

Legislative Council.

Wednesday, 16th September, 1936.

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DEPUTY PRESIDENT—ELECTION OF HON. J. CORNELL.

The Clerk (Mr. A. R. Grant): It is my duty to announce that the President, Sir John Kirwan, is absent from Perth on public business. It is, therefore, necessary for you to elect one of your number to fill the office, perform the duties, and exercise the authority of the President during such absence.

THE CHIEF SECRETARY (Hon. W. H. Kitson—West) [4.31]: I move—

That Hon. J. Cornell be elected to fill the office, perform the duties, and exercise the authority of the President during the absence of the President, Sir John Kirwan.

Hon. H. SEDDON: I second the motion.

Question put and passed.

[The Deputy President took the Chair.]

QUESTION—COMMONWEALTH RELIEF TO WHEAT FARMERS.

Hon. C. G. ELLIOTT (for Hon. G. B. Wood) asked the Chief Secretary: 1, How much Federal money granted to this State for necessitous farmers remains unexpended by the Agricultural Bank? 2, Will the monthly sustenance payments to farmers be continued for the remaining months of this year (1936)? 3, Is the Government aware of the threatened serious position in the north-eastern wheat belt owing to the grasshopper menace, drought, and the definite water shortage which will occur next summer?

The CHIEF SECRETARY replied: 1, Grant for 1935-36 season, £161,600; allocated to date, £140,217; balance to allocate, £21,383. 2, Payments will continue until money is exhausted. 3, Yes.

ADDRESS-IN-REPLY.

Tenth Day.—Conclusion.

Debate resumed from the previous day.

THE CHIEF SECRETARY (Hon. W. H. Kitson—West) [4.35]: I should like to extend a welcome to the new members of this Chamber, and congratulate them on their speeches on this motion. Their efforts on this occasion are a good augury for the future. I feel that they will take an active interest in the work of the House, and that their contributions will be such that the debates that will ensue will be the better for their attendance here. At the same time, we all miss the two members who failed to be returned at the last election. I should like to express to them our good wishes for the future. Several references have been made to the recent retirement of Mr. Collier from the position of Premier. It is to be regretted that one who has played such a great and valuable part in the affairs of the State should find it necessary to retire at this stage owing to ill-health. It is very nice to think that those in this Chamber who hold political views differing from his should have such kindly remarks to offer concerning him. Those remarks are much appreciated by me, and no doubt also by Mr. Collier. Quite a number of changes have occurred in the personnel of the Government during recent weeks. Changes of this kind bring about certain temporary disabilities, which arise primarily from the fact that men who are new to office have had to take over the departments concerned at a time like this. Those disabilities will, of course, gradually disappear. The Government are now getting down to serious business, and many members generally can reasonably expect that the affairs of State will be carried on expeditiously, as we would all like them to be. Most members have spoken on this motion. It is rather encouraging to note the manner in which they have dealt with the various questions that have been raised. There has been a certain amount of criticism, although it has not been hostile. Many of the speeches have been very helpful, and in some instances have been of an instructive character. Since I have taken over the position of Leader of the House, I have naturally had to attend to many things which would ordinarily have not come within the scope of my duties. Consequently I am somewhat afraid I have

not been able to give the same personal attention that I would have liked to some of the remarks of members, as Mr. Drew, when holding the position of Chief Secretary, always did. If I have overlooked any of the remarks of members, I hope they will not assume that I have taken no notice of them. On the contrary, I assure them that I have notes of what they have said, and in many cases have submitted their remarks to the departments concerned. When it has not been possible to get the information required, for various reasons, I will do as Mr. Drew did, and pass on the information, when I receive it, as early as I can. In following Mr. Drew I realise I have a very onerous task to perform. He set a standard that I will endeavour to emulate, with what success the future alone can disclose. The speeches have covered a very wide field, and many of them have dealt with subjects not included in the address of His Excellency. Very few members have confined themselves to what appeared in the Speech, which was not unusual. It is generally recognised in a debate of this kind that members can refer to any subject in which they or their electors are interested. The Leader of this House has usually done his best to supply whatever information he can when drawing the debate to a close, and that is what I will endeavour to do now. I wish to refer first of all to the speech of Mr. Heenan, because he dealt with one or two very important matters affecting particularly the goldfields. To him as well as to Mr. Wood I would say that the questions they have raised have all received attention. During the course of my reply I think I shall be able to touch upon practically every point they raised. Mr. Heenan referred to one specially important point, namely, the fatal accidents which have occurred in the goldmining industry. Unfortunately during the last year or two an increasing number of fatal accidents have occurred in the goldmining industry. After referring the matter to the department, I find that steps have been taken with a view to minimising the number of accidents compared with what has been experienced during the last year or so. Steps have been taken to include the following: The safety provisions of the Mines Regulation Act are being strictly enforced and failure to comply with them is being followed by prosecution; two additional workmen's inspectors have been appointed; underground

supervisors are required to be holders of certificates of competency; and a new regulation has been gazetted requiring that all firing must be done by the cartridge system. This indicates clearly that the Mines Department is alive to the situation, and is prepared to do everything possible to improve conditions which in the past have led to the occurrence of many fatal accidents. It is as well that I should refer now also to the remarks of Mr. Elliott, who protested against the charges of State Batteries for the treatment of residues, and suggested that machinery should be installed to enable a much higher gold extraction to be obtained. I have little personal knowledge of the mining industry, consequently I propose to place before the House the reply that the departmental officials have submitted to me on this point. The reply is as follows:—

The average head value of tailings treated at State batteries for the year ended 31st December, 1935, was 3.78 dwts. Only 56 per cent. was worth more than 2 dwts. 8 grs., 38 per cent. only averaged 1 dwt. 10 grs. per ton, and 5.6 per cent. could not be treated on account of its containing too much copper. The treatment charges on tailings worth 3 dwts. or over are 4s. per ton less than at private batteries. The profit from tailing treatment does not cover the loss on milling and the cost of cartage subsidies. The average residue value for 1935 was 21 grs. per ton, equal to 76.1 per cent. extraction.

Only a small proportion of the tailings would pay for fine grinding, and the cost of installation of the necessary machinery is unwarranted for such a small tonnage, and the subsequent treatment of the slimed product from the aluminous oxidised ore crushed at State batteries, even with the most expensive filtration plants, has been proved unsatisfactory.

I do not know whether that reply will meet with the approval of the hon. member, but on the face of it, it appears to be a reasonable answer to his contentions. Both Mr. Elliott and Mr. Seddon—I believe one or two other members also mentioned the point—when dealing with matters affecting the mining industry, referred to the School of Mines at Kalgoorlie. Mr. Seddon in particular asked that the status of that institution should be raised until it approximated that of the University of Western Australia. Mr. Seddon and others submitted reasons why, in their opinion, that course should be adopted, and I forwarded their remarks to the educational authorities. I have been supplied with a lengthy statement on the

matter and I propose to read it to the House because I believe it is rather important and it will be of great interest to those associated

with the mining industry and particularly with the School of Mines at Kalgoorlie. The report is as follows:—

The staff has been increased as the enrolments increased as follows:—

Year.	Lecturers.	Part-time Teachers.	Research Staff.	Cadets.	Average No. Individual Students.
1931	4 (Principal included)	4	1 Metallurgist 1 Laboratory Assistant 1 Cadet	...	201
1936	4 Lecturers (not including Principal) 2 Assistant Lecturers (Principal not included)	7 8 demonstrators	1 Metallurgist 1 Assistant 1 Assayer 1 Laboratory Assistant	1 Cadet 1 Messenger	548 (two terms)

Total: 1931, 11; 1936, 27, and the Principal has been taken off lecture work.

The reasons for the administrative control of the School of Mines being placed under the Director or Superintendent of Technical Education were as follows:—

1. To co-ordinate the work and syllabuses of the School of Mines with those of the Technical College and the Technical Schools in the interests of uniformity throughout the State. The Technical College conducts classwork in Mining and Metallurgy, Engineering, etc., as well as the School of Mines.

2. To co-ordinate the staffing and salary rates for classification purposes.

3. To enable the Mines Department to have the services of the Superintendent of Technical Education as an Inspector periodically visiting the School of Mines and advising as to its staffing, equipment, and other necessities. The Superintendent of Technical Education is qualified to do this work. He is an Associate Member of the Institute of Mining and Metallurgy; a certificated mine manager for both quartz and alluvial mines; a certificated metallurgist (gold) and ore dresser; a certificated mine surveyor; and holds certificates for mechanics applied to mining. He has had several years experience underground as a practical miner and contractor, and several years experience as a civil engineer. He was the first lecturer in surveying at the School of Mines.

The taking of the control away would not increase the status of the School of Mines. The control was not placed with the Superintendent of Technical Education in order to restrict the staff, but for the above stated reasons. The School of Mines could not be placed on the status of a University. The courses of a School of Mines are not recognised as up to University standard. In any case if it were possible to raise the School of Mines to University status, the entrance qualification would have to be raised to that of matriculation standard. This would debar the majority of the present students from attending at all, and defeat the objects for which the school was established.

The cost would also be prohibitive as the present cost would be doubled or trebled without any advantage except to the lecturers who would require to be paid the same as University professors. The fact that a number of young men trained at the school under the system now operating and holding the highest technical positions, is an argument against altering the present system. The School of Mines status could not be raised to that of the Adelaide School of Mines in the way suggested. At Adelaide the lecturers of the School of Mines and the University professors work in co-ordination, the students take some of their lectures at the School of Mines and some at the University. Both institutions are available in the same locality, and are accessible to both lots of students. Here our similar institutions are over 300 miles apart.

The School of Mines is under the Mines Department, and controlled by the Minister for Mines. It has nothing to do with the Education Department whatever. The Superintendent of Technical Education, so far as his School of Mines control goes, is an officer of the Mines Department. There is no reason for the school being controlled otherwise than it is, and the Hon. Minister for Mines is very definite on this point. The system of education, be it technical or otherwise, must have a central control for the purpose of maintaining the status of the work done and having it uniform. The title "Superintendent of Technical Education" was changed from "Director of Technical Education and the School of Mines" to make it uniform with South Australia, New South Wales, and Queensland. It might be better to revert to the old title "Director of Technical Education and Director School of Mines" in order to make the position clearer.

I have given the House the departmental reply in full because I realise from the remarks of goldfields members that they

look upon the matter as important and deserving of consideration by the Government. Quite a number of members have referred to matters associated with the agricultural industry and more particularly to rural relief, the Agricultural Bank and other Acts that have been in operation for some years, all of which were designed to assist the primary producers in the agricultural areas. If I understood those members aright, most of them expressed their strong opposition to Section 51 of the Agricultural Bank Act. I am just a little afraid that some of those members do not quite understand the purport of the section or perhaps it may be that they have not looked at it from the point of view of its connection with the Act and the reason for its inclusion in that measure. When the Act was before Parliament in its final stages, a conference of managers was held and this particular provision gave rise to a great deal of trouble. The managers sat for several hours in conference and eventually Section 51 in its present form was agreed to. I have not looked the matter up, but I feel confident that was the position. I cannot help remarking that, in my opinion, the interpretation placed upon the section by some members indicates that it is misunderstood. It does not represent legislation that in any way affects permanent improvements or purchase of machinery, plant or stock. Loans for purposes of that description do not come under that section at all, and the question may well be asked: What sort of advance does come under Section 51? My reply to that is that the section applies to advances considered necessary to enable a settler to buy seed wheat or fertiliser or for sustenance purposes. In other words, it refers to what are commonly known as seasonal advances and does not in any way affect the general policy of the Agricultural Bank which is to advance money for a number of relative and specific purposes. For instance, a refund of interest already paid may be required by a farmer. That has occurred on many occasions during the last few years and will continue for some time to come. A settler may have paid his interest some time before and then he finds that he is confronted with difficulties in carrying on his operations. In those circumstances he makes application to the

Agricultural Bank for assistance to enable him to do so.

Hon. A. Thomson: But that has to be paid. He does not handle the money at all under the provisions of the Act.

The CHIEF SECRETARY: We know that the Agricultural Bank takes a lien covering one year's interest; that is all. Anyway, to continue the point I was making, the settler finds it necessary to apply to the Bank to obtain assistance to carry on for that particular season. He may want his money back in order to buy fertiliser supplies or seed wheat, or even to provide the necessary wherewithal for his family. In such cases, the bank authorities have power to refund the instalment of principal and interest paid and then that amount becomes a first charge against his crop as well as against his major sources of income. I do not know that anyone can reasonably raise objections to that.

Hon. A. Thomson: Those who have to work under that Act do not feel too happy about it.

The CHIEF SECRETARY: Naturally very few of those people are happy to-day because they are in such a bad position. The Agricultural Bank authorities are desirous of assisting the farmers so far as they can and make use of Section 51 for that purpose. That section covers only one year's interest overdue or an instalment of principal and interest refunded to the farmer or as a seasonal advance to enable him to continue his operations. It goes no further than that. Under the provisions of the Discharged Soldiers' Settlement Act of 1919, which was passed by a non-Labour Government, the administrators were given very wide powers. They not only were able to take a mortgage over the soldier's land, but a charge on his crop and chattels and not merely for one year's interest or for seasonal assistance as under Section 51 of the Agricultural Bank Act, but for the whole of the money advanced to him and interest due by him.

Hon. A. Thomson: They are not well satisfied with that.

The CHIEF SECRETARY: Naturally.

Hon. A. Thomson: They want to be on the same footing as the others and they should be.

The CHIEF SECRETARY: I will deal with that later on. I would also point out that under the Industries Assistance Act a first charge is taken for all interest and advances over the land, crops, produce, live-stock and the progeny thereof, the chattels, implements and machinery of the person receiving help.

Hon. L. Craig: Section 51 does the same thing and enables a lien to be taken over the property of the farmer.

The CHIEF SECRETARY: I am remarking that the provision is by no means novel. There is nothing novel in the provisions of Section 51, but if one took the remarks of some members literally one would come to the conclusion that this was an innovation on the part of the Government which was not justified. As a matter of fact, the present measure does not go as far as the Discharged Soldiers' Settlement Act or the Industries Assistance Act. While those Acts impose a charge for the whole amount advanced, Section 51 imposes a charge only to a limited extent. There are approximately 2,400 soldiers farming under the Discharged Soldiers' Settlement Act, and 533 unfunded debtors under the Industries Assistance Act, whose goods and chattels are extensively encumbered without any serious detriment to credit. That is one of the arguments submitted by members, that this particular section is detrimental to the credit of the farmer concerned.

Hon. A. Thomson: It certainly is.

The CHIEF SECRETARY: I cannot agree with the hon. member. It is merely similar to the amendment to the Agricultural Bank Act of 1930, which was passed by our predecessors and which, I think, was supported by the hon. member and other hon. members representing country constituencies.

Hon. A. Thomson: We have seen the error of our ways since then.

The CHIEF SECRETARY: The Act which was passed by the previous Government says:—

If any advance is made by the Bank to any person for fallowing, fertilisers, insurance of crops or buildings, or any interest for not more than one year which has become payable to the Bank, the Bank shall be entitled to a first charge in priority to all other encumbrances upon all crops sown or to be sown or grown upon any lands held or occupied by such person for agricultural or farming purposes, subject to the charge ranking after a similar

charge in favour of the Industries Assistance Board.

Hon. members will see that the principle to which so much objection has been raised was embodied in a Bill with which the Government have had nothing whatever to do, but a Bill which was introduced by the Country Party and the National Party Government without the slightest objection being raised. But, when a Labour Government simply copies it into its Bill, a storm of protest is raised.

Hon. A. Thomson: It is the way it is being administered to which objection is taken. There was some elasticity then; there is none now.

The CHIEF SECRETARY: I cannot agree with the hon. member. I am advised that there is a lot of elasticity about it. I have here some remarks from the Agricultural Bank in regard to it which indicate one very good reason why it is highly essential that a clause of this sort should be included in the Agricultural Bank Act. It may be as well if I read the reply of the Agricultural Bank:—

With regard to Section 51, although the charge thereby created is exercised against the crops and other income of all debtors who are in arrears with their interest, refunds may be obtained and are continually being made on application to the branch office. Section 51 was only enacted after long experience had shown that without control over the income of its borrowers, it was impossible for the Bank to stop the drift in its accounts. The inquiry of the Royal Commission clearly showed that, notwithstanding the depression and the very bad times farmers were passing through, their accounts with the stock firms had improved, while their accounts with the Agricultural Bank had drifted. The stock merchants were making profits out of stock depasturing on Bank properties, and the Bank got nothing.

With regard to outside credit, that is, advances made by stock firms on sheep, etc., the section has been used to regulate, not to control commercial credit. Exemptions are given to acquire sheep in all cases where it is to the settler's benefit to stock. Many thousands of sheep have been supplied to farmers under this condition. The Commissioners are not aware of one single instance where Section 51 has operated to the detriment of a Bank client. It is no use Mr. Piessie talking in generalities. He should state specific cases, and if this is done, the undertaking will be given that they will be looked into sympathetically.

Credit-worthy settlers are being provided by the Bank with horses and plant, both by transfer from abandoned holdings and by the issue of new loans, and also by the Bank foregoing its claims under Section 51 to allow private dealers to supply them. But it has to be borne in mind that only under special circumstances

and with the approval of the Governor can advances be made in excess of £2,000 on any one security, and in a number of cases advances in excess of £2,000 have been refunded.

The remarks of the Agricultural Bank Commissioners in connection with Clause 51 show conclusively that there is a necessity for it.

Hon. G. W. Miles: Of course there is.

The CHIEF SECRETARY: I am glad to know that one member supports us in this direction.

Hon. A. Thomson: He should be sitting behind you and not where he is.

The CHIEF SECRETARY: Anyway one can quite understand that those farmers who are in the position of having to apply for a refund of interest feel that they are being hardly dealt with, if called upon, as I understand they have been called upon on some occasions, to give as security something which perhaps they look upon as absolutely their own. At the same time, I think we must recognise that if the Agricultural Bank were called upon to make seasonal advances so that the settler might carry on for the particular season under consideration, he should not complain too severely, especially in view of the remarks I have read, which indicate that sympathetic treatment is given in all cases, and that in no reasonable case has there been a refusal on the part of the Bank. I think it was Mr. Piesse who, referring to the Discharged Soldiers' Settlement Act, asked the Government if they thought it fair "to place all these improvements and increase to stock under an ordinary bill of sale." He suggested that the Agricultural Bank should extend to soldier settlers its practice of allowing group settlers with free stock on their farms to remove and sell the stock before it comes under lien of the Bank. As it is, if the soldier settler finds his position untenable and leaves his holding, he has no recourse but to hand over the whole of his stock to the Bank. Mr. Piesse asked if it was reasonable that a soldier settler should be forced to spend his own money on the insurance of the Agricultural Bank property. I think most reasonable men would agree that the question as put by Mr. Piesse was hardly reasonable. When we deal with the facts of the case, I think the position is quite all right, and that there is nothing to complain about. Under Section 16 of the Discharged Soldiers' Settlement Act the Bank has a charge over all crops,

stock and chattels of a discharged soldier settler. These borrowers were assisted on a more liberal scale than civilian settlers and, taking this into consideration, the Act gave the Bank additional security which, in the case of an ordinary debtor, is not enjoyed. A mortgage over land covers all fixed buildings, whether they have been erected with moneys advanced by a mortgagor or otherwise. The mortgage covenant requires a mortgagor to insure and to keep insured all buildings erected on the Bank's security. Where a borrower's indebtedness is written down, or the account conditioned by spreading the payment of arrears of interest and instalments over the unexpired term of the mortgage, a bill of sale is required over the free stock and chattels of the debtor. The security is not taken for realisation purposes, but as an additional safeguard for the Bank and the borrower, should the latter again experience adverse financial circumstances. It is that last paragraph I would commend to the notice of Mr. Thomson and Mr. Piesse, that "the security is not taken for realisation purposes, but as an additional safeguard for the Bank and the borrower, should the latter again experience adverse financial circumstances."

Hon. L. Craig: It all depends on how that is administered.

The CHIEF SECRETARY: I think the administration has been quite satisfactory.

Hon. L. Craig: The power to realise is there if they so desire.

The CHIEF SECRETARY: More than one member has referred to the Rural Relief Act, but Mr. Piesse dealt rather comprehensively with it. I submitted his remarks to the trustees of this particular fund, and they have supplied me with a fair amount of information. I consider it is of such importance that I intend to spend a few moments dealing with this question of assistance granted under this particular Act. Mr. Piesse expressed the view that the average grant was not sufficient for the purpose desired. The average advance is about £325 while the total allocation to this State from the Commonwealth is £1,300,000; and the trustees point out to me that at the rate of £325 per applicant adjustments can be effected on behalf of 4,000 farmers. During the course of the debate the question was raised as to whether 4,000 farmers would require assistance under this Act. In the

opinion of the trustees there is every possibility of more than 4,000 requiring aid. On the wheat belt alone there are roughly 11,000 farmers, and pastoralists, fruit and dairy farmers are also eligible for relief. I am also advised that up to date there are over 1,700 applications and that further applications are coming in at the rate of about 60 per week. About 700 cases have already been dealt with. Therefore the trustees do not think it advisable to pay out to the applicants larger amounts for fear of the exhaustion of the fund. That is a quite reasonable attitude to adopt. It is purely a question of money and the trustees have no right to assume that the Commonwealth intend to increase the amount already approved by Parliament. Mr. Piesse also suggested that we might adopt the Victorian system, but the trustees claim that there is a practical difficulty militating against the adoption of that system in Western Australia. They point out that millions of pounds are invested in the land in this State and the amount necessary to pay the difference between the 66 $\frac{2}{3}$ and the whole of the sum owing to the mortgagee is simply not available to the trustees. Mr. Piesse also said that he could not understand how it was that in the Eastern States so much higher advances were made on unsecured debts than is done by the trustees here, but I would point out to the hon. member that while he was speaking he referred to the fact that in Victoria they had an additional fund for this purpose—a fund which is not available in this State. Advances have been made even here of higher amounts than £500, but in those cases the area on which the settlers farm is fairly large and is held in partnership by more than one person. Both Mr. Piesse and Mr. Baxter raised a question as to the unsecured creditor receiving only a very small sum of money while the secured creditor receives his full 20s. in the pound. I would point out that 20s. in the pound is paid to secured creditors only when the asset is worth more than that, and when it is considered to be to the advantage of the settler to raise the lien on a potential source of revenue. No firm supplying livestock on the security of a lien, and later knowing that the livestock were of more value than the amount owing, either would or could be expected to reduce the debt below its value. I think most hon. members will agree with that. There is

little or no security for unsecured creditors. Consequently some are paid only 2s. in the pound, but where opportunity has offered some have been paid even 15s. in the pound—everything, of course, depending on the position of the settler himself and the value of the property and assets. The position of the country storekeeper was also raised in this connection. The Trustees under the Rural Relief Act sympathise with the small storekeeper in this regard, but I think it will be realised that they cannot apply preferential treatment in that case.

Hon. A. Thomson: The country storekeeper is having a very bad time indeed. To me it seems unfair that after having fed and clothed the farmer, the country storekeeper should be treated as he is.

The CHIEF SECRETARY: That is admitted, but many other people are also having a bad time. For instance, objections have been received by the Trustees as the result of having paid other debts at the rate of 10s. in the pound. Where a man has given his labour over a period and then finds he can only get 50 per cent. of what he is entitled to in the form of wages, he too has some reason to complain. However, the Trustees cannot help themselves; they are carrying out the Act to the best of their ability, and in view of the amount of money advanced I think they are doing a highly satisfactory job. I have quite a quantity of information which I do not propose to deal with in detail; but it is surprising to find, in some individual cases, that unsecured creditors have debts owing to them up to £2,000. I do not understand how that has come about but nevertheless I am sure it is perfectly true that there are unsecured creditors to the extent of £2,000.

Hon. A. Thomson: Unfortunately it is only too true. Storekeepers have carried settlers on for years and years.

The CHIEF SECRETARY: The Trustees have supplied me with several typical cases, and it might be as well if I quoted two of them showing a position where 2s. in the pound has been paid to unsecured creditors. In the first example the total indebtedness was £7,518. Of this amount £5,122 was owing to the Agricultural Bank, and £2,000 to a private bank. The total assets amounted to £4,803, falling short of the amounts owing to the two banks by £2,319. Accordingly, nothing was left for unsecured credi-

tors. On those figures the settler was in an impossible position. However, the Director got to work on the accounts, with the result that he was able to arrange with the creditors, secured and unsecured, that the settler should be brought under the Rural Relief Act. The Agricultural Bank reduced their debt from £5,122 to £3,750. The private bank, which held a second mortgage, accepted 2s. in the pound on the £2,000. The unsecured creditors accepted 2s. in the pound on £295. Payments of small amounts for machinery and road board rates amounted to £38. To implement the composition, £278 was voted from the fund, which reduced the settler's debt from £7,518 to £3,750, a sum which it was considered the settler would be able to pay. I think that is an instance of a debtor who was in a really impossible position, but who, as the result of the activities of the Rural Relief Trustees, has been placed in a position where he can carry on—I suppose with some hope of success, notwithstanding the hard times the farming community are still going through. The second example I would like to quote deals with a total indebtedness of £11,306. Of this amount £9,069 was owing to a private bank on mortgage. The total assets, after allowing for land rents outstanding, amounted to £6,015. Here again there was nothing left for unsecured creditors. The position was so bad that the Trustees were doubtful whether any help could be granted; and they deferred their decision on the matter. In the meantime the Director got to work with the Bank, and the result was that the chargeable debts could be regarded as £6,701, plus a new overdraft of £1,320, against which seasonal finance was arranged. In this case interest had not been charged, and any surplus was applied to the reduction of the overdraft account. When that is paid off, interest at 4 per cent. per annum will be charged on the capital debt. Advances which have been arranged for this season total £630. The machinery on hire was cleared at £67 less than the amount at which it was valued by the settler, and the unsecured creditors received 2s. in the pound. An enabling advance of £363 was approved from the fund for this purpose. It is only right to point out that in both these cases the arrangements were made voluntarily with private institutions, and took effect at once.

Hon. E. H. Angelo: Due to the work of the Director.

The CHIEF SECRETARY: Quite so.

Hon. E. H. Angelo: The Director has been acting as a fairy godmother.

The CHIEF SECRETARY: These are only two cases among a number; but they happen to be cases where the farmer was in a particularly bad position, owing such large amounts, with assets so much less than the amounts owing, that his position appeared to be quite impossible. In these cases the farmer has now been placed in a position where he has a reasonable chance of carrying on successfully.

Hon. A. Thomson: The cases also show that the Associated Banks are meeting the position. Is not that so?

The CHIEF SECRETARY: What I have stated shows that in some cases the Associated Banks have met the position.

Hon. A. Thomson: In the two cases quoted, very definitely.

The CHIEF SECRETARY: If the banks had not done so, what would have been their position? It was a case of either meeting the debtor or getting nothing. On abandoned farms the security reduces in value rapidly.

Hon. H. Tuekey: Did those private banks have first mortgages?

The CHIEF SECRETARY: In the second case the Associated Bank had a first mortgage. I think it can truthfully be said that the working of the Act is giving satisfaction to the settlers who are taking advantage of it. Probably there will be some cases where it is impossible for the Trustees to do anything of real value for the applicant; but, generally speaking, I believe they have given every satisfaction. Another point has been raised in connection with the subject, and that is the question of equipping applicants with new plant and power. Unfortunately the Rural Relief Fund can only be drawn upon for the payment of debts, and not for assistance in equipping settlers with plant. Hon. members who were closely interested in the measure when it was passing through this Chamber will remember that although we endeavoured to secure the right, or power, to do something in that direction, this was refused by the Commonwealth authorities. Those cases show conclusively that the Trustees have adopted the right policy; that they are working on

the assumption, based on their experience up to date, that there will be a considerably larger number of applicants than they have already received, and that it would not be fair to grant to early applicants assistance on too generous a scale, implying that later applicants might have to be satisfied with something less than they would otherwise have received. Another agricultural question dealt with by several members, including Mr. Baxter, is that of depredations by foxes. Certain references have been made to the administration of the Central Vermin Fund. The Government's attitude in this connection is plainly illustrated by the decision of the Minister for Agriculture to pay a bonus of 2s. 6d. per scalp during the ensuing year, despite a recommendation by the Vermin Advisory Board that payment of the bonus be eliminated altogether. It is unfortunate that on account of the state of the funds a reduction of the bonus paid for one of the animals declared to be vermin has become imperative; but otherwise there would not have been sufficient funds to continue the payment of the bonus which has been declared. Members may be interested in a few figures dealing with the fund, and I wish to point out that the collections of the Central Vermin Board last year were the lowest since the inception of the fund, owing to the decrease in land values. On the other hand, the number of scalps presented constituted a record, mainly on account of the great increase in foxes, bonus payments being made on 32,711 of these vermin—quite a large number. The only alternative to decreasing the bonus was to raise the vermin rate; and this the Minister did not wish to do, having regard to the financial position of the farmers. I have been supplied by the department with certain particulars, which I think it may be desirable to submit to the House. The Vermin Trust Fund Act provides that the rate shall be levied on all holdings over 160 acres, and shall not exceed 1d. in the pound of the unimproved value of land held under pastoral lease, and $\frac{1}{2}$ d. in the pound of the unimproved capital value of other holdings. The rate is not leviable on holdings which are (a) enclosed within a vermin-proof fence, (b) which are owned by or on behalf of any religious body, or (c) used exclusively for the purpose of a public hospital, benevolent asylum, orphanage, or other charitable purpose. The maximum rates were levied during the years ended

30th June, 1927, 1928 and 1929, since when only one-half of the maximum rates has been levied. The maximum amount collectable under the rate levied varied from £47,000 in the first three years; about £23,500 for the years ended 30th June, 1930, to 1933; and about £20,000 for the years 1934, 1935 and 1936. The greatest amount collected was £50,174 in 1928-29, including arrears from previous years. For the year ended 30th June last only £18,156 (the lowest so far) was collected, and the fund was in debt to the Treasury. The total amount collected to the 30th June, 1936, was £275,079. The greatest expenditure in any one year was £51,175 in the year 1929-30, and the lowest amount was £9,332 in the year 1931-32. The total amount expended in bonuses since the inception of the fund to the 30th June last was £275,882. The half rate of tax has been approved by the Minister to be levied for the current financial year. Members, I think, will agree that these figures are very illuminating. The report goes to show that the department have acted in the best interests of the farmers throughout the State. Mr. Baxter, in the course of his remarks, said that large sums of money were being expended in the metropolitan area on public works, yet no money was available with which to provide additional country water supplies. The provision of country water supplies has always received favourable consideration at the hands of this and previous Labour Administrations, notwithstanding that these settlers have only been asked to pay water charges which even if they had been collected, would scarcely have covered working expenses. I should also like to point out that the trouble is not so much the provision of water works as the obtaining of sufficient rain to enable adequate water supplies to be established. That is the difficulty today. Even now in quite a number of districts the necessity for additional water supplies is very acute, and the Government are considering ways and means of making provision in that direction. In some instances unduly large sums of money have been required to conserve the interests of a comparatively few people. Nevertheless, the Government have given attention to that problem, and I feel sure that in each instance the settlers will be met with consideration to the best of our ability. Mr. Baxter referred to luxurious

transport for city residents. I could not help thinking that not only his remarks, but the remarks of one or two other members served to resuscitate the old argument of town versus country, an argument that I thought we had got beyond some years ago. The hon. gentleman, of course, intimated certain difficulties, the most important being the provision of employment for the unemployed. We have had to give consideration to putting in hand works that would employ large numbers of men, reproductive works if possible, and which in all cases would require a large proportion of the money to be spent in wages, rather than in material. There has been considerable activity in the metropolitan area, as for instance, in the sewerage works. It is a fact that the Water and Sewerage Department is a reproductive department, and I do not think the country has much cause to complain on that score. The hon. member made special reference to the work being done on the Perth-Fremantle road. That road is costing a large sum of money, but the money is not being specially provided by the State Government; it is coming out of funds allocated from traffic fees. Consequently it is not quite fair to say we are spending money in that way and not providing money for country requirements. While on that subject, the hon. member referred to the fact that there was a bridge over the Swan River that was suitable only for the lightest traffic, and in no way suitable for a main road. Possibly the hon. member was perfectly right in that contention, but in any case he will be pleased to learn that the provision of a new bridge at that point is now under consideration.

Hon. G. W. Miles: What about the half million you wanted to borrow for the farmers?

The CHIEF SECRETARY: Mr. Craig in his remarks again raised the question of the interest payable on repurchased estates. It is not the first time he has raised the question, but this is the first occasion on which I have been able to give him what he may consider a fairly satisfactory reply. Mr. Craig said the interest on the repurchased estates should be reduced. I am glad to be able to tell Mr. Craig that in conjunction with the revaluation of a number of repurchased estates it has been decided to reduce the interest rate from 6 per cent. to 5 per cent. I may add that the reduced rate will be put into effect almost immediately. Mr. Craig in his

speech evidently thought that the settlers on those estates were being treated unfairly in point of the interest charged.

Hon. L. Craig: That was the position.

The CHIEF SECRETARY: However, the interest rate, as I say, has been reduced from 6 per cent. to 5 per cent., and will be put into effect almost immediately. I hope the hon. member will consider that a satisfactory reply.

Hon. L. Craig: Yes, it is very satisfactory.

The CHIEF SECRETARY: A number of other matters were raised by various members. Mr. Baxter remarked that when travelling through the country in company with Mr. Thorby, the Federal Minister, he noticed large areas of bare ground, due apparently to the depredations of grasshoppers. It cannot be admitted that the bare patches of ground referred to by the hon. member are due entirely to the depredations of grasshoppers. If this were so, the vast areas of our goldfields pastoral country would be denuded of grass and other pasture, for that country is the natural home of this species of grasshopper, and is the original breeding ground. Owing to the comparatively low rainfall, the pest in those areas swarms annually. There are many causes other than grasshoppers which might be responsible for the bareness of the land referred to. Now I come to the important question of the supply of fruit cases, a question that was raised by several members. From the remarks made by those members I infer that they expect that the State Sawmills should be prepared to supply whatever number of cases might be required, irrespective of any other conditions that might prevail. I have interested myself in this matter and I claim that the State Sawmills are the only mills in this State that have done the utmost possible in order to meet the position. A deputation waited on me a few months ago in connection with this matter, and I thought I had at least satisfied that deputation that the State mills were doing all they could reasonably be expected to do. But from certain Press references that have since appeared I am beginning to think that I did not succeed in convincing everybody. The position is that the State Sawmills last year, in an endeavour to provide for the large quantity of fruit that had to be exported, used for last season's crop, timber

that otherwise would have been seasoned and used for the next crop. Consequently, that reduced the number of cases that it was possible to provide for the season. The position became so serious that I decided to instruct that the State Sawmills should go to the fullest possible extremity in order to build up this year's supply. I am now practically certain that the State Sawmills can guarantee a delivery of 375,000 cases. This has been made possible by alterations and additions to the machinery and plant at Pemberton and also by the installation of new fruit case ventures at Manjimup. No effort is being spared to do what is economically possible and I am hopeful that even the forecast of 375,000 cases may be exceeded. This information of course deals only with the activities of the State Sawmills, but I understand that the principal fruit case distributors are also taking action which should ease the position. Those firms are making arrangements to supply an additional number of cases this year as against their previous supplies. In consequence the position is at least a little better than it was when that deputation waited upon me. Other sawmillers also are taking up fruit case production and a fully equipped new fruit case mill is in course of erection at Dwellingup. One of the difficulties in the way of supplying the full demand has been the fact that the quality of cases produced by the saw mills in this State is very high. Single-piece ends have been insisted upon by private growers and we have endeavoured to meet their desires. Then the growers asked that the timber should be dressed on one side. We had no sooner met that request than they wanted it dressed on both sides, and we are meeting that request also; and yet, with all these requests, the sawmilling industry have received no quid pro quo in the matter of payment.

Hon. W. J. Mann: The price is very good.

The CHIEF SECRETARY: But how does it compare with white wood?

Hon. W. J. Mann: It is of no use sending money out of the country for white wood.

The CHIEF SECRETARY: We try to avoid that as far as possible. It must be remembered, however, that there is a point beyond which it is impossible economically to produce fruit cases. Many members do not take much notice of that fact; they

seem to have an idea that all classes of timber can be utilised for fruit cases and can be sold at a margin of profit. I repeat that beyond a certain point it is economically unprofitable to produce fruit cases at the prices which are being paid for them to-day.

Hon. L. Craig: That is, for fruit cases of the quality demanded.

The CHIEF SECRETARY: Yes.

Hon. L. Craig: I know that is so.

The CHIEF SECRETARY: There is a good deal of detail in the production of fruit cases in such large quantities and we are endeavouring to meet the position as far as possible.

Hon. H. Tuckey: Do not you require better facilities for cutting fruit cases, more up to date machinery?

The CHIEF SECRETARY: There is no better plant in existence than that which is being operated at present. As regards the provision of facilities, it depends on what the hon. member means by that term. The intake of a mill is governed by the Conservator of Forests; the mill is limited to the area determined by him. All classes of timber are not suitable for fruit cases, and there are quite a lot of other factors to be borne in mind. As regards the establishment of a fruit case mill as a separate unit, I doubt whether anyone could make it an economic proposition. It certainly has not been done up to date where it is necessary to provide the type of fruit case that is demanded.

Quite a number of other agricultural items were raised which are sufficiently interesting to be dealt with. The question of the encroachment of salt is an important matter from the point of view of the farmer. The present practice of the department is to reserve strips of 5 to 10 chains along the edge of salt lakes. In the past the necessity for providing such reserves as a protection against the spread of salt was not fully recognised, with the result that block boundaries approached too near the salt lakes. The pressure on the department by settlers to open those reserves for settlement has in the past been difficult to resist. The question of making advances to farmers to recondition their plant was raised. I know from personal experience that one of the most urgent requirements of the farmers is a re-conditioning of their plant. In many instances their power is deficient, and their imple-

ments have been in use so long that they are not as efficient as they should be in order to permit of proper farming methods being practised. Consequently the farmers are not getting the best results from their efforts. As I remarked previously, the Government did make an effort to secure the consent of the Commonwealth Government to utilise a portion of the money made available for the rehabilitation of the farming industry, but the Commonwealth Government would not give their consent to the money being utilised in this way. The suggestion that we should raise a loan of half a million for the purpose of making advances to farmers for the purchase of machinery is one for the Loan Council. The matter has received some consideration from the Government, but I am not in a position to state anything of a definite character. One or two members of the Government are personally interested in farming propositions, and as the Deputy Premier is a practical farmer, matters of that kind are not overlooked. It is only because of our inability to take action that nothing has been done. Another question raised was that of soil erosion. I do not wish to deal at length with that matter except to say that the department have been giving the question a lot of consideration. The difficulties arising from soil erosion have not assumed the same proportions here as they have in the United States of America and also in the Eastern States of Australia. That is probably due to the fact that the agricultural industry in this State is younger than elsewhere.

Hon. H. Seddon: That is the only thing that has saved us.

The CHIEF SECRETARY: That might be so. The question is receiving attention. We are in close co-operation with the Soils Division of Council of Scientific and Industrial Research, and Professor Prescott, who is in charge of that division, is at the moment visiting this State. All the steps possible to take are being taken and the subject is not likely to be overlooked. I have dealt with agricultural questions, though not as lengthily as I should have liked, but there are one or two upon which I have not touched. As to those, I shall communicate at a later date with the members who raised them. There is one point that I should like members to bear in mind. A good many of the suggestions made, if put into effect, would involve the expenditure of large sums

of money, and I cannot help thinking that Mr. Baxter and other members, in alluding to the plight of the agricultural community, possibly overlooked that fact. A heavy burden has been shouldered by the whole of the people of Western Australia as a result of losses incurred on past expenditure devoted to the assistance and development of agriculture. In replies to questions I asked, I was rather surprised to find that last year alone losses on agricultural development cost the taxpayers of the State £872,000, exclusive of the loss on the year's operations at the Wyndham Meat Works, which amounted to a good many thousand pounds.

Hon. A. Thomson: Does that represent interest not paid?

The CHIEF SECRETARY: Yes.

Hon. A. Thomson: And principal?

The CHIEF SECRETARY: It not only represents interest which was not paid and which cannot be collected, but includes amounts owing to the State against which all moneys recoverable have been offset.

Hon. A. Thomson: That amount has been written off?

Hon. W. J. Mann: It does not represent all the money expended?

The CHIEF SECRETARY: No, it is money not recoverable. I am having dissections made and certain figures produced which I would like members to consider later on.

Hon. H. Seddon: A lot of useful information is contained in the returns appended to the Budget.

The CHIEF SECRETARY: That is so. The point I was making was that many of the requests preferred by representatives of the farming districts, if given effect to, would mean the expenditure by the Government of very large sums of money.

Hon. G. W. Miles: And at the same time a reduction of taxation is being proposed.

Hon. A. Thomson: That does not worry the farmers, because they have not an income on which to pay taxation.

Hon. G. W. Miles: No, but other people have to pay.

The DEPUTY PRESIDENT: Order! The Chief Secretary is addressing the Chair.

The CHIEF SECRETARY: Let me make a comparison for the information of members. I said that last year the losses on agricultural development cost the taxpayers £872,000. The total collections under the financial emergency tax last year amounted to only £827,000.

Hon. A. Thomson: A good deal of that loss was due to the depression.

The CHIEF SECRETARY: I am not dealing with that aspect. I want members to realise the position and also to appreciate the problems with which the Government are faced. A further comparison might be made with the income tax collected last year amounting to £274,794, which represented only one-third of the amount which the taxpayers had to shoulder last year for losses on agricultural development. If members bear those figures in mind, I think they will be a little more generous in their criticism. The Government cannot do all they would like to do or all that members expect them to do.

Hon. L. B. Bolton: It would be better if you did not waste money in directions in which we think you should not expend it.

The CHIEF SECRETARY: I shall have a few words to say on that question later.

Hon. A. Thomson: I shall be interested to see the dissection of the £872,000.

The CHIEF SECRETARY: I desire to refer particularly to some remarks made by Mr. Holmes. He dealt rather trenchantly with the subject of leprosy in the far North and painted a somewhat disturbing picture when dealing with the incidence of leprosy in the North. He stated that nobody seemed to have done very much in connection with the disease, which was spreading until the position had now become alarming. That statement, taken in conjunction with remarks by other members, would make the position seem particularly serious. I do not for one moment wish to minimise the seriousness of the scourge of leprosy, no matter where it might appear, but there is no need to exaggerate the position. I think it will be admitted that the present Government have done quite a lot to meet the situation. After the Royal Commission on Aborigines reported, we immediately adopted some of the recommendations. Members are aware that we appointed a medical officer for the far North, whose main duty was to medically examine the natives. We have provided a native hospital at Wyndham, have built additions to other hospitals, and are at present building at Derby a leprosarium which is costing a good many thousands of pounds. Mr. Holmes, who was supported by one or two other members, suggested that we were not going far enough in this direction. I want to assure the House that the Medical Department understand the position thorough-

ly, and that we are taking all steps possible to cope with the situation. Let me go a little further and say that while 12 months ago, previous to the appointment of the present medical officer for the North, there was every indication of the incidence of leprosy being fairly widespread, that condition of affairs is not being borne out by the examination and inspections of the medical officer. Whilst a considerable number of cases have been found in the last couple of years, the large number of natives who have been examined in the last six months have not disclosed more than a few cases. There is no need to exaggerate the position. We are coping with the situation, and there seems very little more that we can do just now. Once a leprosarium is established and the known lepers are transferred to it, and the medical officer for the North carries on with his duties, I think the people up there can be satisfied that there is very little else the department can do.

Hon. G. W. Miles: Will you arrange for the segregation of affected people at Broome until they are transferred to Derby?

The CHIEF SECRETARY: We have that matter in hand. There are many difficulties in the way of doing immediately what people expect us to do. Frequently conferences must take place. There are certain things the department has to inquire into before going on with them. Mr. Miles himself has just raised a point that requires some little consideration. The department thought they had found a solution of the difficulty by using the quarantine station at Broome, which I understand has never had a patient in it. The Commonwealth Government, however, are not prepared to give us permission to use the building for this purpose. We have considered other ways and means of providing accommodation in which to hold lepers that it may be necessary to keep in Broome for any particular period, pending their transfer to Derby. How far the matter has gone I am not able to say at the moment. I should like to comment further on the remarks of Mr. Holmes. When Dr. Cook made his survey some 12 years ago he examined a large number of natives, but only three of them were diagnosed as lepers. It is only in recent years that any great number of lepers has been discovered in the North. It is possible that when Dr. Cook made his examination some advanced cases were missed. We know that natives are apt to go bush, and therefore

to be missing when the survey is in progress. It is also possible that some advanced cases that were not found then have been discovered since, and that such cases have been a source of infection during the period they have remained undiscovered.

Hon. G. W. Miles: It is possible that many affected natives have gone bush now.

The CHIEF SECRETARY: We cannot blame Dr. Davis for that. He is doing a good job. He has just finished an examination of natives in the Kimberleys. He has covered a large area of country, and I think has visited every station. He has examined hundreds of natives, but I do not think he would claim that he had examined every one in the area. As he goes through the district periodically, no doubt he will pick up those who so far have dodged him. It has been said that nothing has been done, whereas I have pointed out already that quite a lot has been done. On the question of segregation it must be admitted that we have had to meet extraordinary difficulties. When we had to send leprosy natives to Darwin, the facilities we had in Derby for holding them pending their transfer were very crude, and at times we had difficulty in securing the necessary transport. When we did succeed in securing transport from Derby to Darwin, we had to pay exorbitant prices for the boat that was used. Many difficulties were placed in our way which made it awkward for the department to carry out its duties. Whatever was possible to be done was done. Now that we have decided to erect a leprosarium at Derby no one will be happier than the Minister for Health and myself when it is completed. Whilst we are only providing for a certain number of patients at present, the establishment is so designed that it will be a simple matter to increase the accommodation to deal with any further cases that may be discovered. One member asked whether the leprosarium at Derby would be used for any white lepers that might be discovered. At present we know of no white lepers in the North. If we do discover one or more, it will be possible to provide for them without utilising the accommodation that is being provided for native patients.

Hon. G. W. Miles: Has anything been done to secure a Government boat for the removal of these natives?

The CHIEF SECRETARY: The Estimates make provision for a number of things, but that provision is dependent upon the money that is available. This particular matter is one of those we have in mind, and I hope sincerely that it will be one of the items that do not have to be cut out of the Estimates. It must be remembered that there is a medical officer in each port on the North-West coast. One of the duties of the medical officer has been to supervise the health of the aborigines in his district. I do not want to be critical of any professional man. If the position is as serious as outlined by Mr. Holmes, it is strange that none of these medical men has made any complaint, or has communicated with the department until recently on the subject.

Hon. G. W. Miles: Did not the doctor at Derby communicate with the department?

The CHIEF SECRETARY: He has only recently been sent there. We have a number of up-to-date young medical men now in the service. These are stationed at the principal ports in the Far North, and are doing their work well.

Hon. G. W. Miles: They are a capable lot of men.

The CHIEF SECRETARY: Yes. In some instances these medical men have been specially trained in the treatment of leprosy cases and diseases of a tropical character, and should be of great benefit to the people of the North. These officers are supposed to make a periodical examination of the station natives. In that way, and in conjunction with the medical officer, Dr. Davies, we can take it for granted that the supervision will be better in the future than it has been in the past.

Hon. J. Nicholson: I have been told that the trouble with these people is that they will not go near a doctor when they are diseased, or if they have any suspicion that they are diseased.

The CHIEF SECRETARY: What would Mr. Nicholson expect us to do then?

Hon. J. Nicholson: That is the question.

The CHIEF SECRETARY: We cannot do more than have these periodical examinations.

Hon. J. Nicholson: It will be necessary to do more than that. It may be necessary to have a round-up.

The CHIEF SECRETARY: How is that to be done? We have no power to examine medically any native, or to compel any native to stay in a hospital.

Hon. J. M. Macfarlane: He would not sue you if you did make him stay.

The CHIEF SECRETARY: These are points that will be dealt with in the amending Bill. They indicate the great difficulties we have experienced in the past. We are endeavouring to surmount them now, and I think are doing so satisfactorily. Mr. Holmes said, "For the last 25 years the lepers in the North have been allowed to mix with other people." That is neither a correct nor a fair statement to make. They have been segregated as soon as possible, until transport could be arranged, and very often segregated at very great cost to the department. At one period many were not recognisable as cases of leprosy. Mr. Holmes also compared the manner in which we have dealt with the question in the North, as against the way we have dealt with it in the South. He said that a special committee had been appointed at once to deal with the segregation of sufferers in the South. That is hardly the position. The committee was not appointed to deal with the segregation of lepers, but to investigate the question whether the present lazarette at Wooroloo, which had been used for lepers, should be removed elsewhere, or allowed to remain where it is. It was not a question of inquiring into the necessity for segregation. There was no question of preferential attention being given to the South as compared with the North. Mr. Holmes also referred to the Principal Medical Officer having claimed that the hospital grounds in the North were the proper places for holding lepers. The officer in question has never made such a claim. It is necessary from time to time to hold lepers in the hospital grounds, but only because there has been no other place in which to hold them. In view of the discovery of so many cases of leprosy in the North, we are making available additional facilities to meet the position. The Principal Medical Officer has endeavoured to allay public alarm by pointing out that long, close, and continued contact is necessary for the contraction of the disease, in the absence of knowledge that a case is that of leprosy. He insists that his views on leprosy do not differ from those of Dr. Cook, or of any other medical authority.

Mr. Holmes went on to say that the Principal Medical Officer stated on one occasion that in Europe the authorities did not isolate lepers at all. That is either incorrect or is due to a misunderstanding. In several countries lepers are treated as out-patients, but this does not mean that none of them is segregated. The Principal Medical Officer has been somewhat concerned over the criticism levelled at him by Mr. Holmes and others, and says this—

My views upon leprosy have been totally misunderstood. It has even been said that I stated that leprosy is not infectious, and the suggestion that I believe segregation of cases is unnecessary is ridiculous. Segregation of all infective cases is the only way to control the disease, especially amongst natives, but all medical authorities agree that there are many cases which could be given their freedom without danger to the community, but they should be under surveillance.

Sitting suspended from 6.15 to 7.30 p.m.

The CHIEF SECRETARY: On the question of leprosy, Mr. Holmes suggested that there was a side-tracking of responsibility as between the Aborigines Department and the Health Department. That position does not exist. The two departments are working quite amicably.

Hon. G. W. Miles: That was the position at one time, was it not?

The CHIEF SECRETARY: I do not think so. The Aborigines Department is responsible for the care of the aborigines and for the provision of all native hospitals, while the Health Department is responsible for the control of leprosy and leprosy, whether the patients are whites or natives. The leprosarium that is being built will be completed in the near future, and the Principal Medical Officer, Dr. Atkinson, proposes to visit Derby in connection with the opening of that institution. The number of lepers provided for in the leprosarium is quite sufficient to cover the known cases at present, and, as I remarked before the tea adjournment, should there be a large increase in the number of lepers to be dealt with, it will be an easy matter to increase the accommodation. I think it was Mr. Thomson who asked whether the white lepers would be accommodated at the Derby leprosarium, and my reply to that is that when the position arises, we shall then decide whether to accommodate them there or at some other place that may be used for that pur-

pose. The question does not arise at the present time, as there are no known cases of leprosy among the white population of the North-West. It may be necessary, in the event of there being more than one case of leprosy among the white population, to transfer them to whatever institution we may have in the South in order that they may be looked after, and in that event we may find it necessary to transfer the patients by road. Whatever the circumstances are at the time, I can assure the House that the Medical Department will be in a position to cope with the situation in a satisfactory manner. There is one other remark by Mr. Holmes regarding this question to which I shall refer. He made it appear that both the Aborigines Department and the Medical Department have neglected leprosy in the Broome district since Dr. Cook presented his report in 1924. It will be particularly interesting to members to hear the following extract quoted from Dr. Cook's report:—

There is no evidence of the existence of leprosy in the Broome region. It can definitely be asserted that no useful evidence has so far been advanced to suggest that leprosy is prevalent.

That is a very definite statement, and its tenor is quite the opposite of the remarks made by Mr. Holmes. In any event, whatever the position may be, the departments believe that the arrangements they have in hand at the present time will be capable of meeting any situation that may arise, judging by the information available at the present moment. When dealing with matters affecting the North, Mr. Holmes referred to the position of the pastoralists. During the course of his remarks, he criticised the Speech of His Excellency the Lieut.-Governor from the point of view that it indicated all sorts of assistance for the wheatgrower but nothing for the woolgrower, except a reduced clip. It will be remembered that this stage represented one of the few occasions during the debate at which I interjected. I told Mr. Holmes that the pastoralists were apparently quite satisfied with the attitude the Government had adopted towards their problems. The fact is that representations were made a little while ago to the Government by the Pastoralists' Association.

Hon. G. W. Miles: Mr. Holmes had not been informed by the association at that time.

The CHIEF SECRETARY: Probably Mr. Holmes was not fully aware of the facts

when he made his speech. I propose to give an indication to the House of what happened. The Pastoralists' Association made representations to the Government regarding the very serious position in which many of their members found themselves, as a result of the drought in the North. The association submitted their case in a very reasonable manner and did not ask for any specific assistance. The letter did suggest that in view of the fact that, owing to the increase in the price of wool, their land rents were higher than they had been when the price of wool was lower than it is to-day. In consequence, their members were being called upon to find the higher rental for their leases at a time when their income was much lower than for many years past. The Government gave consideration to the lease rents paid by the pastoralists, and decided that they could not give any general application to the pastoralists of the North of anything that might be decided upon. On the other hand, the Government resolved that, in view of the exceptional circumstances, it was only right that pastoralists who could show they were seriously affected by the drought should be relieved of the responsibility to pay land rents for this year. It was also found that the Government had no power to give effect to their decision except by the express decision of Parliament. Consequently a Bill is being prepared for presentation to Parliament this session to deal with that question.

Hon. G. W. Miles: Hear, hear!

The CHIEF SECRETARY: I feel that the woolgrowers generally will be quite satisfied with the decision of the Government in that direction. I think I can go so far as to say that the far North and North-West have received every consideration at the hands of the present Government. We have a Minister for the North-West who understands the many problems of the people in the North, and he has not been slow to give attention to their requirements. To such an extent has this been so that I think the people concerned are fairly well satisfied with the treatment they have received. One other important question raised during the debate was mentioned by Mr. Thomson when dealing with youth employment. He referred to those young men who left school during the years of the depression and

thereby lost their opportunity to acquire a trade or profession. He suggested that the Government should set aside one-third of the financial emergency tax for the purpose of fitting those youths for some useful occupation in the community. Based on last year's collections, the amount involved in that proposal would be at least £275,000, which is a very large sum indeed. It cannot be argued that the diversion of that amount from Consolidated Revenue would give any measure of relief to the unemployed additional to what is now provided. Members will realise that, before the commencement of each financial year, a meeting of the Loan Council is held at which each Government is allocated a very definite sum to cover both the loan programme and deficit if one is incurred. If the proceeds of the financial emergency tax were used as suggested by Mr. Thomson, then the deficit for that year would be correspondingly increased, and in the following year portion of the loan money allocated to Western Australia by the Loan Council would have to be used for the purpose of financing the deficit. Consequently the unemployed would not receive any additional benefit. Mr. Nicholson suggested that the Government might regret the surplus was not much larger than that recorded at the end of the last financial year. I do not know why he should desire a very large surplus. It appears to me to be dangerous to have a surplus at all. Immediately we recorded a surplus, apparently other authorities determined that we did not require, or were not entitled to, the same consideration we obtained when we had deficits.

Hon. L. B. Bolton: It does not pay to appear rich.

The CHIEF SECRETARY: It appears to amount to that.

Hon. E. H. Angelo: A surplus of £80,000 has cost us £300,000!

The CHIEF SECRETARY: Unfortunately the Commonwealth grant is not decided in accordance with the disabilities Western Australia suffers. I understand it is determined in accordance with our needs or requirements. If we have a surplus, our requirements, from the Commonwealth point of view, are certainly not as urgent as they would be if we recorded a deficit. That, however, is by the way. With

regard to the financial emergency tax, there seems to be a general misconception. There seems to be an idea that the tax was originally levied for the definite purpose of providing work for the unemployed. Of course, members in this Chamber know that that suggestion is absolutely incorrect. An effort was made to earmark the money for that purpose, but it was not successful. Naturally the Government are keenly desirous of providing full-time work as quickly as possible, and the same can be said of every other Government in Australia. We have made efforts at various meetings of the Loan Council to secure money to enable us to give effect to our desires. It has been pointed out, however, that preference cannot be given to any one State, and that if every State were to be placed in such a position as to be able to find full-time employment for the whole of its unemployed, the amount of money required would be so large that it would be impossible for the money to be raised in Australia. Notwithstanding our disabilities in that direction, we can claim that the condition of sustenance men and relief workers in Western Australia is definitely much better than in any other State of the Commonwealth. We are constantly striving to better the position of these unfortunate men, and as finances improve, as we hope they will, further improvements will be brought about in their conditions. It has already been announced that, as from the 5th October, improvement in those conditions is proposed, and while they may not be as great as many would like them to be, we are going to the very limit of our resources in this connection. In his references to the administration of the Transport Co-ordination Act, Mr. Thomson appeared to create the impression that the board has adopted an illiberal attitude detrimental to rural producers. Clause 3 of the First Schedule to the Act makes it quite clear that the Transport Board has no control over a vehicle which is owned by a producer and is solely used for the purposes named, that is—

For the carriage of livestock, poultry, fruit, vegetables, dairy produce, or other perishable commodities, or wheat, from the places where they are produced to any other place.

When it is so used it is provided that the owner of a vehicle may carry on the return journey any farmers' requisites for domestic use, or for use in producing the commodities

previously referred to, provided that these are not intended for sale. On the other hand, it so happens that many producers come to Perth with empty trucks. Others, on occasions, purchase in the city a new vehicle which is to be used on the farm or station, mainly or solely in connection with the production of wheat, wool or other commodities. It follows, in these instances, that the owner desirous of carrying goods to his property must then apply to the board for a permit. When such applications have been made, the board, far from acting in an oppressive manner, has dealt sympathetically with each case. Sometimes a small fee has been charged, but only on rare occasions has the fee exceeded 10s. In many instances a permit has been issued without the payment of a fee. Between the 1st May and the 14th August of this year, 54 permits were issued to bona fide farmers and pastoralists, and 21 of these were granted free of any charge. Sometimes a bona fide farmer comes to Perth with an empty truck, and later desires a permit for the right to carry back a heavy consignment of petrol or kerosene for use in connection with his farming operations. In such a case, it is usual for the board to charge him a small fee varying from 2s. 6d. to 5s. He is informed, however, that he must not make a regular practice of coming to the city for the sole purpose of carrying back these goods, and is reminded that he necessarily consigns by rail all of his wool or wheat and uses the railways for the transport of his superphosphate. After Mr. Thomson had used the words "unfortunately the action of the Government in this State seems to be in the direction of stopping progress and preventing people using the means of transport which are of benefit to them," Mr. Hamersley interjected, "Unless they are within 25 miles of the metropolis." Mr. Hamersley was quite wrong when he mentioned 25 miles. The Act provides that if any vehicle is owned by any person, and such vehicle is used solely within an area of 15 miles of the General Post Office, no license is required. The hon. member in his reference to the "metropolis" was equally misinformed, as he is apparently unaware that the Act further provides the same exemption for any vehicle which operates within a radius of 15 miles of the place of business of the owner. Mr. Wood made some reference to the extension of the electricity supply to Glen

Forrest. I understand that this matter has been receiving the consideration of the Minister for Railways, who recommended the project to the Treasurer. But nothing further can be done until such time as the Loan Estimates have been dealt with. Together with Mr. Thomson, Mr. Wood also referred to the Nornalup-Albany Railway. Mr. Thomson said, "The distance from Albany to Nornalup is 70 miles by rail. The train takes 7½ hours to do the journey." In this connection the Commissioner of Railways states as follows:—

With the sparsity of population in this district, purely passenger services are out of the question, and consequently mixed trains, capable of catering for all classes of traffic, must of necessity operate. In the framing of time-tables for this particular section, provision must be made for sufficient time to cover all loading, unloading, and shunting operations, at the 25 intermediate stopping points embraced in the journey, a totally different proposition from a non-stop run that a privately-owned motor vehicle makes possible.

While dealing with railway matters, Mr. Wood urged a concession in respect to railway freights on flour. I am informed that while timber enjoys a rebate in freight rates of 12½ per cent. in the case of shipments to the Eastern States, or 16½ per cent. for overseas cargoes, flour is also favoured with a 12½ per cent. freight reduction in respect of its carriage by rail to ports for export. There is of course no comparison between the freight rates of the two commodities, flour being included in the special grain classification, one of the lowest scales in the department's tariff, but it might be mentioned that following on representations made some little time ago by the W.A. Flour Milling Association, the department made a special reduction of 1s. a ton on flour to enable that body to compete for overseas business, and it is pleasing to relate that this action has assisted millers to place 7,500 orders to date. With the low-freight operating for the haulage of flour, it has not been practicable to apply the export rebate as well as the through-the-mill rate, and this policy conforms to the practice existing in the Eastern States, with whose rates those of this administration do not suffer by comparison. These are the remarks of the Commissioner for Railways in reply to the suggestion of Mr. Wood. Several members made reference to educational matters. It was suggested by Mr. Piesse that a new high school should be established on the Great

Southern, for preference at Narrogin. He also raised the question of a bicycle allowance for school children. Mr. Wood touched on the necessity for the provision of better travelling facilities for children travelling to school in the hills district. He said that he failed to see why children residing in the hills district within 20 miles radius of Perth should be granted free transport tickets while others within 25 miles radius were not. I submitted these matters to the Director of Education, and in reply he forwarded some very interesting information which I deem it desirable to read to members. In regard to a country high school at Narrogin, the Director states:—

Representations have been made as far back as 1914 for the establishment of a country high school at Narrogin. The Minister and the Director at the time considered these matters very carefully, and the petitioners on each occasion were told that the number of children available for high school education did not warrant the establishment of a high school at Narrogin. Arrangements, however, were made some years ago for children to take a three-years secondary school course, including French and science, up to the "Junior" certificate standard. Children who pass the "Junior" from this school may complete their secondary education at any country high school, and will receive a living-away allowance of £24 per annum for the two years. It has been the policy of the department that no high school could be established until there was a possibility of about 200 children for the post-primary classes, that is, above Class Six, with a possibility of ten proceed for the fourth and fifth-year course. At the present time the enrolment in classes seven, eight, and nine at Narrogin total 65.

The matter has been receiving attention, and in accordance with the policy of the Education Department, if the conditions suggested by the Director can be complied with, there may be a possibility of providing the high school requirements desired by Mr. Piesse. With regard to the bicycle allowance, the Director of Education states:—

At present an amount of 6d. per week is paid when bicycles are used as a means of conveyance. This permits of a child receiving an approximate sum of 22s. per year for the maintenance of a machine, and is considered to be a reasonable amount. Apparently the idea underlying the agitation for an increased rate is that the allowance should be increased to permit of the purchase of machines.

I do not know whether such an allowance is made in any other State in the Commonwealth.

Hon. L. Craig: It is not justified.

The CHIEF SECRETARY: But I know the arrangements made by our own Education Department for providing facilities for children to get to school are of a most comprehensive nature, and I think that speaks volumes for the way in which our various Governments have endeavoured to meet the disabilities which children in country districts must necessarily suffer. With reference to the Narrogin School of Agriculture, the Director states:—

With few exceptions, the buildings at the Narrogin School of Agriculture leave much to be desired. The accommodation provided for students is extremely poor, the buildings being constructed of wood and iron. The walls of the cubicles inside are lined with wood and iron, and they are dark and have a dingy appearance. Two of the farm cottages have been condemned as unfit for human occupation, yet one is still occupied owing to our inability to obtain funds for erection of new buildings. The main kitchen, which is also constructed of wood and iron, is of bad design and unhygienic. A new kitchen complete with modern fittings is badly needed. The dining room and common room are both too small to meet requirements. The silos, which are built of timber lined with galvanised iron, are worn out and unsafe. At the end of last year one of the students was assisting in filling a silo when he met with an accident, on account of rotten timber, and broke an arm. The cottage occupied by the cook, poulterer, and dairyman is in a very bad state of repair. Although I have continually pressed the need for renovation and new buildings, little has been done by the Public Works Department. Many of the places have been kept habitable only through the work of the students. This is not part of their training, but has been done to prevent the place from falling into absolute disrepair.

I have quoted that in full to show that it is not for want of drawing the attention of the Government or the Public Works Department to the necessity for something being done there. That nothing has been done is because of the difficulty in providing the necessary funds for that particular department. Members can rest assured that these matters will be given attention, and I think Mr. Thomson and others will realise the impossible task the Government would have if they attempted to deal with all these questions at the one time. In view of the extensive programme we have put into operation, and has been in operation during the last year or two, the time is not far distant when the Narrogin School of Agriculture will receive attention. With regard to the Albany High School, it is urged that a new classroom and library are required. This work also will be carried out as soon

as funds can be made available. Regarding the provision of better travelling facilities for the hills districts, this matter has been brought under the notice of the Minister for Railways on a number of occasions. With the exception that the afternoon train *ex* Midland Junction has now been extended to Glen Forest, it has not been found possible to make any further improvement to the service. To provide a charabanc service would be costly. Children who cannot attend the Midland Junction school, however, can receive a post-primary education to the junior standard at the local school. With respect to concession tickets, children residing within 25 miles of the city do enjoy the same railway privileges as those residing within 20 miles. Mr. Wood remarked that he failed to see why children in the hills district within a 20 miles radius of Perth should be granted free transport tickets, while others within a 25 miles radius were not given the concession. In reply, I point out that children residing within 25 miles of the city do enjoy the same railway privileges as those residing within 20 miles. On the subject of education, Mr. Baxter said that the Government could spend huge sums in the metropolitan area, but the Education Vote for the country had been skimped. Reference was also made to the large expenditure on the new girls' school at East Perth. A question was asked as to what had actually been spent on new buildings during the past three years. Excluding the Perth Girls' School, £18,246 was spent in the city, while in the country the amount was £29,175. This proves that what Mr. Baxter said that the Government had spent huge sums in the metropolitan area and had skimped the expenditure in the country is hardly correct. That there was urgent necessity for a new girls' school in the metropolitan area must be admitted by anyone who has studied the question. Now that we have what I suppose is one of the most modern schools in the Commonwealth at East Perth, we can take it for granted that as far as further expenditure is concerned, the country will get equal consideration at least with the city. I should like now to deal with one or two remarks made by Mr. Parker. He stated that a magistrate in the country had told him he had to pay out of his own pocket for the petrol he used in travelling on official business in his car. I

am supplied with the following information:—

Magistrates duties take them to definite places in their districts on fixed dates, and it can generally be accepted that they have ample time in which to carry out their magisterial duties. There are explicit instructions that where railway facilities are available they must be used, but any application such as is referred to by the hon. member would receive consideration. A magistrate is required to perform duties other than those of actually presiding in court, and it has been and would be a cause of complaint if they could be seen only before and after the court sat and rose. Requests have been made for magistrates to be available at the principal places in their districts, and the department agrees that it is very often necessary to meet the requirements of the public for magistrates to have time at those places away from their headquarters to permit of their being consulted by residents of the locality.

Thus the hon. member's remarks are answered to the extent that any application such as that referred to by the hon. member would receive consideration. I am assuming that no application was made by the magistrate to whom the hon. member referred and if that is so, that gentleman was perhaps a little slow.

Hon. H. S. W. Parker: He was refused it.

The CHIEF SECRETARY: Mr. Parker also dealt with the necessity for establishing a drafting office. The drafting staff consists at the present time of the Solicitor General, the Crown Solicitor and also Mr. Boylen, who is Assistant Registrar of the Supreme Court, and attends to the wants of private members. The State is fortunate in having the services of Mr. W. F. Sayer, K.C., who, although retired from office, has for several years gratuitously carried out consolidations of major statutes, the last being the Supreme Court Act of 1935. Clerical assistance is afforded to these officials as they require it, the recording of the Bills being in the hands of the record and correspondence clerk at the head office of the department.

Hon. H. S. W. Parker: Regulations are the main thing.

The CHIEF SECRETARY: I understand that the Law Society has made representations to the department regarding the printing of an index to the regulations, and this is now under consideration. With regard to the publishing of the statutes, Mr. Parker complained of their late issue in bound volumes. It may be thought that the bound copies of the statutes are delayed in-

ordinately, but whatever delays do occur are due to the publication of consolidations, and these must be of considerable value to the legal profession, particularly as they are receiving the sessional volume at the same cost as would have to be paid if the consolidations were not included. The unbound copies of every statute passed are available immediately they are printed; but legal practitioners probably prefer to await the issue of consolidations.

Hon. H. S. W. Parker: Unfortunately they are not available; the Traffic Act is not available. Neither are the Supreme Court Act and the Administration Act.

The CHIEF SECRETARY: The desire is to make them available as soon as convenient, and while it may not be possible entirely to meet the wishes of Mr. Parker in that direction, I believe there has been an improvement in that respect in recent years.

Hon. H. S. W. Parker: We always used to get the statutes in March.

The CHIEF SECRETARY: The hon. member also referred to the consolidation of the statutes. I am told that this work is being proceeded with at a commendable rate. Last session the Supreme Court Act was passed and it has already been decided and notified that the Police Act and its amendments will receive attention during the current session. The principal obstacle to the issue of the full consolidation of the statutes is the cost, and during the past five or six years that has been a matter of prime consideration.

Hon. H. S. W. Parker: I suggest you cut out the trolley buses.

The CHIEF SECRETARY: We could cut out quite a number of things. Mr. Mann asked for information with regard to the State Gardens Board, and said that body had been able to do a number of things which the Government of the day had not been able to carry out. He also asked quite a number of questions and declared that while he did not want to make any charge against the director of the Tourist Bureau or his officials, the position was that he was not permitted to spend a shilling. The actual fact is that the Tourist Bureau is permitted to spend all the moneys that are allocated to it by Parliament. Exactly the same services for Rottneest and Cave House are carried out. It acts as booking office for the shipping service, railway and motor tours, and supplies information regarding all towns in

Western Australia. It so happens that some large ventures such as Yanchep, National Park, Canning Weir, Point Walter, Crawley, Keane's Point, are controlled by the State Gardens Board. Mr Miles wanted to know something of the personnel of the board. Mr. L. E. Shapeolt is the Chairman, and Mr. C. G. Morris, ex-Under Secretary for Lands, is a member. The board is financed chiefly by its own energies, by the banks, and by gifts. The Gardens Board has developed its concerns to the extent that an annual revenue of £10,000 is raised. This comes from foreshore and boatshed rentals, tea-room rentals, park admissions and parking fees, royalties on the sale of wood, stone, bridge timbers, etc., cave entrance fees, boating fees, fees from tennis courts and sporting grounds, and a number of other sources. Nothing is obtained from the Swan River, as has been suggested, but rent is secured from a few tenancies of the Board's reserves on the river banks. From the moneys obtained, reproductive features are established, hence the board's ability to build roads or paths and provide nice drives for the metropolitan folk on Sunday afternoon. These in the long run are paid for by the people themselves. Not a penny has been contributed by the Government towards the erection of the hotel at Yanchep. This has been built with private funds borrowed by the board at a reasonable rate of interest. The board has received donations from racing bodies and from private citizens. One well-known contractor donated an old house containing 80,000 bricks, doors and sashes. Others have made gifts of girders, doors, windows, and gifts of culverts and pipes have come from the Hume Pipe Company. Sir Charles McNess has also made generous gifts of funds at various times. I think that covers the questions raised by Mr. Mann. The State Gardens Board has statutory powers and is entitled to expend money and make its own financial arrangements direct with the bank. Apparently, the bankers have sufficient confidence in the ability of the board to spend the money well and to provide for repayment, otherwise the board could not have obtained the money necessary in the past. Mr. Wittenoom had something to say about harbour matters, and I was rather sorry to hear his statement, because very frequently assertions of the type he indulged in are given wide publicity.

They are rather apt to create an entirely wrong impression and to do quite a lot of harm. One statement by Mr. Wittenoom was as follows:—

Recently I was told that even the Geraldton harbour is not wholly a success, that ship-masters are dissatisfied with it. I think I remember that when the harbour was first opened, a couple of ships—some of the very first ships to come in—were damaged not outside the harbour but inside it. What is it that is wrong with Western Australian harbours, except that at Fremantle, which we know to be a success . . . In the case of Geraldton the engineers employed may not have been expert harbour engineers, though probably good road or bridge engineers. Whatever happened, they built a harbour which, apparently, is not a success.

I would emphasise the point that Mr. Wittenoom says he was "told" these things. When a member of this Chamber makes a statement of that description, I think he should be prepared to give some substantial reason for making it, before running the risk of adverse publicity throughout the Commonwealth and, possibly, overseas. I regarded the statement as of sufficient importance to refer it to the Commissioner for Public Works, and I have since received the following advice:—

Since the completion of the harbour, no known damage has occurred to any vessel, nor have any serious complaints been made with regard to the accommodation.

That is a very definite statement. I know, of course, that the Geraldton people, mainly, I think, through the local Chamber of Commerce, referred the question to the Government with a view to suggesting certain work they desired to be carried out which, they contended, would improve the harbour and make it safer for vessels when the wind was from a given direction. I do not think that they suggested the harbour was unsafe, and I have given the report by the Engineer for Harbours and Rivers showing that no damage has been done to any vessel, nor have any serious complaints been received since the completion of the Geraldton harbour. Then, again, Mr. Wittenoom dealt with the Albany hospital and suggested that it was a disgrace, although he pointed out that the staff were not to blame. I referred that matter to the department concerned, and I have been advised that the Albany hospital is a relic of the olden days. It is admitted that the hospital is nothing like what it should be, but the department administer it simply because the local people

do not apparently desire to take over the management, as is done in many other country districts. The hospital at Albany serves not only the people in the town but also those residing in the surrounding districts. The department would be quite willing to hand over the hospital to the local people if they were prepared to manage it, and the department would also provide a substantial subsidy if the local people so desired. I would like to point out that the hospital fund is not sufficient to meet the maintenance costs and also to provide the necessary money for building purposes. Consequently, a certain amount of money still has to be raised locally by the various hospital authorities to met their expenses, as well as to provide a proportion on the £ for £ basis for additions and so forth. The same policy that applies to other districts applies to Albany as well, and provided the Albany people are prepared to do their part, the department will meet them quite sympathetically and help them to improve the conditions of their particular hospital. Now we come to what most members seem to regard as the question of major importance at this juncture. I refer to the proposal to provide trolley buses for Claremont. From the remarks of some members, it would appear to their minds that this is the most important subject they have to deal with. Mr. Bolton quite rightly drew attention to the fact that last year the imports from the Eastern States constituted a record. He proceeded to suggest that the Government should give some attention to that phase. He pointed out that the amount involved was so great that if we could divert a large proportion for expenditure in Western Australia, it would provide for a large percentage of the State's unemployed. We can quite agree with that contention. Mr. Bolton made out a really good case up to that point, but when he dealt with the trolley buses, he adopted a totally different attitude, because he wanted the Government to encourage the use, or extension, of the motor bus service as against our tramways. The motor buses operating in the metropolitan area are certainly rendering a very useful and valuable service to the community, but there can be no question about the amount of money that is being sent out of the State in order to provide them with the necessary fuel for motive purposes. On the other hand, the tramways use local products

solely. They use local coal in order to generate electricity; local labour is employed in developing that electricity. At present we are spending a large sum in extending the power house at East Perth so as to cope with the requirements not only of the tramway service but of the manufacturing community.

Hon. W. J. Mann: And you should be building that power plant at Collie.

The CHIEF SECRETARY: Naturally the hon. member would prefer the plant there.

Hon. W. J. Mann: It should be at the pit's mouth.

Hon. G. Fraser: We would like the mains extended to Fremantle.

Hon. W. J. Mann: Where is Fremantle?

The CHIEF SECRETARY: The position is as I have described it. Mr. Bolton put up a wonderfully good case for local products, but he advocated, with regard to trolley buses, that we should take steps that would tend to increase the imports in order to keep the motor services running.

Hon. L. B. Bolton: But the benefit the State would derive through other avenues would compensate.

The CHIEF SECRETARY: It is doubtful if the State would derive the benefit the hon. member suggests, and I shall have something to say on that point later on. With the increased population in the Claremont district, it would be necessary to provide a double track in order to give an adequate tramway service. It is recognised that, for long-distance journeys, a tramway service, such as we know it to-day, with frequent stops, the necessity for loops and so forth, is quite out of touch with modern requirements for speedy transport. Those of us who have had experience of the Claremont tram service must necessarily be prepared to admit that there have been difficulties from the inception. The Government are keenly desirous of catering for the needs of the district, as they are to deal with the requirements of every district. Consequently, seeing that so much dissatisfaction has been manifest regarding the existing service, we desire to secure an improvement as early as possible. If we were to lay down a double track, it would certainly improve the position considerably from the standpoint of the service rendered.

Hon. G. W. Miles: No one has advocated that.

The CHIEF SECRETARY: I do not suggest that they have.

Hon. L. B. Bolton: The opposition has been because of the restrictions imposed.

The CHIEF SECRETARY: I will deal with that phase in a moment. I was pointing out that if we were to lay down a double track, we would thereby interfere with some of the traffic on the road, and the Government considered that the better plan would be the introduction of trolley buses. In Great Britain, for instance, the substitution of trolley buses for the tram services has proceeded by leaps and bounds. In a large number of cities in the Old Land, as well as in London, extensive trolley-bus services have been provided, and experts are unanimous in their opinion that the trolley bus represents the best method of transport at present. There can be no question that the trolley buses we have in Perth represent a wonderful improvement on the old system. They are silent and well fitted up. They are very comfortable for passengers and are certainly most expeditious.

Hon. E. H. Angelo: But, according to the Press reports, not very profitable.

The CHIEF SECRETARY: That all depends upon the point of view. If the details published are read aright, the hon. member will find that the trolley buses have done very well in the circumstances. It must be remembered that there are two buses only in use, and they are operating over a very limited route. The department have taken the precaution of dealing with depreciation on a very generous basis indeed. If an ordinary business man had dealt with the service from the standpoint of presenting a profit, an entirely different result could have been presented. It can be pointed out that, with an increase in the trolley-bus service throughout the metropolitan area, there would immediately be a vast improvement from the financial point of view. I do not know that we can judge safely the financial result of a trolley-bus service on the basis of the experience with the present route. The time taken to complete a journey is an important phase, and we should remember that the time it takes the tram from Perth to reach its terminus at Claremont is altogether too long, in view of modern requirements. If trolley buses

were provided, the time taken for the trip would be considerably cut down. It would mean a five-minute service during peak periods and a 10-minute service at other times.

Hon. H. S. W. Parker: The buses provide a 1-minute service now at peak periods.

The CHIEF SECRETARY: That may be so, but will the hon. member say that the buses can cater for the traffic that is available on that route? It has been suggested that instead of providing money for this purpose, there are many other useful directions in which it could be used. I have not taken notice of all the things which should be done with this money, but I venture to assert that if one were to tabulate them, we should find that we needed millions of pounds.

Hon. L. B. Bolton: It shows how many more necessary works there are.

The CHIEF SECRETARY: I do not say that any of the works suggested are not of an essential character, but we must have some regard as to how this scheme is being financed. It is to be financed by a method similar to that adopted in 1924 in respect of tramway relaying. In that case there was advanced to the tramways a total of £206,000 over a period of years to be repaid by the department from revenue at the rate of £21,000 per annum, with the result that the debt was liquidated in 1934. But in its commercial accounts the department has since continued to debit itself at the same rate for further renewal work. To the 30th June last a provision of £37,070 had been made. Cash representing this amount has been paid to the Treasury, which has treated it as Consolidated Revenue, but transference of this amount to the Trolley Bus Conversion Account is only a matter of adjustment between the departments.

Hon. J. Nicholson: How is it going to affect the accounts, if you had it in as revenue before?

The CHIEF SECRETARY: It will not affect the accounts at all. It has all been shown in the accounts. The hon. member can get it all from the reports.

Hon. G. W. Miles: That helped your surplus.

The CHIEF SECRETARY: It might possibly have done that. There is nothing wrong with that.

Hon. G. W. Miles: The taxpayer has to find the money in any case.

The CHIEF SECRETARY: This scheme is being financed from the revenue of the Tramway Department. That revenue has already been taken into Consolidated Revenue.

Hon. J. Macfarlane: A service could have been given to the people without spending a penny.

The CHIEF SECRETARY: That is entirely erroneous. People expect the tramways to make ends meet, and if possible to meet expenditure out of revenue. It is the intention of the department to continue to make recoups of £21,000 to the Treasury until the whole amount advanced in respect to trolley buses is repaid. So that in effect the Treasury will not be called upon. The tramways over 10 years ended 30th June, 1935, after meeting all outgoings and providing £21,000 per annum for relaying returned to the Treasury a net surplus of £37,067. There are no grounds for supposing that with the establishment of trolley buses they would become a burden on the State, or that the buses will adversely affect the finances of the Tramway Department. As a matter of fact, it is contended that they will improve the position very materially. Although it is proposed to finance the whole cost of the trolley bus conversion and extension from revenue, portion of the expenditure involved is fairly chargeable to Loan. Its treatment as a working expenses debit will place the tramways in an even sounder financial position than at present.

Hon. H. Tuckey: That £21,000 is shown in the returns as relaying cost.

The CHIEF SECRETARY: I am telling the hon. member that the Tramway Department provided the sum of £21,000 per annum under that heading. In 1934 they had met the whole of the money advanced for that purpose, but since that time they have continued to make that charge of £21,000 against the revenue from the tramways, with the result that to-day there is £37,070 standing to the credit of that account. There is another point I desire to make in connection with this proposal. Quite a number of members say that we are doing this against the wishes of the people. I would like to know what grounds they have for saying that. If they said that we were doing it against the wishes of some of the people, I would agree, but I would remind hon. members that there are a large number

of people who are entitled to consideration but who up to date, so far as I can see, have received very little consideration, and those are the people not in a position to afford to pay bus fares.

Hon. H. Tuckey: The Transport Board control the fares charged.

The CHIEF SECRETARY: The fares charged must be at a rate which will enable the service to be successfully conducted and the Transport Board therefore cannot be said to control the prices charged. I think it is worth while to make a comparison of the charges which are operating to-day. Trolley bus fares will be based on the existing scale of tram charges, namely, Claremont to Perth: single 5d.; return 10d. Workers obtain a concession fare of 7d. return between 5 a.m. and 8.30 a.m. The private omnibus charges are: Claremont to Perth: single 8d.; return 1s. 1d.; or 6s. per dozen. There are many thousands of working men in those districts who have as much right to be catered for as those who are agitating for the bus service, those who can afford to pay the higher fares.

Hon. H. S. W. Parker: Is not the railway cheaper than the tram?

The CHIEF SECRETARY: I suppose it is.

Hon. H. S. W. Parker: Then they are catered for.

The CHIEF SECRETARY: That shows the viewpoint of the hon. member. He knows that to get to the railway station these people, in many cases, would have to walk long distances.

Hon. H. S. W. Parker: There are buses to the railway station.

The CHIEF SECRETARY: The hon. member has no regard for the man who has to walk a long distance to take advantage of the railway. Surely he is entitled to as much consideration as the person who is able to afford the higher charge.

Hon. H. S. W. Parker: I have faith that the Transport Board would make the fares reasonable, to meet the position of the working men and so save them spending hours in the train.

The CHIEF SECRETARY: They could not make the fares lower than the private company could afford to charge. Experience elsewhere has shown that the motor bus is not the most satisfactory form of transport for dealing with traffic at peak periods. Tramways have shown their superiority in almost every country where they have to

deal with large numbers of people in a limited time. There is no doubt that in the future we are going to have considerable development of transport services in the metropolitan area.

Member: You are going to extend to Fremantle later on, are you?

The CHIEF SECRETARY: I do not know, but as the city extends, it will be necessary for the present transport services to be extended. It seems to me that where Government facilities are provided, we should be prepared to give the people a more up-to-date service, particularly on the Claremont route, than exists today, and the provision of trolley buses will undoubtedly give a satisfactory service, both from the point of view of the time taken and the fares to be charged in comparison with those charged by private enterprise. Why should we be prepared to give to private enterprise the sole rights to the whole of the transport services from Claremont to Perth simply because one section of the community prefers to travel in a bus rather than in a tram? All the publicity given to this subject up to date has been mainly in the interest of certain parties. Quite a large number of people have had an opportunity to express their views on the subject, but there is no doubt it is the duty of the Government to provide necessary facilities for all sections of the community and not for one section only.

Hon. L. B. Bolton: We complain that they are already provided, and that you will not allow the people to use them.

The CHIEF SECRETARY: The hon. member knows that that is not so, that the existing service cannot cope with the traffic.

Hon. L. B. Bolton: Give them the opportunity and see.

The CHIEF SECRETARY: While some hon. members look upon this subject as of the first importance, I assure them there are others of far greater consequence than trolley buses. The Government have simply been endeavouring to try to meet the requirements of the districts, and whether trolley buses will solve the problem of transport, between Claremont and the city, remains to be seen. At any rate, we must give the Government credit for making an attempt to overcome the difficulty. There are quite a number of other matters which were referred to by members in the course of their speeches on the Address-in-reply, and in some cases I have not been able to get

the information that was sought. As I have already informed the House, immediately that information comes to hand I will supply it to members. In the meantime, I support the motion.

Question put and passed; the Address-in-reply adopted.

President to present Address.

THE CHIEF SECRETARY (Hon. W. H. Kitson—West) [8.47]: I move without notice:—

That the Address-in-reply agreed to by the Legislative Council be presented to His Excellency the Lieut.-Governor by the President and such members as may desire to accompany him.

Question put and passed.

BILL—WOOL (DRAFT ALLOWANCE PROHIBITION).

Second Reading.

THE HONORARY MINISTER (Hon. E. H. Gray—West) [8.48] in moving the second reading said: As indicated by its title, the purpose of this Bill is to abolish the draft allowance made by woolgrowers in the weight of wool sold. In all wool-producing countries it has been the custom of growers to allow the buyer to make a certain deduction on the net weight of his purchases. This is known in the trade as "draft allowance." The "draft" rate in Australia is 1lb. in the cwt. irrespective of the weight of the bale, and represents in the aggregate a very substantial concession to buyers. The allowance varies from country to country—in respect of British wools, the rate is 2lb. per cwt., and in South Africa 13lb. per bale is allowed to cover both tare and draft. It is generally believed that the custom had its origin in the days when the accuracy of weighing machines left much to be desired, and that the allowance was made to compensate for any shortage which may have occurred as a result of faulty weighing. The improved and constantly tested modern machine has long since ensured accurate weight recording and removed the necessity for any allowance on the score of short weight. So far, all attempts at the abolition of the allowance have been successfully resisted by the buyers, who claim that they would have difficulty in adjusting their values if it were removed. They maintain

that the grower actually loses nothing in conceding the allowance, since the rate is taken into consideration when the clean scoured yield is being estimated. Further, they maintain that abolition of the allowance would disorganise the purchasing and manufacturing end of the industry. From the varying rates of allowance operating in the different wool producing countries, it would appear that the buyers' arguments are scarcely tenable, for it would seem impossible for London buyers to adopt any uniform system of adjustment when purchasing wool from the various exporting countries. The growers feel quite prepared to risk any possible loss arising through the disorganisation envisaged by the buyers. They feel that the necessity for the allowance has long since disappeared. They are lent support in this view by the attitude of the buyers, whose continued opposition to any proposals directed to the abolition of the allowance has emphasised the belief that the allowance represents a very real advantage, which they are reluctant to surrender. At the Empire Wool Conference held in Melbourne in 1931, it was resolved, "That every endeavour be made to secure the elimination of the draft allowance." Again, in the following year the Commonwealth Wool Inquiry Committee was equally emphatic in urging the abolition of the allowance. The Commonwealth Government, when approached on the matter early this year, decided that the introduction of the necessary legislation should really be initiated by the respective States. It was later resolved by the Australian Agricultural Council that joint Commonwealth and State action should be taken to this end. Representatives of all the Australian Governments have agreed to introduce legislation similar to the measure now before hon. members, and Victoria has already taken the necessary action. It is proposed to bring this Bill into operation on a date to be fixed by proclamation. Uniformity of action will thereby be ensured throughout the Commonwealth. In conclusion, may I emphasise that this measure seeks only to secure the growers payment for all the wool they market. I move—

That the Bill be now read a second time.

HON. L. CRAIG (South-West) [8.54]: I had intended moving the adjournment of the debate, but the Bill is such a simple one that we might as well go straight on with

it. The draft allowance on wool has been a very sore point with pastoralists for many years. As a woolgrower, I know that it has cost us many thousands of pounds to pay the draft allowance of 1lb. per hundred-weight of wool, which really amounts to 3s. a bale. Members can therefore imagine that any station producing 500 or 1,000 bales of wool would be required to pay a considerable sum. This is apparently an old relic of the days of perquisites. Over a century ago, in Nelson's time, when ships were being built, the captain who was given a commission on that ship got all the perquisites in the shape of spare bolts, timber that was not used, and so on, and in many cases the value of these perquisites amounted to perhaps hundreds of pounds. I happened to attend a wool conference in Bradford some years ago, and I remember attempts were made there to raise the question of abolishing the draft allowance. Bradford, however, would not even discuss the matter. As soon as anyone mentioned draft allowance there was a roar to drop it. Now the time has come when by uniform legislation throughout Australia it is hoped that we may be able to abolish this iniquitous and foolish charge imposed on the grower. I do not think there can possibly be any opposition to the Bill, the object of which is merely to remove a silly old custom, an anomaly, the removal of which will give the right to the producer of the wool to obtain the price for all the wool and not a portion of it. The Honorary Minister in moving the second reading pointed out that the draft allowance varies in different countries, and he said that in South Africa it amounted to as much as 13 lb. per bale.

Hon. G. W. Miles: Are they taking similar action in South Africa?

Hon. L. CRAIG. Yes, it is intended to take action there. As the Honorary Minister pointed out, the 13 lb. per bale is allowed to cover both tare and draft, so that the draft would be 2 lb. per bale. In Australia it amounts to 3 lb. per bale, which is 1 lb. per hundredweight. The average weight of a bale is 340 lbs., but further north the weight goes up to as much as 380 lbs., in which case then the allowance is more than 3 lb. per bale. It is proposed that New Zealand should also come into line. Of course, we cannot expect the draft to be abolished in England; some of us who sell portion of our wool in England would have to continue to put up with that. I hope

members, without too much discussion, will agree to the passing of the Bill.

Hon. L. B. Bolton: Would you include skins?

Hon. L. CRAIG: Skins are a different proposition altogether. Very often skins are badly bruised, and there is a lot of weight not included. We in Australia can control sales here, but it is of no use only one State following this course; all States must agree to the same line of action. An agreement has been arrived at between the States to introduce legislation for the compulsory abolition of this silly allowance. I hope members will offer no opposition to the Bill. I support the second reading.

HON. E. H. ANGELO (North) [8.58]: I approve of the principle of the Bill, and intend to support it. It would be wise, however, if we deferred putting it into action by proclamation until we were sure that all the States of Australia, as well as New Zealand and South Africa, had agreed to pass similar legislation. At the present time Australia has got into holts with one of our biggest buyers, and we do not want to do anything in this State to antagonise buyers from the Old Country. If, however, all the States and New Zealand, and if possible South Africa, come into line simultaneously, it will be very much better. I support the second reading.

On motion by Hon. L. B. Bolton, debate adjourned.

ADJOURNMENT—SPECIAL.

THE CHIEF SECRETARY (Hon. W. H. Kitson—West) [8.59]: I move—

That the House at its rising adjourn until Tuesday, the 22nd September.

Question put and passed.

House adjourned at 9 p.m.