell-Oliver) for introducing the Bill, the object of which I regard as a reform that we, in this enlightened age, should be prepared to endorse. For that reason I support the Bill, and I hope it will become law.

HON. G. G. LATHAM (York) [8.36]: I listened with a great deal of attention to the speeches that have been delivered on the Bill, which deals with a matter that we usually do not like to discuss.

Mr. Marshall: Do not apologise!

Hon. G. G. LATHAM: I shall not apologise so far as the hon. member is concerned.

Mr. SPEAKER: Order!

Hon. C. G. LATHAM: The member for North-East Fremantle (Mr. Tonkin) mentioned two cases in support of his arguments. He mentioned what is known as the ballroom tragedy, in respect of which the jury found the accused person not guilty.

Mr. Tonkin: I mentioned that.

Hon. C. G. LATHAM: Then how can that case assist the hon. member, seeing that the accused person was not convicted? How can the hon. member determine what was in the minds of the jurymen? He was not in their confidence. He can merely imagine why the jury returned a verdict of not guilty. I may also imagine that the reason for the verdict was the case put up by the legal advocate on behalf of the accused. It was purely imaginative.

Mr. Tonkin: What would you say about the Fremantle case?

Hon. C. G. LATHAM: I am dealing with the ballroom tragedy for the time being. In that instance the lawyer for the woman put up a remarkable case.

The Minister for Mines: There is no doubt about that.

Hon. C. G. LATHAM: The advocate apparently convinced the jury that the murder was a pure accident and that the woman had no intention of killing the man. That is my theory.

Mr. Hughes: The lawyer did not influence the jury. He simply presented the facts to them.

Members: Oh!

Hon. C. G. LATHAM: That is another lawyer's interpretation of what happened! As for the Fremantle case to which the member for North-East Fremantle referred, there is no doubt, speaking from memory of the crime as I recollect it, the father killed his son. That was not a natural thing to do. In that instance, one could only come to the conclusion that in all probability the man was suffering from some mental disorder and that, at the time he committed the murder, he was definitely insane. There seemed no reason why he should take his boy's life. The evidence did not suggest that the lad had done anything wrong. Had the father possessed a violent temper and the boy had done something wrong, there might have been some justification for the man's action. On the other hand, the evidence disclosed that they went for a walk along the river-shore, and the next morning the body of the murdered boy was discovered. In

that instance I believe the jury was justified in returning a verdict of murder while of unsound mind.

Three verdicts are possible for a jury to return—manslaughter, murder, and wilful murder. I have had the unhappy experience of judge's notes being submitted to me in order that I, with other members of Cabinet, might determine whether the Executive Council should be advised to require the death penalty to be imposed. It is not a happy experience to have to recommend that the provisions of Section 282 of the Criminal Code should be enforced and that a man should be hanged by the neck until he was dead.

Mr. Raphael: What was the unhappy experience—hanging by the neck till the man was dead?

Hon. C. G. LATHAM: The hon. member knows what I mean, and he will agree that the experience is not a happy one.

The Premier: Not an unhappy experience, but a duty.

Hon. C. G. LATHAM: No Minister of the Crown cares to be placed in the position of having to arrive at a decision that means the taking of an individual's life. Although that provision remains in the Criminal Code, it is seldom applied. I cannot remember when the last execution took place, but it was probably associated with murder in the Murchison district many years ago.

Personally I would be very reluctant to agree to the removal of the death penalty from the Criminal Code. I would prefer to rely upon the good sense and judgment of Ministers of the Crown to exercise, as far as is humanly possible, such leniency as is justified by the evidence. If members will cast their minds back to the case where two men were brutally murdered on the goldfields and their bodies subsequently mutilated, I think they will agree with me that nothing less than the punishment ultimately meted out would have been justified. That was an instance in which the law obviously should have taken its full course, and the Government of the day wisely reached a decision along those lines.

Reference to American States where capital punishment had been abolished was made by the member for Subiaco (Mrs. Cardell-Oliver). To my mind the most extraordinary feature in that respect is that in those States there still exists what is known as lynch

law. The feelings of the people rise so high that they take the law into their own hands and sometimes they may do what has happened under our system—the wrong person has suffered. That can easily be done.

Mr. Tonkin: Instances are known of the wrong person having been hanged.

Hon. C. G. LATHAM: I made that point. In my opinion it would be far better to continue the law as it stands today. Under our system, should a man commit a crime, he is first tried in the lower court and later on in a higher court before a jury of 12. He has the right of appeal; his case is submitted to Cabinet for consideration, and finally to the Executive Council. Such cases are not hurriedly dealt with.

When she moved the second reading of her Bill, the member for Subiaco quoted an extract from the Press regarding what happened in an unfortunate case in Sydney. In that instance the father was anxious to avenge the death of his child. Had it not been for police protection of the arrested person, we do not know what might have happened. Assuredly the father would have taken the law into his own hands and would have torn the man limb from limb. We desire to obviate outbursts of that nature. In that instance the man accused of the crime will have the benefit of trial by jury, of which we boast so much in our present civilisation. Viewing the whole case submitted by the hon. member, those who have supported her and those who have spoken against the Bill, I cannot believe that we shall do any harm by retaining capital punishment on the statute-book. I believe it will be used very sparingly and only after thorough inquiry. If it will have the effect of preventing any individual from taking the law into his own hands and thus preventing the accused person from having a fair trial, I would prefer to retain it.

If we carefully analyse the cases, I believe, despite the fact that the member for North-East Fremantle (Mr. Tonkin) has said the death penalty is not a deterrent, that a man healthy in mind and body is very reluctant to depart this life.

Mr. Tonkin: He is also very reluctant to go to gaol for life.

Hon. C. G. LATHAM: But still he might face imprisonment. Were I asked within the next few days whether I would choose to be hanged by the neck till I was dead or sent to gaol for life, I think I would

prefer to go to gaol. I might have a chance of getting out of gaol, but once my neck was stretched, that would be the end of me. I still believe that the death penalty acts as a deterrent to crime. The very fact of a man knowing that if he commits a murder and is found guilty of wilful murder, he is likely to be hanged, must act as a deterrent. I believe that wilful murder is the only crime for which the penalty of hanging is imposed in Western Australia, but not so in other parts of the Commonwealth. In other States there are other crimes for which the death penalty is provided.

Mrs. Cardell-Oliver: Treason!

Hon. C. G. LATHAM: Yes, and in some States rape is punishable by death. I do not know whether that applies here. I know how the member for Subiaco feels about this matter. If the death penalty was meted out frequently there might be justification for the Bill. If the death penalty was meted out in cases where leniency was justified there might be good reason for accepting the Bill. In the circumstances, however, I do not think we would be justified in abolishing the death penalty. The last two cases of hanging in Western Australia that I remember were the Murchison case and the goldfields case, and I think that in both capital punishment was justified because they were cold-blooded murders.

Mr. Marshall: There have been several cases since then—the Rennie, Wubin and Darkan cases.

The Premier: Rennie's case was before that.

Hon. C. G. LATHAM: The Murchison case occurred while I was a member of the Ministry. The crime for which that man was convicted was not the only one of which he had been guilty; at least the police believed there were not fewer than four others. That was a cold-blooded crime. Evidently the only advantage sought to be gained by the murder was the theft of the man's motor truck. If the accused was not suffering from mental disorder, he must have been a very callous individual indeed. In the goldfields case, the murderers took the lives of two members of the police force to cover up an offence for which they might have got six months' imprisonment. I believe it was gold stealing. To escape that, they were prepared to take the lives of two men.

Mr. Tonkin: It is obvious they thought they would get away with it.

Hon. C. G. LATHAM: They might have thought so and for a time they did. In both cases the murderers tried to hide their guilt by doing away with the bodies.

Mr. Tonkin: Do not you think that any man who commits murder thinks he will get away with it?

Hon. C. G. LATHAM: No, in most cases where the death penalty is remitted, the crimes have been committed on the spur of the moment. A man's temper has got the better of him or something like that. There is another case to which I might refer, though the hon. member will not remember it because he is far too young. A man murdered his wife and disposed of the body in circumstances somewhat similar to those in the goldfields case. He served a term of imprisonment and was released. He was later charged with another murder, but was acquitted. Subsequently he was charged with stealing and he died in gaol. If his life had not been spared in the first instance he would not have taken a second life. However, he got away with it the first time and probably expected that he would be equally successful the second time, which proved to be the fact. In another case a man committed a capital offence and was released from the asylum and subsequently shot a sergeant of police.

All this goes to show that we must be extremely careful in these cases. A Labour Government some years ago introduced a punishment quite outside any sentence provided in the Criminal Code, I believe, namely, imprisonment for the term of his natural life. That was quite unheard of in this State until a young fellow was convicted of a charge of murder. It was a new type of punishment, and I think I am right in saying it was not provided for in our law.

In my opinion the death penalty does act as a deterrent and certainly does prevent individuals from taking the law into their own hands. If I thought for one moment that we could still maintain the present high standard of security for our people without the death penalty, I would support the hon. member. The case in Sydney, however, convinced me that we must have something to prevent people from taking the law into their own hands. For this reason I am sorry I cannot support the Bill.

MR. WATTS (Katanning) [8.53]: Since the member for Subiaco introduced this measure, I have to the best of my ability given consideration to the subject it has brought under discussion and have come to the conclusion that the Bill should be supported. I have been very interested in the observations of those members who have spoken and have claimed that capital punishment, in this State at any rate, will act as a deterrent. I have always understood and believed that it is not the severity of punishment that is likely to deter but the certainty of it, and the statistics which have been given to us by the hon. member indicate that the uncertainty of capital punishment is much more striking than its certainty.

I find that of 40 persons charged with capital offences, only 18 were convicted. In that regard some attention might be paid to the observations of the member for North-East Fremantle (Mr. Tonkin), to which I attach more credence than does my leader. Nine of the 18 persons convicted were sentenced to death. One would expect, if it was so necessary to retain the death penalty to act as a preventive so far as those who were convicted were concerned and as a deterrent to others, that a substantial proportion of those convicted should have suffered that penalty.

We have been told that first of all we have the inferior court inquiry, then the superior court inquiry, then the court of appeal, and then inquiry by Cabinet or Executive Council. We start off with the most profound knowledge of the law and end up with the decision of laymen. Out of the nine persons sentenced to death, one was hanged. So I am of opinion that, in this State at any rate, capital punishment as a deterrent has not been improved by the fact that when the matter has reached Executive Council, after exhaustive inquiries by those trained in law, eight out of nine prisoners have had their sentences commuted.

Mr. North: Forty to one!

Mr. WATTS: Forty to one of the persons charged. As I look at the reports of a number of these cases that have appeared from time to time, I wonder whether there is not considerable substance in the view taken by the member for North-East Fremantle. I am and always have been inclined to the opinion that the case he re-

ferred to in the Government House ball-room was probably decided by the jury as one of not guilty because they believed that if they decided that the person charged was guilty of the offence, the death penalty would be inflicted.

Hon. N. Keenan: But the jury could have brought in manslaughter.

Mr. WATTS: Yes, but I think it would have been extremely difficult to do so on the evidence in that case. It was necessary either to return a verdict of murder or rather wilful murder, or accept the version of the defence and return a verdict of not guilty. As I read that case—and I read the evidence, which was published fairly fully; there was plenty of newspaper at that time—I felt that that was the position of the jury—either they must return a verdict of guilty of murder or not guilty. They chose to return a verdict of not guilty. We cannot, of course, guarantee that the reason was the jury felt they would not like the person charged to be hanged, but I venture to say it, in view of what has been recorded as the experience of those concerned in times when capital punishment was inflicted for very many offences and juries were definitely unwilling to convict because they feared that the accused would be hanged.

The member for Subiaco cited instances from the records—statements by learned judges in the past, and by others in the British House of Parliament and elsewhere, evidencing the fact that they were satisfied from their experience in law courts and elsewhere that there were substantial grounds for that belief. Whether it is so or not, I adhere to my belief that capital punishment is not a deterrent. The Leader of the Opposition observed that he would rather suffer imprisonment for life than be hanged. There is room for a difference of opinion on that. I think if he considered the position he would be in after 20 years or more of incarceration, he would realise that there would come a day, if it did not come fairly soon, when he would wish that the law had taken its course and that he had been hanged. I venture to suggest there are many men who would sooner be hanged and get it over quickly than serve 20 years in gaol or even a longer period than that.

Mr. Tonkin: Some persons sentenced to long terms of imprisonment have committed suicide in gaol.

Mr. SPEAKER: Order!

Mr. WATTS: That is not convincing on either side of the argument. The member sitting in front of me is entitled to his point of view, I am entitled to mine. But I suggest there are just as many people who hold my view as there are people who hold his, and so that does not carry us one inch forward so far as this question is concerned. We have therefore to get down to some matters which are more fundamental than are any that have been discussed. Upon what foundation, I ask the House, is our criminal law laid? I think it will be agreed that it is founded upon the Ten Commandments. For example, take the one which says, "Thou shalt not steal." It will be found that all our laws relating to stealing and analogous offences are dealt with in our Criminal Code, in order to prevent, as far as possible, one human being from trespassing upon the property of another. The offences of obtaining things by false pretences and forgery are analogous to stealing; they all arise in the same way. There is also the commandment, "Thou shalt not kill."

Mr. Wilson: Read all of them!

Mr. WATTS: I do not propose to do so, because I shall refer to only two, and they have reference to this Bill. I ask myself, by what justification shall we usurp to ourselves the right to do what we will not allow anybody else to do? If it is wrong to kill in cold blood, which is the crime of wilful murder, it is equally wrong for the law to kill a person who committed that crime. I do not assert that the fact that someone is hanged by order of the State removes the stigma—shall I say—from the person who does the hanging and therefore murders the criminal.

If it wrong to kill in the one case, it is wrong to kill in both cases, because we are dealing with wilful murder on the one hand and hanging on the other, and both are premeditated. I distinguish those offences from the offences which amount to killing in self-defence, by accident and so forth. These do not come in the category I am endeavouring to discuss at present. The only offence for which capital punishment is now assured, shall we say—although it is by no means assured according to statistics—is that of wilful murder and other offences, such as treason and piracy, which do not matter here. Hanging by the hangman is also premeditated murder. I have never been able

to see that we are justified in arguing that because some verdict of the court has ordered the death of the person, we are justified in saying that that is not murder also. Another punishment is available to us which can be inflicted, and which I think has been inflicted by order of the Executive Council—a very strong punishment indeed, because it amounted to the imprisonment of a young man for the term of his natural life.

There have been and will continue to be errors made in the administration of justice in connection with criminal charges, but so long as a man lives and is in gaol he can be released if his innocence is proved. If he has been hanged, the error of justice is, as it were, in perpetuity and cannot be remedied.

Hon. C. G. Latham: How many murderers have been released in this State?

Mr. WATTS: I am not concerned about that point. I cannot answer the question. There is always the possibility of a miscarriage of justice. Such miscarriages of justice have occurred elsewhere, in large numbers, too, comparatively speaking. In England several persons have been paid compensation because it has been subsequently discovered they were innocent of the crimes of which they had been convicted. I shall refer to the Beck case, which was mentioned by the member for Avon (Mr. Boyle). I quote from "Capital Punishment in the Twentieth Century" by E. R. Calvert:—

The Adolf Beck case will be remembered by many as an extraordinary instance of wrongful conviction. Beck was sentenced in 1896 to seven years' penal servitude for a series of robberies from women, was released after five years, and in 1904 re-arrested and again convicted for further offences of a similar character. On the first occasion he was identified by no less than ten women, and at the second trial by five women, each of whom swore to his identity as the man who had swindled her; a handwriting expert called by the prosecution at each trial testified on oath that the letters written by the real culprit were in Beck's handwriting; two prison officials wrongly identified Beck as a previously convicted man—Smith—who was afterwards proved to be the real perpetrator of the crimes for which Beck was found guilty. Rarely has evidence been so overwhelming as it was in this case, yet Beck was subsequently discovered to be absolutely innocent. "There is no shadow of foundation," stated the official report, "for any of the charges made against Mr. Beck," and the Home Office awarded him £5,000 compensation. Yet it took Adolf Beck nine years to establish his innocence; had he been convicted of a capital offence and executed in consequence in-

stead of imprisoned, the error would probably never have come to light. There is obviously far less chance of discovering a miscarriage of justice when a person is executed, since he is no longer able to prosecute his claim. Yet many people have been sent to the scaffold on evidence far less overwhelming than that upon which Beck was wrongly convicted.

We do not want to take the chance of anybody being wrongly convicted and placed beyond the means of having his innocence subsequently established. It would be far better—and I think this point has been well established—that two or three guilty persons should be acquitted than that one innocent man should be hanged.

Summed up, the position seems to me to amount to this: Some of us desire to retain the death penalty in order that, after a man has been tried and found guilty and the death penalty ordered by the court, persons not concerned may agitate for an inquiry by laymen as to whether the death penalty should be commuted or not. In these days, when we are sadly in need of a little progress and some change from the things that have been happening in the last century or two, I would prefer that capital punishment should be abolished, that we should rest content with a system which will impose a severe penalty—a very severe penalty—on an offender guilty of an offence of this kind: but we should not place him beyond the possibility of establishing his innocence if it can subsequently be established. I do not believe the death penalty is a deterrent, because there is not a shadow of evidence to show that it is, although I need not go into that matter. We ought to amend our Criminal Code and any other laws that it may be necessary to amend in order to give effect to the desires of the member for Subiaco (Mrs. Cardell-Oliver), upon which I compliment her.

On motion by Mr. Hughes, debate adjourned.

MOTION—COMPANIES, SHARE-HOLDERS' BORROWINGS.

To Inquire by Select Committee.

Debate resumed from the 24th September on the following motion by Mr. Hughes (East Perth):—

That a Select Committee be appointed to inquire (1) What companies, if any, incorporated in Western Australia have less than fifty shareholders. (2) If any shareholder of any

such company during the last preceding twenty-five years has borrowed money from any company of which he is or was a shareholder. (3) In respect to each borrowing shareholder (a) the amount borrowed; (b) the ratio of the amount borrowed to the (i) nominal, (ii) actual value of the shares held by the borrower; (c) the reason for such borrowing; (d) the effect of such borrowing on the (i) revenue of the State of Western Australia, (ii) non-borrowing shareholders, (iii) creditors of the company from which the money was borrowed, and to report what action, if any, is necessary in justice and equity to do right between each of the following parties, respectively (a) the State of Western Australia; (b) the companies concerned; (c) the creditors of the said companies; (d) the non-borrowing shareholders; (e) the borrowing shareholders.

MR. HUGHES (East Perth—in reply) [9.10]: There is not much to reply to in this debate. The member for Roebourne (Mr. Rodoreda) takes a lofty stand. He has suddenly blossomed into a person omniscient in company law and practice and therefore when he sent out his edict that was the end; there was no need for any further investigation, no need for any further inquiry! The oracle had spoken and that was the end! It is not easy to reply to a person of that brain capacity. There is, however, something to reply to in the proposition put forward by the Minister for Justice with respect to the manipulations of Boans Ltd.

[The Deputy Speaker took the Chair.]

It is curious to find the Minister for Justice defending the practices of Boans Ltd. One would have thought that, after an exhaustive examination of the affairs of Boans Ltd., a Labour representative would be the last man in the world to be that company's champion.

The Minister for Justice: Champion of justice!

MR. HUGHES: Not the champion of justice, but the champion of certain practices. I think it was his duty as Minister for Justice, and as the Minister in charge of the Companies Office, to give the House the whole case, not to pick out a few isolated facts and present them to the House, while suppressing the substantial facts of the whole transaction.

The Minister for Justice: I have given you the opportunity to do that.

MR. HUGHES: I do not know whether the Minister did not in a very subtle way gather from Mr. F. Boan some information that

is invaluable to this House and could not have been got in any other way.

The Minister for Justice: No. There is nothing gathered from Mr. Boan.

MR. HUGHES: If it were put up for the purpose of assisting the arguments in my case, I say that nobody could have wished for better information than was supplied in the letter read by the Minister. He sponsored this without examining it and without knowing that it increased a hundredfold the necessity for the House to inquire into those transactions before committing itself to any extension of the practices, and making it easier for people to do those things which they have done in the past.

The whole letter from the point of view of Mr. F. Boan is very foolish. It was just like getting the ammunition dump and delivering it to the enemy. It contained some very extraordinary and misleading statements designed, I presume, to throw this House off the scent and to withhold from the House the true position. I wish to reply to four particular aspects of the Minister's defence of this company. The first is a definite statement—not correct—that by virtue of turning Boans Ltd. into a company, Mr. Harry Boan could hold a State Savings Bank agency and still sit in Parliament. That was not the object behind it at all; if it was the object, it failed. Mr. Boan was never eligible to sit in Parliament while his company held a State Savings Bank agency.

Hon. C. G. Latham: He resigned immediately after.

MR. HUGHES: The Minister said he came back.

Hon. C. G. Latham: He did subsequently.

MR. HUGHES: He was never entitled to sit because he was disqualified under the Constitution Act, and every penny he got was money to which he was not entitled.

MR. SAMPSON: And which it was stated he returned.

MR. HUGHES: Oh yes! The second plea put up is one of charitable bequests—look what we have given to charity! I am always very suspicious of the person who takes refuge behind the cloak of charity. He gives a shilling today and when being defended tomorrow wants it made the answer to all the things he does. We should see that charity is not made a cloak for the defence of something not in the interests of the State. The third point is that on a true disclosure

of the facts some extraordinary data must be given to this House. The fourth point is about the commitments oversea.

Let me take the first point the Minister makes, that Mr. Boan had an agency from the State Savings Bank! He was elected to Parliament and it was found that he could not constitutionally occupy his seat. He was advised that if he turned his business into a company he could hold the agency, or the company could hold it, and he could still retain his seat. As a matter of fact, that is not so. I refer the House to our own Standing Orders on page 171—Section 34 of the Constitution Acts Amendment Act, 1899—

34. If any person, being a member of the Legislative Council or Legislative Assembly, shall directly or indirectly, himself, or by any person whomsoever in trust for him, or for his use or benefit, or on his account, enter into, accept, or agree for, undertake or execute, in the whole or in part, any such contract, agreement, or commission as aforesaid, or if any person being a member of the said Council or Assembly, and having already entered into any such contract, agreement, or commission, or any part or share of any such contract, agreement or commission, by himself, or by any other person whomsoever, in trust for him, or for his use or benefit, or upon his account, shall after the commencement of the next Session of the Legislature, continue to hold, execute, or enjoy the same, or any part thereof, the seat of every member shall be void: Provided that nothing in this or the last preceding section shall extend to persons contributing towards any loan for public purposes heretofore or hereafter raised by the Colony, or to the holders of any bonds issued for the purpose of any such loan.

Section 35, the next, is the vital one:—

35. The foregoing provisions shall not extend to any contract, agreement, or commission made, entered into, or accepted by any incorporated company where such company consists of more than twenty persons, and where such contract, agreement or commission is made, entered into, or accepted for the general benefit of such company, nor to any contract or agreement in respect of any lease, license, or agreement in respect to the sale or occupation of Crown lands.

The Constitution only allows a person to hold a contract when there are at least 20 shareholders in the company, and there never have been 20 shareholders in Boans Ltd. At the time this was alleged to have been done there were only five shareholders. When Mr. Boan later sat in Parliament he was sitting there in defiance of Section 35 of the Constitution, because his company had a State Savings Bank agency and it

did not have 20 shareholders. That was a cheeky bluff on the part of Mr. Frank Boan; and he put up a misleading statement like that hoping that we were all so ignorant of the Constitution that he could bluff it through. The father must have known the position. He was never advised by anybody that by turning his business into a company of five shareholders he could hold the State Savings Bank agency, because no lawyer would give that advice. The first thing a lawyer would do, if asked to advise in that way, would be to look at these sections. That was a cheeky attempt to put over something which was not a fact, and of course it was not the real reason at all for turning the business into a company.

An examination of the records at the Companies Office of Boans Ltd. disclosed overwhelming evidence to convince us that we should stop before we facilitate, as is proposed to be done, the extension of the dummy company. The company was formed in August, 1918, and consisted of capital of £254,000 made up of £1 shares with the exception of £1,500. That £1,500 was reserved to provide 30,000 one shilling shares called "employees' bonus shares." They were held in the name of Mr. Harry Boan up to the time of his death.

Hon. C. G. Latham: He used to give bonuses to his employees.

Mr. HUGHES: Did he? I will show the hon. member how liberal he was to his employees.

Hon. C. G. Latham: He was very liberal to them.

Mr. HUGHES: Yes. After trading for a considerable number of years they decided to turn the business into a limited liability company. They had a number of employees who had served them faithfully for a number of years. What did they do? Mr. Boan took 250,001 £1 shares; Sofia Boan one £1 share, Williams one £1 share, and Davenport and Chapman one £1 share each. Mr. Boan and Mr. Williams took, jointly 30,000 bonus shares for their employees—but not £1 shares; 1s. shares. It looks very impressive when the register is perused. It seems to be a magnificent gift out of £250,000 of capital. They are rewarding their employees with a gift of 30,000 shares, but they make them 1s. shares. What, on the face of it appears to

he a £30,000 gift is only £1,500 gift, and then it was held conjointly by Henry Boan himself and someone else.

Hon. C. G. Latham: As trustees I think.

Mr. HUGHES: Let the hon. member look at the register of companies before saying it was held by them as trustees. The shares had a string on them. I would not have raised this matter if they had not got behind the cloak of charity—"Look what we gave to charity, £14,000." Why did not they give 30,000 £1 shares out of £250,000? That would not have been a very magnificent gift if the employees had served them faithfully and well. Why give them 30,000 shares with the right hand and make them 1s. shares with the left?

We can pass over the share capital as it is returned year by year. There was no great alteration. Up to the year 1930 it remained at £254,000. The five years 1926, 1927, 1928, 1929, and 1930, were the pre-depression years. On a capital of £254,000 their net profits amounted to £306,000, or 20 per cent. more than their total capital returned in five years. The profits were—

1926	..	..	..	£50,562
1927	.	.	..	£69,754
1928	.	.	..	£71,382
1929	.	..	..	£67,725
1930	..	..	..	£47,400

Hon. C. G. Latham: It might be something like the balance sheet of the Government with its State Trading concerns. The money is never there.

Mr. Seward: What about Woolworths?

Mr. HUGHES: The money was never there.

Hon. C. G. Latham: No.

Mr. HUGHES: Where was this money? Is the hon. member suggesting that these are fictitious figures?

Hon. C. G. Latham: They are book profits.

Mr. HUGHES: What is the difference between book profits and real profits?

Hon. C. G. Latham: You ought to know that.

Mr. HUGHES: I do not. If a person puts in his books profits he does not make the figures are not correct. Mr. Boan does not supply us with the figures from 1918 to 1925, but starts off with 1926, and they disclose the astounding position that in five years the company recovered 20 per cent. over and above its total capital. The thing was getting too hot to handle. What do

we find? They square up £100,000. Do they give it to their employees by way of bonus? Does the gentleman who asks for immunity because of his magnificent charitable gifts bestow it upon his employees? Does he give them anything out of it? No! The capital was increased by £100,000. One hundred thousand £1 shares were created and given to the proprietor, Mr. Henry Boan. Not a shilling was given to the employees. In the face of those facts I cannot understand a Labour Minister championing that sort of thing. It would not have hurt Mr. Boan to give the employees the £100,000, since he boasted so much about his charities.

So, the capital having been raised, we find this difference: At the 31st March, 1928, Mr. Boan held 150,000 7 per cent. preference shares and 100,000 ordinary shares. He held £250,000 out of a total capital of £280,000. A year later he held 250,000 7 per cent. preference shares and 100,000 ordinary shares. I suggest that undoubtedly the object of the increase of £100,000 in the capital was to water the stock. Not a penny of new money was brought into the company. It is the old artifice of watering stock so that dividends will not look too large. The real capital never got above £254,000. That is the old trick adopted by the Colonial Sugar Refining Company time and again—covering up profits by watering stock and capitalising, so that what in reality was a dividend of 50 per cent. looked like one of about 10 per cent.

At that stage, in 1928, the capital of Boans Limited consisted of 350,007 shares held by Mr. Henry Boan, and seven shares held by seven persons with one share each, and then Mr. Henry Boan and Davenport held 10,000 shares jointly. So that in 1929 the company did not have 20 shareholders. But again the thing was getting too hot to handle, even with the watered stock. Therefore another expedient had to be resorted to for the purpose of covering up the position. In the next balance sheet, that for the year ended March of 1930, we find the 254,000 preference shares undergoing a transformation. Mr. Henry Boan now owns only 60,000 of them, and Mr. Henry Boan and the accountant Davenport own 190,000. Mr. Henry Boan has got 100,000 of the shares out of his name, but he has a string on them: they are in the name of himself and Davenport. Now, from 1931 onward we have to bear in mind—I do not know why

the Minister did not disclose this to the House—that although such enormous profits are disclosed, before those profits are arrived at Mr. Henry Boan gets a salary at the rate of £5,000 a year. No. 38 of the articles of association of the company reads as follows:—

The board shall consist of a governing director.

A one-man board!

The first governing director shall be Mr. Henry Boan, and the governing director shall be paid an annual salary not exceeding £5,000.

I have not the slightest doubt that when Mr. Henry Boan sat as governing director, and as the total board of directors, and considered what the governing director was worth per annum in salary, he had no difficulty in coming to the conclusion that the governing director was worth the full £5,000. So to arrive at the true figure of profit, one has to add to each one of those enormous share profits a further £5,000. Where £71,000 appeared to have been made, it was really £76,000. Where £69,000 appeared to have been made, the true amount was £74,000.

How can it be said that it is a company where there are 15 shareholders and 350,000 shares are held by one man and 14 shares held by the other 14, and the whole of the powers of the board of directors are vested in one man? That is not a company, but a private concern masquerading as a company. I do not think we ought to perpetuate that sort of thing.

[The Speaker resumed the Chair.]

The Minister for Justice: The new Bill stops that.

Mr. HUGHES: No. It aggravates the thing, because where formerly five dummies were required, only two will be needed now.

The Minister for Justice: But under the Bill a director will not be allowed to borrow from a company of which he is a director.

Mr. HUGHES: Under those conditions he will not be a director but a secretary, and he will hold all the shares and tell the director what to do.

The Minister for Justice: Can you suggest a remedy?

Mr. HUGHES: We can lay down that a company must be a bona-fide company, and that we will not tolerate a one-man company in any circumstances whatever. Unless

a company is a legitimate company, it must not be allowed to have the protection of the Companies Act. We will not allow one man to trade under the guise of a company which really consists of the one man.

Mr. SPEAKER: I do not think we are in order in discussing the Companies Bill on this reply.

Mr. HUGHES: I realise that, Sir, but I owed the Minister the courtesy of answering him. In 1931 we went into a depression, and I hope the Leader of the Opposition will just pay attention to those two or three years of depression. According to the figures stated by the Minister, in 1931 Boans made a loss of £2,464; but of course there was no real loss, because there was a debit of £5,000 for Mr. Henry Boan before the loss was arrived at. In 1932 the company was back with a profit of £12,665. In 1933 it made a profit of £5,597. So that for 1931, 1932, and 1933 Boans showed a loss after deducting £5,000 each year for the governing director's salary. Those were the only years in which Boans showed small profits. In 1934 they come back into their own with a profit of £34,778.

Mr. Cross: Plenty of the banks did better than that.

Mr. HUGHES: Let the hon. member tell me of a bank that averaged profits of £16,000 during the last few years!

Mr. Cross: I require notice of that question.

Mr. SPEAKER: Order!

Mr. HUGHES: I believe the best dividend paid by a bank in the pre-depression years was 14 per cent. paid by the Yokohama Gold Specie Bank of Sydney. It never paid more than 16 per cent. on its original capital. The member for Canning (Mr. Cross) could stand up and tell us by rote all the dividends paid by all the banks during the last 20 years.

Hon. C. G. Latham: Because he has shares in them all?

Mr. HUGHES: I bet that if we asked the hon. member what will win the Melbourne Cup, he would not answer!

Mr. SPEAKER: Order!

Mr. HUGHES: In 1934 Boans come back into their own with a profit of some £34,000. and in 1935 they again make £24,000. In 1936 they make £29,000. When the Leader of the Opposition thinks what the farmers went through in 1931 to 1936 and the profits they made in those years, when he considers

the wages men on the farms who did not get their wages but were paid off with half-a-crown in the pound, when he considers the country storekeepers who were ruined in 1931 to 1936, when he thinks of the city workers who lost the equities in their homes during the depression period, he must realise what a wonderful position these people were in.

The depression did not cost them anything. They did not share in any way the disabilities of the depression. In 1934 they were back earning 15 per cent. on their capital. I say this is one of the best arguments the Leader of the Opposition could have for the writing down of debts. He could point to the big financial institutions that did not suffer at all in the depression and could rightfully ask them to share with the farmer and the farm labourer who suffered during the depression.

In 1937 the firm's profit was £30,000; in 1938 it was £25,000. In 1939, which was the year before the war, the profit dropped to £10,000, but in 1940 it went to £28,000, and in the second year of the war it went to £37,000. Where is the Price Fixing Commissioner when profits can treble in war time?

The Minister for Justice: I wonder whether Boans Ltd. has an overdraft.

Mr. HUGHES: I should say the firm could get an overdraft of half a million.

Mr. Raphael: I myself would lend Boans that much.

Mr. HUGHES: But what would the overdraft have to do with the firm's profits? Surely the Minister does not suggest that a firm makes up its profits before deducting the interest on the overdraft!

The Minister for Justice: No, I certainly do not, but I was wondering whether it was necessary to have an overdraft.

Mr. HUGHES: If it was, the firm could get half a million in the morning. The estate of the late Harry Boan was supposed to be worth £237, but I will show how the firm could get an overdraft of half a million. Let us take the period of 16 years. The real capital of the firm—if it was real—at the time was £254,000. It was watered in 1930 to the tune of £100,000, so I discard the inflationary rise in the capital. In the 16 years ended 1941 the total profits were £557,290, less £2,464, leaving a balance of £554,826. Those were the net profits in 16 years on a capital of £254,000. So the firm in 16 years

recovered 20 per cent. over twice the capital. No bank has done that in the last 16 years.

But that does not represent all the profit. To get the true profit, we have to add £80,000 representing salary at £5,000 a year for 16 years, which makes the net profit in round figures £634,000. Even including the years of the depression, there was an average of £40,000 profit per annum, or 16 per cent., right through the depression and all, on the capital. Let it not be forgotten that while the firm was making these enormous profits hundreds of people, hundreds of good Labour supporters, could not get clothes to cover themselves. That was during the depression. What virtue can the Minister see in a raking off of profits like that?

The Minister for Justice: There was keen competition in the city.

Mr. HUGHES: Yes, which just shows how difficult it is for poor people to get sufficient clothes when they have to buy under conditions where the vendor averages 16 per cent. over 16 years including the six years of the depression.

The Minister for Justice: Do you infer that the clothing communities of Perth make a profit of 16 per cent?

Mr. HUGHES: I do not know by what stretch of imagination the Minister can draw that inference from my remarks. He has already said that Boans had to meet the competition of other firms, so I take it he knows that all the other people in the clothing trade are making the same enormous profits. If not, he had no right to say so.

The Minister for Justice: I do not know.

Mr. HUGHES: I do not know, either. The point is the Minister has no right to say that other people were making the same profits. I am speaking from information supplied by the Minister. If the profits disclosed by him are not correct, my argument is based on false premises, but I am taking the figures he put up—a profit of £634,000 in 16 years, an average of 16 per cent. per annum. This has been done under the cloak of the Companies Act. We know that in bygone years a company paid only a small rate of tax on its profits, but had the profits accrued to an individual he would have paid as much as 4s. in the pound. Instead of paying 4s. in the pound on £70,000, Mr. Boan escaped with 1s. 4d. So he got the benefit of 2s. 8d. in the pound reduction on his taxation, and he was getting that while

we were taking 4½d. in the pound out of the wages of a tramway man on £4 3s. a week.

The Minister for Justice: Did he do it illegally?

Mr. HUGHES: I say yes; I say the whole set-up is contrary to the Companies Act. Boans Ltd., never was a company. Mr. Boan was merely a trader under cover of the Companies Act and he had all the say. There were no directors, no voice for the shareholders. He was the governing director; he paid himself £5,000 a year and covered up the profit. Before we allow two people to form a company we should get the information because, as I said previously, this is not an isolated case. It is only one of many cases.

If Mr. Boan's son had not insisted on this analysis being made for public information by supplying the figures, I would not have had to make this speech tonight. I take it that the son supplied the figures to the Minister so that they would be critically analysed by me and the true position explained to the public. If he did not have that motive, in the name of fortune what was his motive in supplying the details of those enormous profits? Let us take the share list as late as 1940.

Mr. Raphael: Did he know that you were going to have another go at him?

Mr. HUGHES: He surely knew that!

Hon. C. G. Latham: He knew the hon. member who is sure of that!

Mr. HUGHES: He says, "We gave £14,000 to charity." Why, I gave 6d. to charity the other day and it meant a greater contribution than did that of Boans Ltd. I do not like the man who gets behind the cloak of charity. I think charity might well have been left out. He should have regarded the gift as a charitable one, and not used it as a shield or cloak for excess profits. He said that in ten years the company gave £14,000 to charity. The total net profit for the 16 years amounted to £634,000, so the company gave to charity £14,000 out of the £634,000. The amount represents 2 per cent. of the company's net profits. The company gave on the basis of a man who, with an income of £5,000 a year, gives £100 a year to charity.

The gift represents a gift of about 1s. per week from a tramway man. I say that every tramway man in the metropolitan area has donated more than a shilling per week

to charity during the last 16 years. But Boans want to be virtuous; they want a column in the "West Australian" about their gift of £14,000 to charity! I venture to say that some of the wealthy members on the Treasury bench gave, in proportion, five times that amount out of a salary much lower than £5,000 per annum. Therefore, to trot out a charitable gift is a very bad proposition. The company should have remained silent on its magnificent gift to charity of £14,000 out of £634,000. But that was trotted out so that Parliament should not make any inquiry. In effect, the company said, "Do not let Parliament inquire into these matters, because we have given £14,000 over 16 years to charity. We want immunity to go on in the same way." Therefore Parliament is asked to bury its head in the sand.

I now point to what is probably, in my opinion, the worst feature of the transactions of this extraordinary company. When war broke out in 1939, we were told, "There are not going to be any heavy profits this time. We are going to have a price-fixing commissioner, who will keep the profits down to pre-war level." Curiously enough, in the second year of the war, this company made its highest profit in ten years. In 1932, its profits amounted to £12,665 and in 1934 to £34,778. The latter was the highest profit it had made for ten years until the war broke out. The profits were down to £10,000 for the year before the war, but after the outbreak of war the profits jumped from £10,000 to £28,959, an increase of nearly 300 per cent. For the year 1941 the profit was £37,546, the highest profit for ten years. I ask, "Where is the price-fixing commissioner? Where is the promise to the people that excess profits would not be allowed during the war?" This all goes to show how exceedingly difficult it is to stop rich people from getting richer during war time. It is another illustration of the fact that war makes the rich richer and the poor poorer.

Mr. Marshall: There is no doubt about that.

Mr. SPEAKER: Order!

Mr. HUGHES: There was a jump in the profits of £9,000 from 1940 to 1941. If the profits increase in that way and the war lasts ten years, the company will be back to its profit of £70,000 in 1928. That is something that members of the Federal Par-

liament should inquire into before the Commonwealth exacts compulsory loans from the worker. The Commonwealth should inquire to what extent the war is being used to make excess profits.

Mr. Withers: The Commonwealth Government is going to prevent that.

Mr. HUGHES: It was going to do so at the outbreak of war. Everybody said, "No excess profits during this war; we are going to have a price-fixing commissioner." Professor Copland visited Western Australia and delivered a learned dissertation; it was a wonderful eulogy of Professor Copland. By its own figures—not figures supplied by you, Mr. Speaker, or by me or anybody else—the company showed that in the second year of the war it was doing better than it had done for ten years. Its profits went up £9,000 in the second year of the war. That, in my opinion, is the worst feature of all these disclosures.

The Premier: You do not want a select committee to inquire into that.

Mr. HUGHES: It has been suggested that I said the company had not paid its debts. As a matter of fact, I did not say anything of the sort. I said there were instances of directors having withdrawn the capital of a company, with the result that creditors could not be paid. I made it quite plain that that statement did not refer to this company. As a matter of fact, I said, "This is only one of a number of companies and it is only the principle involved that we ought to inquire into."

The Premier: Then move an amendment to the Companies Bill and it will be treated on its merits.

Mr. HUGHES: I may do that. As a matter of fact, it is too hot to handle. It is extraordinary how many people have been galvanised into activity at the prospect of an investigation such as this.

I now come to another statement made by the Minister for making which I think he had no excuse. I quote his exact words; he was reading from Mr. Boan's letter—

The issued capital of the company consists of 250,000 preference shares of £1 each carrying a fixed dividend, 100,031 ordinary shares of £1 each and 30,000 employees' shares of 1s. each. Of this capital my father owned 30,000 preference shares and 50,117 ordinary shares.

I cannot understand the Minister making that statement when he had in his office the return of the company showing that it was

incorrect. Take the company's return for 1940 just to see how much truth there is in the statement that Mr. Henry Boan owned only 30,000 preference shares! As a matter of fact, I pointed out that he held 250,000 shares and got another 100,000 preference shares. He then transferred 190,000 preference shares to himself and Davenport jointly. When Davenport died, Sir Walter James came in as joint owner.

Mr. Marshall: Oh, these lawyers!

Mr. HUGHES: Sir Walter James is in on all these jokes! He was holding jointly with Henry Boan 220,000 preference shares. Mr. Boan says his father owned only 30,000 of the preference shares. Here is the share list furnished by the company on the 31st March, 1940. This is what the first item shows: "Henry Boan, Perth, governing director, 7 per cent. preference shares, 30,000; Boan, Henry, and Sir Walter James, Perth, joint owners, 175,686 preference shares." How can it be said that he owned only 30,000 shares when he had 30,000 in his own name and held 175,000 jointly with Sir Walter James?

Mr. Abbott: He might have been trustee for them.

Mr. HUGHES: He might have been a trustee for himself! There is another lawyer! I would not be surprised if he were a trustee for himself for life so that he could get an income from the shares as long as he lived and then for his son afterwards or for someone else, so that he could rake in the dividends without having to pay income tax. Then Frank Boan comes in for 40,000 preference shares. He says, "My father owned 30,000 of the 250,000 preference shares." As a matter of fact he must have known that he had 40,000 preference shares. The firm's own valuation was £1 3s. 4d. Surely Frank Boan has not been walking around with £50,000 in his pocket without being aware of it, and if he was aware of it he deliberately supplied wrong information to this House! Out of 250,000 shares Henry Boan owned 30,000, and Frank Boan owned 40,000—that is 70,000—while Henry Boan and Sir Walter James jointly owned 175,686, making 245,686 out of a total of 250,000.

It will therefore be seen there is no truth in the statement that he owned only 30,000 of the preference shares. The remainder were owned in three parcels; two of 250, one of 500 and one of 340. Then he goes

on to say that of the ordinary shares his father owned 50,117. But his father owned 100,000 of the ordinary shares up till about this time. He owned only 50,000 at the date of his death because he transferred 49,910 to his son, so they still owned the 100,000 ordinaries as well as the 250,000 preferences. Even the bonus shares—the 1s. shares, the magnificent charitable bequest of 1s. shares—stood in the name of Henry Boan and Mr. Vivian who were joint owners of the employees' bonus shares, a total of 13,000, worth £1,500.

Mr. Abbott: Not necessarily; they might have been worth a lot more.

Mr. HUGHES: I am going to show that they were worth more, and that instead of paying probate duty on £237 the estate should be paying probate on about £300,000.

Mr. Watts: It may do so yet.

Mr. HUGHES: It will if I have any say in the matter. That was the year before Mr. Boan died. In the current year the share list shows: "Estate of the late Henry Boan, 30,000 preference shares; Sir Walter James as trustee and the estate of the late Henry Boan, 175,686." Even after Mr. Henry Boan has died, he is still shown as joint owner of the 175,000 shares. The Minister knows that a trust should not be registered on the registered members. That return should not have been accepted. Even after his death it is still admitted that he jointly owned 175,000 shares, and the figures remain practically the same as in 1940.

In assessing the rate of dividend I could have taken the 7 per cent. preference shares and deducted the interest from the profits, and then divided the balance by the ordinary shares, and instead of showing 16 per cent. on the ordinary shares, it would have gone up to nearly double that amount. But as they owned all the ordinaries and all the preferences, I thought it was fairer to treat all the shares as shares in the company. The righteous indignation which my speech brought forth will not stand analysis because Sir Walter James and Mr. Frank Boan rendered a return to the Probate Office showing Henry Boan's estate to consist of 30,000 preference shares of 7 per cent., which they valued at £35,000, or £1 3s. 4d. a share. They showed that he owned 50,117 ordinary shares valued at 16s. 6d. What is the position? In 1941 the net profit was £37,000 in

round figures. Out of that amount £17,500 has to be appropriated for providing 7 per cent. on preference shares, leaving a net profit of £20,000 on the ordinary shares and the ordinary shares, therefore, were paying 20 per cent. dividend. So they had the cheek to submit to the Probate Office that shares paying 20 per cent. dividend were worth 16s. 6d.

Mr. Raphael: I would not mind taking some myself at that price!

Mr. HUGHES: Of course everybody knows—and I am sure the member for Victoria Park (Mr. Raphael) with his extensive investments knows better than most of us—that if a £1 share will return 20 per cent. per annum, its value is approximately £3 10s. They admit that because they themselves valued the 7 per cent. preference shares at £1 3s. 4d. They said 6 per cent. was a fair return on the £1 shares. Had they adopted the same valuation, they would have valued the 50,000 ordinary shares, not at 16s. 6d. but at about £3 3s., or £3 in round figures. They deliberately undervalued the shares by £3 2s. 6d. Why? It was for the purpose of evading probate duty, just the same as their transactions right through have been for the purpose of evading income tax. There is no other reason for undervaluing shares. The member for North Perth (Mr. Abbott) is right. The 1s. shares are worth 3s. The true value of this estate for probate is not £237, but a great deal more. The 50,000 ordinary shares have to be plussed by approximately £2 5s., that is £112,000, and a half share at least of the 175,000 preference shares which were not shown at all in the probate has to be included. Although they were returned at the company's office as owned jointly by Sir Walter James and Henry Boan, no reference in the probate has been made to them.

Hon. C. G. Latham: They may have been held in trust.

Mr. HUGHES: For whom?

Hon. C. G. Latham: For somebody else.

Mr. HUGHES: For the hon. member?

Hon. C. G. Latham: No, nor for you, either.

Mr. HUGHES: The hon. member does not know. I know all about holding in trust. If they were held in trust, why did not the documents say, "Sir Walter James and Henry Boan in trust" instead of saying "Sir Walter James as trustee and the estate

of Henry Boan?" If they are held in trust, they are held in trust for the family. Two hundred and seventeen pounds is not what they should pay probate on, but at least £250,000—£112,000 for the true value of the ordinary shares plus at least half the money they claim in the 175,000 shares, and probably the lot. It is a terrible thing when we talk about getting money for public purposes by levying contributions—forced loans from typists and office boys—that we should let a man make a return showing his estate at £217, when in reality, it is more like £250,000. I hope there will be a re-assessment, and that the probate office will take the matter up and investigate this deed of trust that the Leader of the Opposition says is in existence.

Hon. C. G. Latham: I did not say it was. I said it might be.

Mr. HUGHES: It might be! Of course some farmers might have deeds of trust under which they have covered up their debts to somebody else. Why is a deed of trust required? It is only to cover up something. If it is a genuine deed of trust it should have been shown in the probate in full. If, as the Premier suggests, sufficient information has been supplied, and the House will consider an amendment designed to prevent this in future, then there is no need for the inquiry because the object I set out to achieve has been achieved. If an object can be achieved in some other way there is no point in wasting a lot of time.

In my penultimate paragraph I state that if ever a case was made out for the proposition I put up, these extraordinary figures supplied so kindly by Mr. Boan and the Minister for Justice, plus the investigation of the returns of the Companies Office, do so.

Great umbrage was taken by Mr. F. Boan at my criticism. I have no apologies to offer. We are here as custodians of the public affairs and have to do our best to see that people do not get away with this sort of thing. We have to bring that knowledge before the House so that it may be in possession of the facts. He said his father had commitments oversea. I suppose he had commitments oversea, but he had plenty of assets on which to borrow in order to meet them. I understand the commitment oversea was that he bought an Irish peerage. I resent that! I resent the Jews invading

Ireland and buying our peerages. I think they should leave Ireland as a sanctuary for Englishmen.

Question put and negatived.

House adjourned at 10.18 p.m.

Legislative Assembly.

Thursday, 2nd October, 1941.

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

URGENCY MOTION DISALLOWED.

MR. SPEAKER [4.33]: I have received a communication from the member for Avon (Mr. Boyle) regarding his intention to move, under Standing Order 48, "That the House do now adjourn." According to "May's Parliamentary Practice," 13th edition, page 248, an urgency motion cannot be accepted if an opportunity to discuss the matter to be brought before the House can be afforded in Committee on the Estimates. I quote from "May":—

The Speaker declines to submit a motion for adjournment of the House if, in his opinion, the subject to be brought forward is not definite, urgent or of public importance. Motions for adjournment regarding matters for the discussion of which the committee of supply or other appointed business would afford an early opportunity . . . have been ruled to be out of order.

In the circumstances, I decline to read the hon. member's letter.