

borough and Daylesford, but I shall confer with the Minister of Public Health and will ascertain the position from him. I wish to inform the House that the first business for to-morrow will be the further consideration, in Committee, of the Forests Bill. After that the debate on the motion for the second reading of the Real Estate and Business Agents Bill will be resumed. Then will follow the debate on the State Savings Bank Bill.

The motion was agreed to.

The House adjourned at 10.34 p.m.

LEGISLATIVE ASSEMBLY.

Thursday, October 6, 1927.

The SPEAKER (the Hon. O. R. Snowball) took the chair at 11.15 a.m.

CUSTOMS DUTIES ON STATE IMPORTATIONS.

For Mr. LINTON (*Boroondara*) Dr. Argyle (*Toorak*) moved—

That there be laid before this House a return showing the total amount of Customs duties paid by the Government for State importations, including the Victorian Railways, State Electricity Commission, and Melbourne and Metropolitan Board of Works, for the years 1922 to 1927 inclusive.

The motion was agreed to.

FORESTS BILL.

The House went into Committee for the further consideration of this Bill.

Postponed clause 15—

(1) In paragraph (e) of sub-section (1) of section 16 of the Forests Act 1918 after the word "articles" there shall be inserted the words "and purchase tramways and other works for such purposes and operate tramways or works so constructed or purchased."

(2) The powers conferred on the Commission under the Forests Acts to construct purchase or operate tramways shall notwithstanding anything in any Act include power—

(a) to construct any such tramway or any part thereof on along or across any road or (where such tramway is proposed to be constructed wholly or partly on Crown land other than a State forest) on any route, fixed after consultation between the Commissioner of Crown Lands and Survey and the Minister of Forests, in or through such Crown land; or

(b) to purchase any such tramway constructed wholly or partly on along or across any road; or

(c) to operate any such tramway.

(3) The Tramways Act 1915 shall not apply to any tramway constructed or purchased by the Commission pursuant to the Forests Acts.

Mr. CAIN (Honorary Minister).—When we were last dealing with this clause the honorable member for Rodney moved an amendment, which the Government were not prepared to accept. The amendment was—

That at the end of the clause there be inserted the following new sub-clause:—

"(4) Notwithstanding anything in this section, no tramway or part thereof (as the case may be) proposed to be constructed pursuant to the said section 16 as amended by this section on or along any road which is under the care and management of the council of any municipality shall be so constructed unless with the consent of the said council."

The amendment I am about to move will, I think, meet the situation. I move—

That the following new sub-clause be added to the clause—

"(4) Notwithstanding anything in this section no tramway or part thereof (as the case may be) proposed to be constructed pursuant to the said section sixteen as amended by this section along any formed road which is under the care and management of the council of any municipality shall be so constructed unless with the consent of the said council or (failing such consent being given within three months after the receipt by the council of an application therefor) of the Governor in Council."

That amendment provides that the Forests Commission will, after having surveyed a certain route, acquaint the municipality concerned of its intention to construct a tramway. If a municipal council fails to agree to the request of the Forests Commission during a period of three months, the matter will then be dealt with by the Governor in Council, and instructions can be given for the building of the tramway. This amendment will give municipalities an opportunity of being consulted in every case. There is no doubt that in practically every case arrangements will be made with the municipalities, but if one of them takes up an unreasonable attitude the Governor in Council will determine what is to be done. I think the amendment will meet the wishes of honorable members, because it

gives every consideration to municipal councils and will encourage co-operation between them and the Forests Commission. Honorable members will appreciate my point that we should not leave this matter exclusively in the hands of municipalities. I do not think there will be any difficulty, because the natural tendency of municipalities will be to encourage the construction of these tramways. They will improve the district and enable timber to be taken to the nearest railway station, at the same time saving the roads, which is an important consideration. The Governor in Council will look at these matters from a common-sense point of view, and, if reasonable objections are raised to the construction of a tramway, no doubt that authority will give full consideration to them. I submit the amendment in the belief that it meets with the view of the honorable member for Rodney, and I hope members generally will approve of it.

Sir ALEXANDER PEACOCK (*Allendale*).—The Honorary Minister's explanation of this amendment is quite clear. Honorable members will recollect that the honorable member for Rodney brought this matter up originally, and the Honorary Minister then suggested that what he now proposes would be a way of meeting the difficulty. I think the amendment now before us is an improvement on what was previously proposed. It is just possible there may be some delay or friction between a municipality and the Forests Commission, and it seems desirable there should be some method of reaching finality. I think members generally can accept this amendment. The construction of a tramway will be an advantage to municipalities from various points of view, and particularly from that of saving the roads. If there should be any difficulty likely to cause undue delay, the matter can be dealt with by the Governor in Council and finalized.

Mr. WALTER (*Gippsland West*).—Speaking on behalf of the honorable member for Rodney, who is not in the chamber at present, I may say that this amendment will meet with his views, so far as I can gather from a conversation I had with him. There is only one point to which I want to direct attention. The amendment refers to a "formed" road.

Why should that distinction be made? There are some roads in municipalities which are not formed, and if the Forests Commission proposes to construct a tramway on an unformed road it might just as well get the consent of the municipality as it will have to do if the tramway goes along a formed road. Most roads, whether formed or not, are under the jurisdiction of the local councils, and they should be consulted before work of this sort is undertaken.

Mr. CAIN.—The honorable member knows that a number of roads appear on plans which, to all intents and purposes, are not roads and are never used as highways.

Mr. WALTER.—There will be no difficulty in regard to the roads the honorable member refers to. No municipality would take any exception to a tramway being constructed on roads like those the Minister has mentioned.

Mr. CAIN.—I take it that the object of the honorable member for Rodney was to protect municipalities against the Forests Commission putting tramways on roads used extensively for traffic, which, in ninety-nine cases out of every hundred, are formed.

Mr. WALTER.—That, possibly, is the case. I do not think any municipality will take serious objection to a tramway being constructed along most roads, even if they are only a chain wide. There is a tramway from Longwarry to Beenak forest, in my electorate. It has been in operation for 20 or 30 years, and no exception has been taken to it. I agree with other honorable members that the construction of these tramways will be of advantage to municipalities, because they will save the roads from a considerable amount of wear and tear. I do take serious objection to the inclusion of the word "formed," and, if the Honorary Minister can see his way clear to strike it out, I think that would meet with general approval. However, to test the feeling of the Committee, I move—

That the amendment be amended by the omission of the word "formed".

Mr. WETTENHALL (*Lowan*).—The amendment, with the omission of the word "formed," will, I think, meet the case. I do not see any reason for limiting the consultation with a municipality

to the question of constructing tramways along formed roads. As we are providing for consultations to take place in regard to formed roads, we might just as well go the whole way. I am not conversant with all the roads in every shire any more than any other member is, but we all know that there are certain roads which are used largely as stock routes. The Forests Commission might want to construct a tramway along one road, but the local council might think it better to have it on another one, and we should provide for a consultation in such cases. The preference which a local council might want to exercise would not be in the way of an obstruction to the construction of a tramway. I hope the Minister will agree to the omission of the word "formed."

Mr. CAIN.—What I propose is a compromise, and I think I am meeting you fairly well.

Mr. WETTENHALL.—Still, I do not see any necessity for restricting the consultation to formed roads. The inclusion of this word cripples the whole matter. We have not too many formed roads in some parts of this country, and I think municipalities ought to be consulted in all cases.

Mr. JACKSON.—What harm will be done if a tramway is run along a road which is not formed?

Mr. WETTENHALL.—There will be no great harm if the Commission consults the shire councils in regard to the construction of tramways along such roads.

Mr. JACKSON.—There may be.

Mr. WETTENHALL.—I do not think there will. Still, I do not think it is right to allow the Forests Commission or any other Department to construct work on a country road and possibly interfere with the rights of the municipality without consulting the latter. It is a matter affecting the prestige of local authorities, and we must guard against anything of that sort.

Mr. JACKSON.—We are not taking any power from them.

Mr. WETTENHALL.—This amendment does take power from municipalities.

Mr. JACKSON.—The Forests Commission has constructed tramways before now.

Mr. WETTENHALL.—It should not have power to do so without consulting the local authority. If it has acted in that way previously, it is time it was stopped. I press for the omission of the word "formed."

Mr. OLD (*Swan Hill*).—I support the amendment of the honorable member for Gippsland West for the omission of the word "formed." Other honorable members have stressed the point as to whether any shire will suffer disability by the running of a tramway along an unformed road. A council may have included in the schedule of works to be carried out during the year a certain unformed road. Plans and specifications for the making of the road may have been prepared. Before the work is completed, the Commission may decide to place a tramway on the road, and, under the terms of the amendment moved by the Honorary Minister, it will not be obliged to consult the council. The deletion of the word "formed" from the amendment will not handicap the Commission, and it will safeguard the interests of the councils. I urge the Honorary Minister to accept the amendment proposed by the honorable member for Gippsland West on the amendment.

Mr. EVERARD (*Evelyn*).—I congratulate the Honorary Minister on having moved his amendment, and I consider he would be well advised to accept the amendment on it. Many roads leading to forest areas could not be called formed roads by any stretch of the imagination, but they have been used as roads for years. They are necessary for the haulage of timber and forest produce from the forests. I am certain that no hardship will be inflicted on the Commission if the word "formed" is deleted from the original amendment. I assume that the purpose of the measure, and the Honorary Minister's amendment is to secure harmonious relations between the Commission and the councils. The acceptance of the further amendment moved by the honorable member for Gippsland West will encourage more harmonious working between the two authorities. The municipalities, I am certain, desire to co-operate with the Commission, and the Commission does not desire to act in a high-handed manner towards the councils.

Mr. LIND (*Gippsland East*).—I see no reason why the Honorary Minister should not accept the suggestion of the honorable member for Gippsland West. It will involve the deletion of only one word from the amendment. The proper spirit is displayed in the amendment moved by the Honorary Minister. It will encourage co-operation, which is very necessary between the Commission and the municipalities. The Honorary Minister's amendment, if agreed to in its present form, will include only formed roads. Throughout the State, there are many unformed roads, and many of the councils may have in mind the construction of those roads at some future time. If a road has not been made when the Commission desires to place a tramway on it, it will be able to place its tramway on any part of the road without consulting the council. It may happen that the council intended to form the particular portion of the road on which the Commission decides to place a tramway. I see no reason why the Commission should not consult the councils in regard to the laying of tramways on both formed and unformed roads.

Mr. CAIN (Honorary Minister).—I hope that honorable members will not insist on the amendment moved on my amendment. The Government has endeavoured to meet the wishes of honorable members regarding this Bill, and as the honorable member for Allandale pointed out, a conference has been held between Ministers and some honorable members with the object of securing an amicable arrangement which will satisfy the Forests Commission and the bodies and persons who will be affected by the administration of this legislation. It will be remembered that the honorable member for Rodney moved an amendment on the subject which is now under discussion. The Government is prepared to accept his suggestion with certain safeguards which are contained in the amendment which I have moved. It is true that hundreds of miles of roads in the State are unformed, but there are hundreds of miles of roads which are unused, and are controlled by the Unused Roads and Water Frontages Branch of the Public Works Department. Thousands of acres of land contained in those unused roads have been let for grazing purposes.

Mr. LIND.—Many of the unformed roads are used considerably.

Mr. CAIN.—That is so. I think honorable members will understand that, while the Commission does not desire to interfere with the status of municipal councils, which are doing a valuable honorary work, my amendment will go a long way towards meeting the objections of the councils. One of the principal objections to the giving of power to the Commission to lay tramways on roads was that it might place tram lines on narrow roads, and leave insufficient room for vehicular traffic. The amendment will compel the Commission to consult municipal councils before it places tramways on formed roads.

Sir ALEXANDER PEACOCK.—But the point which is concerning honorable members is that the provision will apply only to formed roads.

Mr. CAIN.—My amendment represents the compromise which was arranged on this question. Before the honorable member for Rodney withdrew his amendment, I assured him that the Government would go into the question, and frame a suitable amendment. The Government has done so, and I think that every argument which was raised by the honorable member for Rodney has been met in my amendment.

Mr. WETTENHALL.—The honorable member for Rodney did not qualify the kind of roads which should be affected. He referred to roads in municipalities.

Mr. CAIN.—I am aware that he did not qualify his statement.

Mr. WETTENHALL.—We admit all that you have said about the compromise between Ministers and honorable members, but if we had been consulted on this matter, we would not have agreed to the inclusion of the word "formed" in the amendment.

Mr. CAIN.—I think that the honorable member for Lowan is showing rather too much keenness on every word in the Bill, or proposed to be added to or taken from it. The Government has dealt with the Bill in the spirit of compromise. It has been prepared to meet the views of members of the Opposition.

Mr. LIND.—And we have been prepared to reciprocate.

Mr. CAIN.—That is so. The fact remains that, on occasions, honorable members who have moved amendments have taken so much time to explain them that they have almost stone-walled them.

Mr. LIND.—The Premier gave us three-quarters of an hour on fires the other night.

Mr. CAIN.—The Premier made one speech on this Bill. I do not know how many the honorable member for Gippsland East has made, but it might be very interesting to ascertain by reference to *Hansard*.

Mr. EVERARD.—Anyhow, the Premier's was a very informative speech.

Mr. CAIN.—It was full of valuable information.

Mr. LIND.—Although it did not contain anything that we did not know already.

Mr. CAIN.—It was informative, at least, to some honorable members, and it was the Premier's sole contribution. There was no waste of time about it. I ask honorable members not to persist with this unimportant matter of the omission of one word. I have conferred with the Parliamentary Draftsman and the chairman of the Forests Commission, and I ask honorable members to accept the proposed new sub-clause as I have moved it. It meets the situation adequately. There is no intention on the part of the Commission to take undue advantage of the powers to be conferred here. When it sets out to build a tramway, it necessarily will get into touch with the municipal council concerned with the control of the formed road over which the line is to be built; but there are hundreds of miles of unused roads in practically all municipalities, and no harm would be done to any one if the Commission constructed a tramway on any portion of them. There need be no fear that the Commission would build a line along the middle of the road. In every similar case in the past, the tramway has been constructed close to one of the side fences, so that the line should not interfere with ordinary traffic. Without doubt the Commission will continue its policy of consulting and endeavouring to meet the wishes of the municipal councils.

Mr. WALTER (*Gippsland West*).—I cannot understand why the Honorary Minister should object so strenuously to

the deletion of this one word "formed." He says that he has met members of the Opposition in a very friendly way. The Opposition has fully reciprocated. The conference which was held earlier in the week in one of the rooms of this building, was most friendly. We compromised on some points, and the Government gave way in other directions. In view of the satisfactory manifestation of that spirit of give and take, it appears to be a pity that the Honorary Minister should not accept this more or less formal alteration of his proposed amendment. The municipalities perform a great deal of good, solid work for this State, and the members of the councils give their services for nothing. If only from the point of view of courtesy, the Forests Commission should be required to consult the municipal authorities before proceeding to lay down a tramway, whether over a formed or unformed road.

Mr. WETTENHALL (*Lowan*).—This is a small matter, but it is one in which the rights of the municipalities should be recognized. Gradually, the councils are having their powers and influence whittled away. It would be of mutual benefit if the Forests Commission made known its proposals to a municipal council before proceeding to lay down a tramway over any type of road within that particular municipality.

Sir ALEXANDER PEACOCK (*Allendale*).—Too much time is being spent on this amendment. I think that the Honorary Minister would be well advised to give way without further delay. I do not think that the Commission would proceed in any circumstances to override or ignore a municipal council, but there is the bare possibility that it might do so in respect of its intention to construct a tramway along an unformed, and practically unused road.

Mr. Walter's amendment was agreed to, and Mr. Cain's amendment, as amended, was agreed to.

Sir WILLIAM McPHERSON (*Hawthorn*).—Before the third reading of the Bill has been agreed to, there is one matter which I ask the Government to consider. In connexion with all projects for the construction of railways, we have a provision that, in the event of a work entailing expenditure of more than

£20,000, it must be referred to the Railways Standing Committee for investigation and report. There is no provision in any of our Acts, however, whereby a work proposed to be put in hand by the Forests Commission must first be examined. I understand that a tramway was constructed by the Commission recently at a cost of about £30,000. It is a 2-ft. 6-in. tramway, and is 10 miles long.

Mr. CAIN.—Where is it?

Sir WILLIAM McPHERSON.—It goes to Erica. Under the laws of New South Wales, South Australia, and the Commonwealth, no work the value of which is over £20,000 can be done by a body of that kind unless it has been recommended by a Committee. No honorable member wishes to stand in the way of the work of the Forests Commission. At the same time, we have a Railways Standing Committee that looks into matters of this sort, and I cannot conceive of a situation in which any governmental body would need to spend a large amount of money suddenly. If such matters were referred to the Railways Standing Committee, the Forests Commission would have an opportunity of getting advice from it. I should be glad if the Minister could see his way to have a clause put in this Bill under which work that entails an expenditure exceeding £20,000 shall be submitted first of all to the Railways Standing Committee. In these times, we desire to see that Government and semi-Government bodies do not enter into any expenditure without proper inquiry being made as to the desirability of incurring it, and also as to the way in which the work is to be done. We wish to see that public money is not wasted. The Honorary Minister might be good enough to consider that matter before the third reading of the Bill is agreed to.

Mr. CAIN (Honorary Minister).—The Leader of the Opposition has raised a big issue in connexion with clause 15—that is, the question of extending the operations of the Railways Standing Committee to tramway construction proposals of the Forests Commission. The honorable member cannot expect the Government to decide that point without giving consideration to it. The Committee has power in regard to railway and tramway construction matters involving an expenditure of over £20,000.

Sir ALEXANDER PEACOCK.—Other matters have been referred to that body, although there is no statutory provision.

Mr. CAIN.—The Leader of the Opposition wants consideration given to his suggestion before the third reading of the Bill is agreed to. He cannot expect me to express a view regarding the matter offhand. It will have to receive serious consideration by the Government, and it will have to be investigated. We shall have to find out what works costing more than £20,000 have been carried out by the Forests Commission, and also what proposals it has for the future.

Sir WILLIAM McPHERSON.—It is really a Cabinet matter.

Mr. CAIN.—There is nothing to prevent the Government from making a special reference to the Railways Standing Committee of a matter affecting the Forests Commission or any other Government body. We desire to get this Bill through to another place. I told the honorable member for Allandale that we were bringing up the Bill to-day.

Sir ALEXANDER PEACOCK.—It is only right to say that I have information that unless the suggested provision is made in this House, it will be done in another place. You do not want to allow that if you can avoid it.

Mr. CAIN.—That concerns another place.

Sir ALEXANDER PEACOCK.—No. The rights of this House are involved.

Mr. CAIN.—A question involving the policy of the Government must be given due consideration. The proposal made by the Leader of the Opposition was never mentioned at any stage of the Bill until this morning. It was not mentioned at the second reading, nor was it mentioned at the Committee stage, when the clause was under consideration. The Leader of the Opposition cannot expect the Premier or me to come to a decision at once on this very important question.

Sir WILLIAM McPHERSON.—I do not ask you to do that. I suggested that before the third reading was agreed to, you might draft a clause to carry out my proposal.

Mr. CAIN.—We wish to get the third reading agreed to to-day. We cannot have a Cabinet meeting in the chamber. Going hand in hand with this matter

is the question of referring every public work that any Department does to the Railways Standing Committee. If we decide to refer matters affecting the Forests Commission to that body, it might be logically argued that works affecting the Education Department and the State Rivers and Water Supply Commission should also be referred to the Railways Standing Committee.

Sir WILLIAM McPHERSON.—The Melbourne and Metropolitan Tramways Board comes under such a provision.

Mr. CAIN.—As the honorable member for Allandale has pointed out, special questions are referred to the Railways Standing Committee.

Sir WILLIAM McPHERSON.—The work to which I referred is cognate to railway work.

Mr. CAIN.—It is to some extent. The honorable member referred to the construction of tramways that in some cases will carry timber to a railway head. I cannot undertake to make any promise on behalf of the Government. The Premier, I am sure, will agree that this proposal must be a matter for Cabinet consideration. I ask the Leader of the Opposition not to persist with his proposal at the present stage, and so hold up the Bill. I think I can promise that, if any works that are contemplated by the Forests Commission involve an expenditure exceeding £20,000, the Government will refer them to the Railways Standing Committee without having any provision inserted in the Bill. To include such a provision now would make it necessary to hold up the measure. The Cabinet would have to consider the proposal. After a decision was reached, the Government would have to make a report to the House. The Melbourne and Metropolitan Tramways Act of 1918 specially provided that the Railways Standing Committee should investigate any of the Board's proposals that involved an expenditure of over £20,000. Railway proposals are referred to the Committee for consideration. The principle enunciated by the Leader of the Opposition is a new one. There are the difficulties in the way of adopting it, and I think the honorable member will appreciate that fact. I ask him not

to persist with this suggestion to-day, because we could not come to a decision now.

Sir WILLIAM McPHERSON (*Hawthorn*).—I wish to make a suggestion to the Honorary Minister and to the Premier. I do not want to put any obstacle in the way of the passage of the Bill. It is a Bill that has been badly wanted for some time. What I suggest to the Honorary Minister is, that he should consult with the Premier, and afterwards give a promise that the matter brought up shall be taken into consideration by Cabinet. We could then put the Bill through right away. What I want the Cabinet to do is to decide to make it mandatory for the Forests Commission to apply to the Railways Standing Committee if they have a tramways work to carry out at a cost of over £20,000. A short Bill to give effect to that purpose could be brought on later in the session. If my suggestion is satisfactory to the Honorary Minister and the Premier, the Forests Bill may go right through now. That should suit the Ministry, and at the same time give the Opposition what we want.

Mr. WETTENHALL (*Lowan*).—It is frankly admitted that this matter has been brought up at a very late stage of the Bill. But it must be admitted, also, that it was only brought under the notice of honorable members yesterday. It was brought up by the honorable member for Gippsland East, who has had experience on the Railways Standing Committee. I suppose it was because of that honorable member's association with the Railways Standing Committee, and his natural modesty, that he did not direct attention to the matter earlier. We have been told that the Railways Standing Committee, in its peregrinations through the country, has noticed many instances where considerable sums of money could have been saved had big public undertakings been submitted to it for consideration. New railways are, comparatively speaking, limited in number. There are very few places in this State now where railway construction would be warranted. The Railways Standing Committee might therefore well be transformed into a Public Works Committee, such as operates in the Commonwealth sphere. I hope that the Cabinet will give very serious consideration to this important matter.

Mr. CAIN (Honorary Minister).—The further suggestion of the Leader of the Opposition is a much more reasonable one than the previous suggestion. The Government can, I think, meet the wishes of the Opposition. I have conferred with the Premier, and we have agreed to give consideration to the question of extending the powers of the Railways Standing Committee in the way suggested. That could be done in a small measure, to allow the Railways Standing Committee to investigate forest tramway propositions involving an expenditure of over £20,000.

Sir WILLIAM McPHERSON.—And you will make an announcement in the House when the Cabinet has arrived at a decision?

Mr. CAIN.—Either the Premier or some other Minister will do so.

Mr. LIND (*Gippsland East*).—As I have been referred to in connexion with this matter, I may say that what I have done was done by me as a private member. The matter was brought under my notice both by members of this House and of another place. To my personal knowledge, a number of public works have been carried out that might well have been the subject of investigations by some body responsible to this House. We have at Buffalo a chalet which was re-modelled at a cost of £80,000.

Sir WILLIAM McPHERSON.—And the more we spend on it, the more we lose.

Mr. LIND.—Last year the number of visitors was 4,000, and there was a loss of £4,000.

Sir WILLIAM McPHERSON.—One pound a head.

Mr. LIND.—The Chalet has been over-capitalized. In my opinion whenever, in connexion with afforestation, a railway or tramway is to be built at a cost exceeding £20,000, the undertaking should first be considered by a responsible body. I do not wish to imply that the Forests Commission is an irresponsible body. It is a very important body, and has functioned well under adverse conditions. But seeing that the Railway Department, with its many responsible and skilful officers, men who have had long experience in connexion with construction works, is compelled to refer works costing more than £20,000 to a responsible body of this House, there is no reason why the principle should not be made general. The Melbourne and Metropolitan Tramways Board is in the same position as the

Railway Department in this matter, and the Melbourne Harbour Trust has from time to time been compelled to refer some of its larger problems to the Railways Standing Committee. The present is a time of financial stringency, and all proposals involving large expenditure should be very seriously considered before they are allowed to materialize. We have arrived at a stage when very serious consideration should be given to the carrying out of public works.

The clause, as amended, was agreed to.
Preamble—

Mr. EVERARD (*Evelyn*).—There is a matter that I wish to bring under the notice of the Minister in charge of the Bill, and I am doing so, not merely on my own behalf, but on behalf of the honorable member for Gippsland South, who is unavoidably absent. We are anxious to give municipal councils the right to take gravel from forest areas for road-making purposes. It is a matter of common knowledge that the roads in many municipalities are cut up to a very considerable extent by carriers of forest materials, and I believe that the Ministry intends to set aside a certain sum of money for the municipalities, not under this Bill, but under another Bill. It should be an easy matter to give councils facilities to obtain the gravel required for the repair of roads from forest areas. Royalties are charged on timber. Our shire councils should not have to pay royalties on timber that they use on the roads. The councils are permitted to take what timber they want from private property, and one would suppose that there should be no difficulty in obtaining timber from public reserves without having to pay royalties. I ask the Minister in charge of the Bill to agree to meeting the wishes of the honorable member for Gippsland South, myself, and others in regard to gravel, timber, and other materials in forest areas.

Mr. CAIN.—What are they paying for gravel at the present time?

Mr. EVERARD.—They have no facilities at present for going into the forest areas for gravel.

Mr. CAIN.—They have those facilities. The Forests Commission recently gave every facility, and gravel is being taken from forest areas. The only charge made for gravel is 3d. per load, which does not cover the expense of supervision. It is, of course, necessary that the work should be done under supervision.

Mr. EVERARD. — At all events, royalties are paid on timber used on roads. I think the royalties should be dispensed with. The Forests Commission have treated me very courteously whenever I have approached them in regard to these matters.

Mr. CAIN.—And they will continue to treat you courteously.

Mr. EVERARD.—If I am given an assurance by the Minister that municipal councils will not suffer because of the cutting up of roads by carriers of forest materials, I shall be content. Moreover, a satisfactory reply would have very beneficial effects, perhaps, on the health of the honorable member for Gippsland South, and he is worth consideration in regard to this matter. As far back as 1888, he was a member of the Allerton Shire Council, and always took a keen interest in forest matters. He has a love of forests, and a desire to help the Forests Commission; but he does not want any injustice done to those councils who suffer owing to their roads being utilized by forest timber-getters to the detriment of other settlers. I thank the Minister for his statement, which I think will satisfy the honorable member for Gippsland South and other honorable members.

The preamble was agreed to.

The Bill was reported to the House with amendments, and the amendments were adopted.

Mr. CAIN (Honorary Minister).—I move—

That the Bill be now read a third time.

There are several matters which have been made the subject of special discussion, not only during the consideration of the Bill in the chamber, but at conferences. To those matters I wish to refer. Let me first deal with those questions which have been raised by the honorable member for Evelyn, one of which was associated with the general question of gravel deposits in forest areas. The gravel is now supplied to municipalities at a nominal charge of 3d. a load. That charge does not cover cost of supervision, which is most essential in connexion with the removal of gravel from pits. The municipalities can be assured of fair treatment from the Forests Commission on this question. With regard

to the royalties charged on timber used by municipal councils for municipal work, that is a question which is closely associated with roads under the control of municipalities. Provision was made in section 45 of the Forests Act of 1918 to give the Forests Commission control over all timber on roads in State forests. I think that I had better read the section, and it will convey to the House the exact position. It is as follows:—

Notwithstanding anything in any Act or any by-law, lease, licence, permit, right or authority thereunder (but with respect to main roads within the meaning of the Country Roads Acts, subject to the provisions of the said Acts), no person shall without the authority, in writing, of the Commission mark, bark, ringbark, sapling, girdle, fell, cut, split, break, or otherwise kill, destroy, damage or injure or remove the whole or any part of any tree, sapling, shrub, underwood or timber in or upon any road within a State forest, or in or upon any other road, to which the Governor in Council by notice published in the *Government Gazette* declares that this section is to apply.

No exception is taken to that section up to the words "State forest."

Mr. WETTENHALL.—None whatever.

Mr. CAIN.—No one would think of altering that part. The remaining part of the section can apply only when an Order in Council has been executed, and that has been done. A former Minister of Forests obtained an Order in Council bringing within the scope of the Forests Commission every road in the State, with the exception of those under the control of the Country Roads Board.

Mr. DUNSTAN.—What Government did that?

Mr. CAIN.—I am not certain whether it was the last Government or a previous one, but I am not concerned with that question at this stage. The Government have agreed that the Order in Council shall be withdrawn. This will mean that the municipalities will have control of the timber, but the Government reserve what I regard as a reasonable right, and that is if any municipality in any way deals unreasonably with the timber upon its roads, an Order in Council may be made to deal with the municipality. A municipality which will allow the timber to be indiscriminately destroyed by its rate-payers—

Mr. EVERARD.—No municipality will allow that.

Mr. MURPHY.—What does the honorable gentleman mean by “unreasonably”?

Mr. CAIN.—What municipalities will allow does not matter at the present moment. In answer to the honorable member for Port Melbourne, I should say that if any municipality permitted its ratepayers or anybody else to destroy timber indiscriminately, the Government would be entitled to make a proclamation to take away from that municipality the right it possesses. That action would require an Order in Council. I think that the proposal embodies a reasonable way of overcoming the difficulties, and will meet the wishes of the municipalities. I am of opinion that it can safely be said that the great majority, if not all, of the municipalities, together with the rest of the community, have arrived at the view that the forests of Victoria are worthy of preservation. The education as to the need of that preservation of members of municipal councils, politicians, and the public generally has been slow but nevertheless sure, and the time has now arrived when in the overwhelming majority of cases municipalities will endeavour to conserve the timber on their roads. We must not forget the fact that they have been able to use timber from roads for their own requirements. A circular, which was issued by the Forests Commission to municipalities in 1923, shows that it has not been unduly harassing them regarding the use of timber on roads. As a matter of fact, it has given them reasonable privileges. I should like to quote for the information of honorable members the last paragraph of the circular to which I have referred—

In shires where no district forester is stationed, or where such officer is too far from the shire office, to conveniently confer with the engineer, the Commission will gladly appoint the latter as an honorary forester, and thus clothe him with the full powers of a salaried officer. He would then be instructed in his duties by the District Inspector, who, with the engineer, would go into the question of protecting and utilizing to the best advantage all timber on roads within the shire, and draw up a general plan of operation.

It will be seen that the Forests Commission has been prepared to appoint the shire engineer an honorary forest officer, and clothe him with all the powers of a paid official. It has practically put the engineers in the position of being able to help themselves to timber growing on roads.

Mr. WALTER. — What has been the experience of these appointments?

Mr. CAIN.—The experience generally has been favorable. At any rate, there have been no complaints.

Mr. EVERARD.—How many have been appointed?

Mr. CAIN.—Only about half-a-dozen. Shire engineers have been appointed only in districts where there is no forest officer readily available. It is now proposed to withdraw the order in Council and to reserve the right to re-impose its provisions in any particular district where it is thought municipalities are not doing the right thing in this respect. It must be remembered that there are in many shires thousands of acres of roads on which timber is growing. Some of the unused roads are let for grazing purposes, and it is desirable to have power to prevent lessees cutting down timber. There will be no interference with the shires if they act properly in this matter, and take the necessary steps to preserve the timber which is growing on these roads. There is one other question in regard to which honorable members have been somewhat perturbed. If municipalities have not a lot of power they certainly have the capacity to induce their representatives in Parliament to seek it for them.

Mr. WALTER.—That is merely a recognition of the good work municipal councils do.

Mr. CAIN.—That may be so. In the Forests Bill submitted by the honorable member for Upper Goulburn, which met with such a disastrous end, a clause was included authorizing the Forests Commission to make grants to certain municipalities for the repair and maintenance of roads over which timber has been carted. The total amount of the grant provided in that Bill was £10,000, and the honorable member for Maryborough and Daylesford wanted to increase it. The present Government have considered this question, and I may inform the Committee that we are not prepared to make any provision in this Bill for the Forests Commission to make available any sum for road maintenance. That is definite. We are, however, prepared to set aside a sum of £5,000 as the maximum amount to be paid for subsidies to deserving municipalities.

Mr. LIND.—My municipality will be included all right.

Mr. WALTER.—So will mine.

Mr. CAIN.—Every municipality will not be able to satisfy the Treasurer that it is amongst the most deserving.

Mr. EVERARD.—The 8 o'clock rush will be nothing to the rush for subsidies.

Mr. CAIN.—The Treasurer is prepared to make available the sum of £5,000 to assist the most deserving municipalities in the repair and reconditioning of roads over which forest produce is being carted to a large extent.

Mr. EVERARD.—It will be about 2d. a road.

Mr. CAIN.—I am not arguing whether it is 2d. or 3d. If £5,000 would provide only 2d. or 3d. a road, £10,000 would provide only 4d. or 6d. I want to be quite frank about this particular question. It is a very difficult problem, and honorable members must recollect that money for the Treasury does not slip down on a rainbow. It must be obtained from somebody. If what we propose is not all that members desire, I am sure they will appreciate the fact that we are establishing the principle of assisting municipalities in this direction. It will be a matter for a future Treasurer—if there is another Treasurer—to consider this question in the light of experience. If at the end of a year or two it is found desirable to increase this subsidy, the matter can be brought forward in the Budget or on a Supply Bill.

Mr. DUNSTAN.—How are you going to allocate the subsidy?

Mr. CAIN.—Possibly in the same way as the previous Government proposed to allocate its sum of £10,000.

Mr. DUNSTAN.—Will you take all roads into consideration?

Mr. CAIN.—All the roads will be taken into consideration on which forest timber is being carted. We have not decided the method of allocation. It has been a difficult enough matter to determine to grant subsidies.

Mr. MURPHY.—What is the estimated value of timber carted from forests during a period of twelve months?

Mr. CAIN.—I cannot say, but the income of the Forests Commission last year was about £150,000. That includes the revenue from all sources.

Mr. MURPHY.—Is it fair to ask municipalities whose roads are being used for the cartage of timber from forests to bear the whole of the expense of maintaining the roads?

Mr. CAIN.—It may be argued that it is not, but I hope the honorable member for Port Melbourne who has just interjected is not going to join in the attack on the Treasury in this connexion.

Mr. MURPHY.—I am seeking information.

Mr. CAIN.—It must be remembered that the operations of the Forests Commission involve an expenditure of about £100,000 a year.

Mr. WALTER.—Does not the Forests Commission return to the Consolidated Revenue some of its profits? If it does, it means on the figures you have quoted a contribution of £50,000 to the Consolidated Revenue, and you propose to give £5,000 out of that sum by way of subsidies to municipalities.

Mr. CAIN.—The Forests Commission does return a certain proportion of its revenue to the Consolidated Revenue, but I have not the details at hand just now. I want to stress the point that while the grant of £5,000 may not meet the wishes of honorable members it means the establishment of a principle, and I ask them to accept the Government's offer in the spirit in which it is made. I agree with the honorable member for Port Melbourne that many of the shires in which timber is carted from the forests are the poorer shires, and they cannot raise sufficient money to maintain the roads properly. I recognize that the amount of £5,000 will not be sufficient to repair the whole of the roads that will be affected by timber carting from the forests, but I presume it will be allocated amongst those shires which need it most.

Mr. EVERARD.—It is only a widow's mite.

Mr. CAIN.—That is correct. It will not be sufficient to repair every road damaged by timber carting. However, as Cabinet has considered this matter, and has made a definite decision, I ask the House to accept that decision. The amount provided for this purpose can be reviewed from time to time.

Sir ALEXANDER PEACOCK (*Allan-dale*).—The Honorary Minister has explained the two subjects which have concerned some honorable members and which were debated at the conference at which all parties in the House were represented. The solution of the difficulty in regard to section 45 of the Forests Act

1918 which relates to timber on roads is satisfactory. The municipalities asked for the repeal of that section *in toto*. That would have been a mistake, in my opinion. The Government's intention is that the applicability of the Order in Council to the whole of the State will be cancelled, and power will be reserved to the Governor in Council to deal with cases as they arise when complaints are made. The municipalities will thus secure what they have been fighting for for some years. It is proper that we should admit, as I mentioned during my second reading speech, that public opinion on forest matters has changed considerably during the last 20 or 30 years. I remember that when I first entered Parliament there was strong agitation in many quarters that forest areas should be made available for settlement, and some of the municipalities did not protect timber on the roads. The Forests Branch was only a wing of the Lands Department at that time, and there was no body, such as the present Forests Commission, in control of forestry. Public opinion on forestry matters changed gradually, and demands were made that our forests should be protected. The result was that legislation was enacted which restricted the power of the Minister of Lands in forestry control, and vested it in the Forests Commission. It is unfortunate that some municipal councils have not protected the timber on roads in their districts, and it is one reason why we see many roads entirely bare of timber to-day.

Mr. EVERARD.—Many councils are planting trees on the roads.

Sir ALEXANDER PEACOCK.—Yes. It is the result of the education of the public on the forestry subject during the last 20 years. I think that the Honorary Minister has met the wishes of honorable members and the municipalities in a fair spirit in this matter. It will be a wise thing to have in our forest legislation the reserve power to deal with municipalities which fail to carry out the policy of the Commission. I think that the House should be satisfied with the compromise which has been arrived at, and which has been sanctioned by the Government. The Minister has pointed out that the Government is opposed to a provision being inserted in this measure for financial assist-

ance to councils for the upkeep of roads damaged by carting from the State forests. I do not find fault with that decision. The Government has agreed to provide some assistance to the councils, and half a loaf is better than no bread. If the Government is opposed to the insertion of such provision in this Bill, there is no way in which it can be inserted. I desire to explain this matter fully, so that honorable members will know what they are agreeing to. The money which will be provided by the Government for this purpose will not be a statutory provision. It will be placed on the Estimates every year. Any honorable member who has had experience in the preparation and presentation of Budgets to Parliament knows that when a Treasurer is in financial difficulty he goes carefully through the draft Estimates with a blue pencil and strikes out a number of items. This item may be struck out in such a contingency as that. It may be argued by the Minister of Forests that the placing of the item on the draft Estimates is the affirmation of a principle, but when there is financial stringency, and the Treasurer is pruning the draft Estimates, that principle may go "up the spout," and the item be cut out of the Estimates. Honorable members will remember that when the Allan-Peacock Government introduced its Forests Bill in 1925, it included the provision that the Treasurer could grant out of the Consolidated Revenue a certain sum to municipalities for the maintenance of roads through State forests. Clause 19 contained that provision, and the amount was not to exceed £5,000 per annum. The honorable member for Maryborough and Daylesford moved that the amount should be increased to £10,000 per annum. That amendment was virtually accepted by the then Government. The municipalities are not so much concerned about the forests in their districts as they are concerned about the forests in adjoining municipal districts, because traffic from those forests uses the roads in their municipalities. The Honorary Minister did not inform the House how the amount of money which is to be made available to the shires for the maintenance of roads leading to forests is to be allocated. It has not been placed on the Estimates for this financial year, because the Government's decision was arrived at after

the Estimates were prepared, so I presume that it will have to be placed on the Supplementary Estimates. The reason why the provision that an annual grant should be allocated amongst the municipalities for the maintenance of roads leading to the State forests was made part and parcel of the Forests Bill that was introduced by the previous Government was that the Government did not wish the provision of the grant to be subject to the whim of whatever Minister would have charge of its allocation. It was foreseen that many applications would be made by the councils, and all sorts of pressure brought to bear on the Minister. Perhaps I should read clause 19 of the Forests Bill of 1925, to make the position clear. It stated—

(1) When the net amount in any financial year received from royalties leases licences permits authorities and the sale of forest produce and paid into the Consolidated Revenue is in excess of the amount or amounts payable under the Forests Acts out of the Consolidated Revenue into the Forestry Fund in such year, the Treasurer of Victoria may, on the joint recommendation of the Commission and of the Country Roads Board under the Country Roads Acts, grant out of the Consolidated Revenue (which is hereby to the necessary extent appropriated accordingly) to any municipality, not being a city town or borough, such a sum as he thinks fit, to be applied by the municipality for or towards the maintenance of any road in the municipal district of the municipality if such road—

- (a) passes through any State forest and is used for heavy timber traffic; and
- (b) is not a main road within the meaning of the Country Roads Acts or is not declared pursuant to any Act to be a State highway.

(2) Sums granted under this section in any one year to all such municipalities shall not exceed in the aggregate Five thousand pounds in that year.

It will be noted that the clause provided that there must be an excess of revenue.

MR. CAIN.—But there is no excess of revenue at present.

Sir ALEXANDER PEACOCK.—As the forests are developed, there will be an excess of revenue every year. Honorable members desire to help the Honorary Minister. He and his colleague, the Minister of Forests, have shown a disposition to consult the views of the Opposition. They have emphasized that this is not a party measure, and they appreciate the value of the interchange of ideas, and of compromise. The Government has given evidence of its desire to meet the cases of

municipalities which are put to heavy expenditure in the repair and maintenance of roads damaged by the carting of timber from the forests. The proposed sum of £5,000 to be found during the current financial year will not go very far; but the provision of that amount is to be taken as a precedent, and as an evidence of the goodwill of the Government. I trust that the Honorary Minister will announce, at a subsequent stage, the lines on which it is intended that the sum shall be allocated. It is my view that the Country Roads Board should be consulted. The money ought not to be made available to the municipalities direct, for that would merely result in a rush from all sources to share in the allocation.

MR. CAIN.—The Government will be prepared to place the allocation in the hands of the Country Roads Board.

Sir ALEXANDER PEACOCK.—The Forests Commission and the Country Roads Board should confer. There would be the safeguard that the Governor in Council would have to approve of the proposed allocation. I am glad to realize that there is now an excellent prospect of this Bill being passed, after some years of effort in the direction of bringing about necessary reforms and improvements.

MR. LIND (*Gippsland East*).—I thank the Honorary Minister for having given the assurance that something practical will be done to relieve the municipalities which have been carrying an unduly heavy burden in respect of the maintenance of roads leading into and through forest areas. I am glad, too, that the matter of the allocation is to be placed in the hands of the Country Roads Board. That body, no doubt, would confer with the Forests Commission, and, in such circumstances, every municipality would be fairly treated. If it came to a scramble among the municipalities to obtain the favour of the Minister of Forests, certain councils which deserved to be helped would be left in the cold. Probably those meriting the greatest consideration would find that there was nothing of the £5,000 left for them. I know that the municipalities which I represent will appeal for assistance from time to time, but I do not desire that they should be given any advantage over other municipalities.

Mr. DUNSTAN.—Or that they should be placed at any disadvantage.

Mr. LUND.—Quite so. I believe that the proposal will be satisfactory to everybody concerned. I am not quite satisfied with the amount, but I realize that the promise of the Government that a sum shall be made available implies an important step in the right direction. During the debate on the previous Forests Bill I, and the honorable member for Maryborough and Daylesford, took exception to the amount proposed to be provided, and we circulated amendments with the view of increasing the sum. My intention was that £20,000 should be devoted to this purpose. The point was considerably discussed, and opinions were expressed on all sides in favour of increasing the amount. The late Government made it clear, however, that it would be unable to make a larger contribution. Consideration of the Bill came to a halt at the stage at which a blank had been created in the clause dealing with the allocation. Honorable members are looking forward to this very useful and necessary measure becoming law, and we do not want to do anything now which would delay its passage.

Mr. DUNSTAN (*Korong and Eaglehawk*).—I am glad that the Honorary Minister (Mr. Cain) has agreed that a sum of £5,000 shall be placed on the Estimates annually.

Mr. CAIN.—The last word should not have been used.

Mr. DUNSTAN.—Well, there is the promise of the first year's vote, and I take it that the sum will be given annually so long as the present Government remains in office.

Mr. CAIN.—I do not want honorable members to be misled.

Mr. DUNSTAN.—I agree with the remarks of the honorable member for Allandale, but I am somewhat anxious regarding the allocation. I recognize that sometimes there is exercised a political pull. It might be possible for one member of this House to get in early, so that a municipality in his electorate would receive an unwarranted advantage. The amount of £5,000 should be allocated on the lines laid down in the last Forests Bill which came before this Legislature. If it were definitely provided, in a clause to be inserted in this measure, that £5,000

would be made available annually, the responsibility would rest on the Forests Commission to see that the money was allotted equitably. I do not agree altogether with the remarks of the honorable member for Gippsland East that the Country Roads Board should make the allocation.

Sir ALEXANDER PEACOCK.—It should be taken into consultation.

Mr. DUNSTAN.—There would be no exception to that; but, as this is a Forests Bill, and as the money is to be set aside for the specific purpose of repairing damage to roads caused by the transport of timber from forest areas, the Forests Commission should be the body principally responsible for making the allocation.

Mr. CAIN.—It would have the necessary information on which to base its allocation.

Mr. DUNSTAN.—Exactly. It would know better than any other body where the damage was being done, and where there was the greatest need for assistance from this vote. I trust that the Minister of Forests will take steps to ensure that there is no room for complaint in the future.

Mr. CAIN.—There will be complaints that the amount is not sufficient.

Mr. DUNSTAN.—That is certain; but the setting aside of £5,000 establishes a precedent. Possibly, in better times, the sum may be increased to £10,000, and even more. I hope that the day will never arrive when it will be necessary to put the pruning knife or the scratching pen into this item of the Estimates. I am glad also that the Order in Council which has had the effect of removing from the municipal councils their control over timber growing on their roads is to be withdrawn. I really favour that course rather than the insertion of a clause in the Bill to deal with the matter. If any municipality abuses its control, it will be possible for an Order in Council to be brought in to withdraw that body's rights over the timber. Is that the position?

Mr. CAIN.—Yes.

Mr. DUNSTAN.—I hope that the Government will issue a warning to the municipalities and tell them to be careful in this regard. I favour the municipalities having control of the timber on

the roads, but I think that it would be advisable for the Government to communicate with those bodies, and to emphasize the great value of the timber.

Mr. REID.—The councils are conversant with the value of the timber.

Mr. DUNSTAN.—I know that the great majority of the municipalities will protect the timber. There have been cases, as was pointed out by the honorable member for Allandale, where municipalities were not as careful in safeguarding the timber as they should have been. There may be one or two careless municipalities, and that is the reason I should like to see the Government send a circular to all the councils concerned, emphasizing the necessity of preserving the timber, which is of great value to them and to the nation.

(At 12.53 p.m. the sitting was suspended until 2.2 p.m.)

Mr. COYLE (*Waranga*).—Seeing that I represent a very large timbered district, I have been greatly interested in the forests legislation that has been before us, and I want to express my satisfaction at the approaching completion of our consideration of the Bill. I was especially pleased to hear the Honorary Minister (Mr. Cain) state that it was the intention of the Government to provide £5,000 towards the maintenance of roads through, to, and from forests. This grant will give great satisfaction to the municipal councils. It is true, as has been stated by the Honorary Minister, that £5,000 will not go very far. But it is at least a recognition of the principle that the municipal councils are entitled to be recompensed for injury done to their roads by timber traffic. I have been informed that in quite recent years produce amounting in value to £250,000 has been taken from one forest in my electorate. It is only reasonable that the Forests Commission should allow some payment to be made for the repair of roads that have been badly damaged. The honorable gentleman's announcement may, to some extent, overcome a difficulty that was mentioned yesterday in connexion with another matter, the injury done to roads by wood-carters. I hope that the Ministry will fix a date on or before which applications for grants towards the repair of roads must be made. I understood the honorable gentleman to say that there will be an annual allocation of at least £5,000.

Mr. FROST.—That will be the amount given annually for the next three years. We do not know what will happen afterwards.

Mr. COYLE.—The amount may then be increased. Another matter of satisfaction to country members is the statement made by the Honorary Minister in regard to the vexed question of the control of timber on roads. We have come back to the position as I defined it in my second-reading speech. I then stated that the municipal councils should have the control of the timber on their roads. That the Ministry recognizes the justice of that principle is indicated by the proposal outlined by the Honorary Minister. I understand that the municipal councils are quite satisfied with the Ministry's decision. I am told, semi-officially, that they appreciate the spirit of compromise shown by the Government. Had that compromise been arrived at earlier, the debate on the Bill would have been very considerably shortened. The Municipal Association has drawn my attention to the fact that when asked what the Ministry intended to do in the matter of the control of timber on roads, the Premier said the Government had not considered the question. The association comprises 192 shire councils out of a total of 196 in the State, and it felt a bit hurt at what appeared to be a slight act of discourtesy on the part of the Government in not consulting that body with regard to the position. Happily, whatever difficulty there has been in the matter has been got over, and I am told that the decision come to will be satisfactory to the shire councils. I feel certain that great good will result from the operation of this measure. The shire councils are awake to the value of the trees on their roads, and they will guard the timber even more jealously in future than in the past. No person will be allowed to injure trees unwarrantably, as has been done in some cases. Several of the shire councils in my electorate at one time offered rewards for the conviction of persons injuring trees on roads. I have no doubt that that practice will be followed in future. I believe that the councils and the Forests Commission will work amicably together for the preservation of this timber. The timber should be a source not only of profit, but of pride.

Mr. FROST (*Maryborough and Daylesford*).—I cannot join in the paeau of praise of the arrangement for the control of timber on roads. Honorable members on both sides of the House have stated that they are quite satisfied with the decision that has been arrived at. We have certainly been definitely promised by the Honorary Minister that the Order in Council dealing with the control of timber on roads by the Forests Commission will be repealed. At present, municipal councils all over the State have no control over timber growing on their roads. Notwithstanding the promise made by the Honorary Minister, however, we have the position that if any council abuses the power to be given it, a regulation can be passed at any time to take the control of timber on roads from that particular municipality. Who is to be the judge as to whether a municipality has abused its power of control, or not?

Mr. CAIN.—The Government of the day.

Mr. FROST.—I take it that the Forests Commission, through their forests officers, will be the deciding body. In my district we have one or two forests officials, who are very officious.

Mr. A. HUGHES (*Hampden*).—The majority of the forest officers are all right.

Mr. FROST.—Probably 90 per cent. of them are quite all right. I would not trust the other 10 per cent.

Mr. A. HUGHES (*Hampden*).—Why, when I made a statement to you only the other day with regard to one of your forest officials, you contradicted me, and said he was all right.

Mr. FROST.—So he may have been. My point is that a municipality may be placed in a false position. A council might be acting as it should act, but it is conceivable that it could be penalized as the result of a report by an officious forest officer. Municipal councils have been hampered greatly during the last few years. Why should they have to go, cap in hand, to the Forests Commission? An application may be sent in, and the answer may not be received for three months.

Sir ALEXANDER PEACOCK.—If they were to put the matter in your hands they would not have to wait three months, I am quite sure.

Mr. FROST.—They would not. I am a business man, and I answer my correspondence promptly. If I have to stay up till midnight, I see that my correspondence for the day has been dealt with. I do not know whether the Honorary Minister can tell who will be the person to say that a municipality has abused its power.

Mr. CAIN.—In the last analysis the Governor in Council passes an Order in Council.

Mr. FROST.—The Governor in Council means the Government of the day, and, in respect of forestry, the Government of the day means the Minister in control of the Forests Department. He will be guided by the reports of his officers. I am very sorry indeed that the Speaker ruled that we could not under this Bill repeal section 45 of the principal Act. That would have been the satisfactory course to take. Concerning the proposal of the Honorary Minister to make available £5,000 from the Treasury to assist municipalities to construct or repair roads adjacent to forests, I think that that sum is ridiculous. But for the fact that I would not have received any support, I would have moved in the direction of making the amount £20,000. There is a good deal of forest area in my electorate, and £5,000 could easily be spent upon the roads there. Even with that expenditure, they would not properly be fixed up. However, as a gracious dole, the Honorary Minister proposes to provide £5,000. Will he need an Order in Council to distribute that amount? I think that I might call at the offices of the Forests Department to collect the sum allotted to my electorate. Seriously speaking, however, we must remember that the Treasury is depleted, but we are hoping that with the totalizer and other means of taxation there will be a large surplus next year. Therefore, instead of £5,000, the Honorary Minister may be able to provide £25,000.

Mr. EVERARD (*Evelyn*).—I congratulate the Honorary Minister upon the statement relating to gravel taken from forest areas for municipalities. That statement will be very acceptable not only to municipal councils in my electorate, but also to those in Gippsland South and other electorates. I congratulate the Honorary Minister also on the

fact that he has made a pronouncement in regard to the control by municipalities of timber along roads. In my mind, there is no doubt that, if the forest officers handle the matter sympathetically, no trouble will arise between the municipalities and the Forests Department. Although it may not be believed in some quarters, the fact is that there is a forest conscience in municipalities. That is evident by the tree-planting along roads which is proceeding on a very large scale in many municipalities. I think that the Government ought to contemplate in an appreciative manner the work done by the municipalities, and come to their assistance. There is, for instance, the work that has been carried out on the Geelong-road, and due credit must be given to the Tree Planting Association, the Victorian Town Planning Association, and those municipal associations which have taken a keen interest in the matter. The municipalities should be encouraged. Tree-planting, apart from its likely pecuniary value in years to come, will beautify the roads, and we know that "a thing of beauty is a joy for ever." I do not think that the amount which the Government has seen fit to set aside in respect of the roads that are damaged by the carrying of timber is in any way sufficient. One of the leaders on this (the Opposition) side of the House has, perhaps, unwittingly thrown the onus on certain members who sat in one corner of the House and opposed a previous Forests Bill. The measure has been put into good shape, and I may say that that was done by a special Committee which was appointed rather late in the day last session. Had the last Government done what the present Ministry has done—called a meeting of all members to consider the question—that would have been a better course to follow. The honorable member for Allandale, who has been watching the interests of the Opposition in regard to the Bill, was largely instrumental in calling the Government's attention to the fact that, if members were to meet in conference, the Bill would assume a form that was acceptable to all. As I have said, the last Government thought of a similar plan rather too late, although the conclusions which were reached recently in conference were the same as those arrived at by the special

Committee last December. In regard to the amount to be set aside for the maintenance and repair of roads, the Minister has some slight conception of the condition of the roads, but it is not altogether a true conception. There are roads in a lamentable state, and there is no chance of the councils putting them in good repair, because the roads are, so to speak, in no man's land. The councils derive no revenue from them. Traffic from other shires passes over the roads and cuts them up. The honorable member for Maryborough and Daylesford said that the £5,000 could well be spent in his electorate alone. That amount could also be spent quite easily in my electorate. As soon as the Honorary Minister takes a firm stand in this matter, he will discover that £5,000 is but a drop in the bucket. He will need to be very judicious in connexion with its allocation, because he will be inundated with applications from all parts of Victoria, including South, East, and Central Gippsland, Evelyn, Maryborough, and Korong. His trouble will be to make such a small amount accomplish any good. Although the amount may be of some use, I thought that the Government would be a little more generous, seeing that it obtains as much as £60,000 from forest products.

Mr. CAIN.—The Treasury does not get that.

Mr. EVERARD.—That amount is received from various products, and the Treasury gets hold of, perhaps, £40,000 or £50,000, which passes into general revenue. If the shires were treated fairly a good deal of the money would be earmarked for roads in the districts which I have mentioned. I do not wish to delay the passage of this Bill, but, on behalf of the honorable member for Gippsland South, who has been keenly interested, I thank the Minister for his courtesy in making a pronouncement on the matter about which that honorable member was so anxious. I think that we should remember that, when a member is laid aside by sickness, one of his colleagues should go to his assistance, and help him as much as possible with his parliamentary responsibilities. I am sure I am complying with the wishes of the honorable member for Gippsland South in thanking the

Honorary Minister for going to the trouble of explaining this question. I hope he will be more sympathetic in regard to impoverished shires than he seems inclined to be. When he comes to distribute the £5,000 he will be in a quandary. I should not like to be in his position, or in that of the Forests Commission. A good deal will certainly be said by members of this House who think that municipalities in their constituencies have been harshly treated. With only £5,000 to be distributed municipal councils cannot expect to get very much. Perhaps, while this measure is being considered in another place, the attention of the Minister of Forests will be called to the amount of this subsidy in an emphatic manner, and the honorable gentleman may be inclined to go further than the Honorary Minister in this House, who has so ably dealt with the Bill.

Mr. McKENZIE (Wonthaggi).—With out any desire to delay the passage of this Bill, I want to say a few words in regard to its provisions. I have been interested in the attitude displayed by some members towards the whittling away of powers now possessed by shire and borough councils throughout the State.

Mr. WETTENHALL.—It is a dangerous practice.

Mr. McKENZIE.—It is a dangerous practice. I do not think honorable members who take up this attitude towards local authorities realize the amount of honorary work that is done by members of shire and borough councils throughout the State. Members of local councils spend a great deal of time, and even money, in their important work. They carry on a branch of the Government of this State, and although it may be that on occasions the power they can exercise has been abused, it must be admitted that, generally speaking, excellent service is rendered. Members of these councils do not look for any reward beyond the fact that they are doing a public duty, which every one admits is so essential for the carrying on of this State. The question of the control of timber on roads is a burning one. Sometimes it is a burning one literally. It has exercised the mind of every shire council throughout the State. There is such a thing as a forest con-

science amongst municipal councillors generally. They realize the importance of conserving the timber growing along the roads of the State from its commercial aspect as well as from a scenic point of view. Authority is not given to rate-payers to cut down trees indiscriminately. In my experience as a shire councillor, the engineer is always instructed to report upon an application for the cutting down of timber, and if his report is not favorable, the request is refused. I take it that engineers are conscientious in the discharge of this particular duty. The proposed grant of £5,000 to subsidize municipalities for the destruction of the roads as a result of timber traffic is merely a drop in the ocean. It is comforting, however, to know that the Government recognizes, even by such a small allotment, that councils are entitled to some compensation for the cost they are put to in maintaining roads used for timber traffic. Members must not lose sight of the fact that no rates are obtained from forest areas, and in many instances roads are absolutely destroyed by the essentially heavy carting which passes over them. The cost of maintaining these roads is a heavy burden, particularly in shires where the rating is up to the maximum of 3s., as it is in the one in my electorate. In view of the royalty on timber from forest reserves, £5,000 is a very small sum to pay towards the cost of re-conditioning the roads. Still, although the amount is small, I heartily welcome it, because it shows that the right of municipalities to some compensation is being recognized. Later I hope a larger grant will be given.

Mr. BROWNBILL.—Is Wonthaggi a borough or a town?

Mr. McKENZIE.—It is a town, and the most important town in the State. If the honorable member reads the newspapers he will know that the Wonthaggi coal mine made a large profit last year, and, according to the report of the Auditor-General, the deficit in the Railway Department would have been much greater than it was if it had not been for the benefit received from that mine. It is also pleasing to note that some recognition is given of the work which is being done in the schools throughout the State. The amount of £500 which is granted for this purpose is small.

Mr. FROST.—Why did you not vote for the amount being increased to £5,000? You are inconsistent.

Mr. McKENZIE.—The honorable member for Maryborough and Daylesford accuses me of inconsistency. I should not like to say what I accuse him of. Trees which are planted in school-grounds come from the State nurseries, and that is another form of subsidy. The amount subscribed by local residents for re-forestation—for that is what the planting of trees in school-grounds amounts to—is fairly considerable. I certainly would like to see the Government grant increased to £5,000. Frequent reference has been made during the course of the debate to forest fires. It seems to me that at last a serious attempt is being made in this Bill to grapple with that menace to our State. I trust that the hopes which the Honorary Minister has of preventing the recurrence of these fearful outbreaks will be realized. I think honorable members have been wrong in attempting to cut down the powers of the Forests Commission in this direction. There is no doubt that many fires are started as the result of absolute carelessness on the part of land-owners in burning off. I know that statement does not find favour with some members, but I also know from personal observation that some of our settlers when they have a day which is suitable for burning off, light fires, which get away from them, and disaster follows. I was glad to see an amendment made in the clause governing this particular matter.

Mr. CAIN.—The margin of two miles provided in the clause was reduced to half-a-mile.

Mr. McKENZIE.—I agree with the reduction to half a mile, although my doing so may seem inconsistent with what I have said. At the same time I want the Government to have full power to deal with this particular matter, because we do not want any further occurrence of these outbreaks, one of which, as honorable members may recollect, destroyed one of the finest townships in Gippsland. I hope that the suggestions which have been made by honorable members will be considered favorably, and that at some future time Parliament will be asked to approve of increases in the amounts of £5,000 provided for the maintenance of roads leading to forests, and £500 for the establishment of school plantations. The Government has recog-

nized the principle that assistance should be given in these directions, and that is something which we have gained.

Mr. WETTENHALL (*Lowan*).—When the Bill was introduced in the House it expressed the aims of the Government and the Forests Commission in regard to the forest policy of the State. It is now evident from the debate, and the amendments which have been agreed to, that while it was a laudable object to seek more protection for our forests, certain amendments were necessary in the Bill in order to protect the interests of primary producers. I think that the Bill, as it will leave this House, will be a great improvement on the form in which it was introduced. I do not think for one moment that too much of the time of the House has been occupied in dealing with this measure. In certain sections of the Forests Act 1918 is evidence, I consider, that that measure was hurried through Parliament. It shows the inadvisability of hurrying measures through Parliament. It was not until the measure now before us had reached its final stage in this House that one of the most important suggestions that have been made in this chamber during this session was advanced. I refer to the suggestion of the Leader of the Opposition that the Railways Standing Committee should have power to investigate works proposed by the Forests Commission involving an expenditure of more than £20,000. Haste in the passage of legislation should not be indulged in when measures might be considerably improved if more time were devoted to them in this House. It does not matter what the intention of the House is, the only medium by which that intention can be expressed is a measure when it leaves the House. I should like to learn whether the Honorary Minister has received counsel's opinion regarding section 45 of the Forests Act 1918, which prohibits the cutting of timber on roads without the authority of the Commission. I think that a close study of that section will show that Parliament endeavoured to make its intention clear when it approved of the section. Sub-section (1) provides, *inter alia*—

Notwithstanding anything in any Act, no person shall without the authority in writing of the Commission mark bark ringbark sapling girdle fell cut split break or otherwise kill destroy damage or

injure or remove the whole or any part of any tree sapling shrub underwood or timber in or upon any road within a State forest, or in or upon any other road to which the Governor in Council by notice published in the *Government Gazette* declares that this section is to apply.

But sub-section (4) states—

Nothing in this section shall affect any powers of the council or any municipality with respect to roads under the care and management thereof.

Mr. CAIN.—The section is not effective until the Governor in Council makes an order.

Mr. WETTENHALL.—But the last sub-section makes it clear that the section shall not affect a council's powers with respect to roads under the care and management of the council. I should think that after the Bill was framed Parliament inserted sub-section (4), in order to make the position of the municipalities doubly sure. While that sub-section remains in our forest legislation, I do not think that any regulation not in conformity with that section will hold water. With reference to this Bill, as it now stands, I agree with the honorable member for Wonthaggi in his approval of the power given to municipalities to subsidize school afforestation plantations outside their municipal boundaries. I understand that a municipal council is prohibited under the Local Government Acts from expending money outside its boundaries. It seems extraordinary to me that so many measures nibble at the powers contained in the Local Government Acts. This Bill is a case in point. It amends a fundamental portion of the Local Government Acts. At the same time, I agree that councils should be allowed to expend money for educational purposes. In many boroughs there is no suitable land on which to establish school plantations. Horsham is an example. An area of between 40 and 50 acres has been set apart, at some distance from the town, for the purpose of a school plantation, and the keenest interest is taken in it by the children in the town. It is a policy which is most beneficial to the children and the State, and should be extended. I think it is a credit to the House that it has passed this important measure. It will assist our afforestation policy, and will provide better facilities for making proper use of matured timber. The latter subject has appealed to me for some time.

Travelling through forests one can see large quantities of matured and over-matured timber, which will decay and go to waste if it is not handled promptly. I hope that when this measure becomes law the Commission will give consideration not only to the important questions of afforestation and the conservation of our forests, but also the handling of matured timber to save it from decay. On the Wimmera plains are three or four thousand acres of forest reserves. The land is not suitable for forestry purposes, but is excellently adapted for wheat-growing. By the provisions which have been made for exchange, some of the best wheat-growing land in that part of the country, which is now held as a timber reserve, but which is practically useless, may be put to its most suitable purpose.

Mr. CAIN.—Are you referring to a specific area?

Mr. WETTENHALL.—I have in mind an area of about 3,000 acres in my electorate known as the Barrett timber reserve.

Mr. CAIN.—Would it be worth about £20 per acre?

Mr. WETTENHALL.—If it were cleared and improved it could not be purchased at that price, but at present it is not worth £7 an acre. It is only a grazing block, and an inferior one at that. All that is growing on it is a few bull oaks—a matter of a few loads of firewood. The exchange of that area should receive immediate attention. In conclusion, I wish to say that the passage of the Bill is a matter for congratulation. I do not think that we should regret the time that has been spent on it. If only we could have gained one or two points for which honorable members on this (the Opposition) side have fought unsuccessfully, it would have been a still better measure.

Mr. WALTER (*Gippsland West*).—I am well satisfied with the decision of the Government respecting the matters which have come under chief consideration in the course of the third-reading debate. I have always held a strong brief for the municipalities. They have had their powers whittled away from year to year until at last those powers are almost *non est*. Government Departments should not be free to interfere too much with the

municipal councils. For a long while the latter bodies have been fighting to obtain control over the timber growing on the roads for which they are responsible, and it is satisfactory that at last they are about to gain their purpose. No doubt they will be permitted to retain control of the timber so long as their administration is satisfactory; but it will be within the power of the Government to withdraw the authority of a council over timber growing on its roads if that body does not treat the trees as it should do. As for the amount of £5,000 which the Government has promised for the upkeep of roads damaged by forest traffic, that sum is a mere bagatelle. In a previous session members of this House fought to have the amount set down in the Bill at £20,000 per annum. When I represented the old constituency of Gippsland West, part of which is represented now by the honorable member for Wonthaggi, I had my attention directed to one road in particular. There is a forest area about 12 miles out of Leongatha, from which a considerable quantity of timber has been conveyed year after year to Leongatha for the requirements of the mining operations at Wonthaggi. Throughout the three winters in which I represented that part of Gippsland West in this Parliament, the road was in an execrable condition. It was almost impassable, so seriously was it cut up by the heavy traffic from the forest area. It was almost impossible for the shire council to do anything in the way of keeping it in repair, or even attending to it in patches. The Forests Commission pays no municipal rates. Last year, however—if my memory serves me aright—its net revenue amounted to about £80,000, half of which had to be paid into the Consolidated Revenue. In those circumstances, the Government might have seen its way clear to grant more than £5,000.

Mr. MURPHY.—The estimated receipts this year amount to £150,000.

Mr. WALTER.—An amount of £5,000 is not enough. It is a mere bagatelle.

Mr. CAIN.—Out of the sum paid into the Consolidated Revenue by the Forests Department the Government has to pay all the costs of the Commission.

Mr. WALTER.—I do not intend to argue that phase of the matter. If the Government is short of cash in the future it may not provide even this inadequate amount of £5,000. In the previous Forests Bill there was provision for the statutory allocation of whatever sum Parliament decided that the Government should make available. Now we have merely the promise of the Government, which, I feel sure, will be honoured so long as the finances of the State may permit. If a Government in the future should find itself in a difficult position, however, even this very small grant may be withdrawn. If that should come about, it would be for this House to re-open the whole question. As for the Bill as a whole, I think that the House has done well in passing it. I repeat that I am not altogether satisfied with it, but, having failed to obtain the whole loaf, we must be thankful for half a loaf. One feature of the consideration of this measure which gave me particular pleasure was that the Government should have seen fit to confer in private with representative members on all sides of the House. It was, due to amicable consultation beforehand that the Bill has been debated on non-party lines and without waste of time.

Mr. GRAY (*St. Kilda*).—I regret that some definite objective has not been laid down concerning the area of the dedicated forests of the State. The standard agreed upon by foresters generally is 15 per cent. By that I mean that 15 per cent. of the land in the State should be reserved for forest purposes. At a conference of State foresters it was pointed out that the Victorian standard should be 5,500,000 acres. Victoria has dedicated for forest purposes four and a third million acres. There is still another one and one-sixth million that should be dedicated to State forests. When I say "dedicated," I do not mean that the land should be given to-day and taken away to-morrow. It should be available for all time. That is the real meaning of the word "dedicated." There is another matter on which I should like to comment. A clause should have been prepared to deal with grazing leases. There should be a provision to stop the ruinous destruction of trees by people holding grazing leases.

Mr. LIND.—Is the honorable member speaking from personal knowledge?

Mr. GRAY.—It almost makes one's heart bleed to go through some of the great forests and see the gaunt, stark trees standing there, and also to see, throughout miles and miles of country, the land being washed away into the rivers.

Mr. LIND.—That is the stuff we get from the Forest League. It is sent to every honorable member.

Mr. GRAY.—I must commend the *Argus* for the very strong attitude that it has taken on this subject. That paper has been trying to create a public opinion on the matter.

Mr. CAIN.—Don't turn down the *Age*. It wrote you into politics.

Mr. GRAY.—On the 29th of January last the *Argus* published an article entitled "Tree Tragedies." It started with an apocryphal version of a familiar hymn, as follows:—

We look around and thus we see
How many fools there be;
But of the fools upon the earth
Are none so great as we.

That is very true in regard to this phase of the forestry question. The author of the article, Acting Professor G. L. Wood, is a man who knows his subject. He speaks of the process by which nature has made soil and tree interdependent, and adds—

But the destruction goes on apace, and every impulse of public opinion is urgently needed in the effort to save the forests.

He concludes by advocating the banishment of the grazier from the forests. The paper produced a photograph of Mount Wills, in the Upper Mitta catchment, showing burnt woollybutt forest and trees with "dry side."

Mr. LIND.—Has the honorable member ever seen that area?

Mr. GRAY.—No.

Mr. LIND.—That little patch was specially picked out by the photographer for the purpose. I know the patch.

Mr. GRAY.—I have viewed such scenes in many places along the Great Dividing Range, particularly in the watershed areas. The granting of grazing leases provides only a small amount of revenue, and only a little food is got from the stock put on those areas. This practice will affect the water supply and

the finances of the future. I hope that the Honorary Minister will seriously consider this phase of a great question, and that before long he will frame legislation that will place all the grazing leases under the control of the Forests Commission.

Mr. FROST.—Forest areas are under its control now.

Mr. GRAY.—I understand that the Lands Department has some control over grazing leases.

Mr. LIND.—It has in regard to its lands, and the Forests Commission has in regard to the forest areas.

Mr. GRAY.—I hope the Minister will go thoroughly into this matter, with the object of restricting the granting of grazing leases in forest areas.

Mr. OLD (*Swan Hill*).—I did not intend to speak at this stage of the Bill, but the remarks of the honorable member for St. Kilda call for a protest. He has made a definite charge against the lessees of forest areas. He has told us that they deliberately set fire to timber, but he has not substantiated his statement in any way. I submit that he has cast a reflection upon settlers who are honorable men in every respect. The honorable member's statement was entirely uncalled for, and is absolutely untrue.

The motion was agreed to, and the Bill was read a third time.

Mr. CAIN (Honorary Minister).—On Tuesday night the Committee agreed to an amendment to insert the following new sub-clause at the end of sub-clause (3) of clause 7:—

" () The provisions of this section shall not apply to charcoal-burning in properly constructed retorts on private property within the prescribed distance set forth in this section, provided that notification in writing of intention to burn during the prohibited months is lodged with the Commission at least seven days before operations are commenced, and fire-breaks properly prepared and cleaned at least thirty-three feet wide are cleared around each retort."

In order to bring the new sub-clause into conformity with the remaining sub-clauses, I move—

That the words "the prohibited months" be omitted and that there be inserted "any proclaimed period."

The motion was agreed to.

Mr. CAIN (Honorary Minister).—I want to take this opportunity to thank honorable members on both sides of the House for the very able assistance I have

had from them. A Forests Bill is always a difficult and contentious measure to put through. The Government have not accomplished all that they would have liked to accomplish. I feel, however, that the compromises we have made have been reasonable. All parties have cooperated in the passage of the Bill, and I want to thank honorable members generally for the services they have rendered. I hope that the Bill will be given a speedy passage in another place.

The Bill was ordered to be transmitted to the Legislative Council.

POISONS BILL.

This Bill was received from the Legislative Council, and on the motion of Mr. PRENDERGAST (Chief Secretary), was read a first time.

REAL ESTATE AND BUSINESS AGENTS BILL.

The debate (adjourned from September 27), on the motion of Mr. Slater (Attorney-General) for the second reading of this Bill was resumed.

Mr. TOUTCHER (*Stawell and Ararat*).—I commend the Government on the introduction of this Bill, which I regard as a very well-drawn measure, and I compliment the Attorney-General upon his exposition of it. There has not been much time since the Bill was circulated for persons engaged in the real estate agency business to give the measure consideration. There are a number of associations of agents in the State. Those associations made representations to the Government some time ago, with a view to having the Real Estate Agents Act amended. They submitted what they regarded as very necessary amendments of the law. The Government has seen fit in this Bill to combine estate agents with business agents, and their sub-agents. In fact, we have an *omnium gatherum*. Agents of all classes are identified, as it were, with real estate agents.

Mr. SLATER.—There is not an *omnium gatherum*. The Bill relates only to real estate agents, business agents, and their sub-agents.

Mr. TOUTCHER.—But it makes the man who has hitherto confined his operations exclusively to the sale of businesses an estate agent, and proposes to give the estate agent the right, if he so desires,

to sell businesses. For many years the real estate agents carrying on business in Victoria have, as an institution, been quite separate from business agents. When the Real Estate Agents Bill was introduced some few years ago, I stressed the necessity of the licensing of business and hotel brokers. I urged that a separate Bill should be introduced to accomplish that purpose. I am very glad that the Government has recognized the importance of registering business agents.

Mr. WEBBER.—We recognized that years ago, when in Opposition.

Mr. TOUTCHER.—Quite so. Many of us were strongly of opinion at that time that, because of certain malpractices, the control of business agents was necessary. Certain classes of agents have caused a number of scandals. The associations of estate agents in the city, the suburbs, and the country, on whose behalf I speak, are very much opposed to being associated, in a Bill of this character, with business agents, as they have had very little to do with business agents in the past. I should like to ask the Minister to consider the advisability of adjourning the debate on this Bill, with a view to bringing in separate Bills for the amendment of the Real Estate Agents Act, and the registration of business agents, respectively.

Mr. BAILEY.—Many agents combine the two businesses.

Mr. TOUTCHER.—That is so. But the business agent is not now required to take out a licence, and therefore he cannot engage, unless he does so unlawfully, in the business of an estate agent. The associations of estate agents feel that their profession is one of high trust. Many men engaged in the business of estate agency hold very high positions in the community. Certainly, in the past, there have been some black sheep in the fold. That is inseparable from any organization.

Mr. SLATER.—According to the list relating to bonds that were claimed against, there was a good number.

Mr. TOUTCHER.—There were some. The profession which the honorable gentleman adorned also contains some black sheep, but they are not affected by the Bill. I want to know if the honorable gentleman will consent to an adjournment of the debate to give consideration to the claim of the real estate agents that

the Act which affects them should be amended, and that a separate Bill should be brought in to deal with business agents.

Mr. SLATER.—Under no circumstances can I agree to that. There is a very urgent community need for the measure, and the Government intends to proceed with it on the lines upon which it has been drawn.

Mr. TOUTCHER.—I recognize that so far as business agents are concerned, it is eminently desirable that they should be licensed as soon as possible. I regret that the honorable gentleman cannot see his way to accede to the request, which is made by what is now known as the Real Estate Association.

Mr. SLATER.—A number of estate agents have seen me, and heartily commended the Bill, and the Subdivisional Employers Federation also sent a deputation to me to discuss the matter.

Mr. WEBBER.—As a matter of fact, there will in effect be two separate Acts. If the honorable member for Stawell and Ararat looks at sub-clause (1) of clause I he will see the following:—

This Act may be cited as the Real Estate and Business Agents Act 1927, and shall be read and construed as one with the Real Estate Agents Act 1922 . . . which Act, and this Act may be cited together as the Real Estate and Business Agents Acts.

The last word is not in the singular, and, in the interpretation clause, a real estate agent and a business agent are described as two separate persons. There is also a third interpretation in respect to a man who carries on a combined business.

Mr. TOUTCHER.—Yes. But it gives the right to any business agent to operate as an estate agent.

Mr. WEBBER.—That could have been done before. The mere fact that a man was a business agent did not preclude him from being registered as an estate agent.

Mr. TOUTCHER.—That is so. It is competent for any reliable person to take out a licence.

Mr. WEBBER.—Does the honorable member claim, that by linking the two professions in one Bill, the dignity of those engaged only in real estate agencies will be lowered?

Mr. TOUTCHER.—That is the contention. I do not propose to make a sweeping assertion and say that all business agents are guilty of corrupt practices. Some of them are honest business men.

I do not think that the Real Estate Association would be guilty of saying that every man who is a business agent is unworthy, but in Melbourne there have been far more unworthy persons connected with business agencies than with real estate agencies.

Mr. MORLEY.—Do I understand that business agents do not obtain a licence?

Mr. SLATER.—They are not required to be licensed, and they have never been under an obligation in that respect unless they have sold real estate.

Mr. TOUTCHER.—There are many estate agents operating in Melbourne, and in all other parts of Victoria, who follow very high traditions and have fine reputations. They have felt very often that in respect of their clients they have stood in a responsible position—equal, almost, to that of a solicitor. Their clients absolutely trust them; it is a business that is being pretty cleanly carried on. Really, there was no need for a Bill in respect of the decent, honest members of the vocation, but as the Attorney-General says that he cannot consent to a division of the two classes of businesses, I suppose that we are forced into the position of proceeding with the Bill as it is. I am very glad to congratulate the Government upon the proposed appointment of a Registrar. Even the Real Estate Agents Act was deficient from the point of view of supervision. Now that a Registrar is to be appointed, and given necessary powers, people who do business with estate agents will be assured of the fact that there will be proper supervision. That is a very commendable principle indeed. The Opposition, for which I am asked to speak, is in favour of the general principles of the Bill. There are, of course, some details which the Speaker would not permit me to deal with to-day, but to which some exception may be taken. But so far as the general principles are concerned—in regard to cleaning up the agency business in many respects, especially in relation to business agents and hotel brokers—I know, as a man who has been in the business for a great number of years, that there were some scandalous practices, particularly in connexion with hotel licences. I am sorry to say that, also, of many other businesses. Many sales of small confectionery, green-grocery, and small-goods businesses have been a perfect scandal. The purchasers

have been taken down right and left, and in some instances it would almost seem as if they had gone into a criminal's den. Before estate agents had to be licensed there were many frauds. I remember the case of a woman coming from my own constituency who asked me about the purchase of a house. I asked what deposit she was prepared to pay, and she told me £10. I said it would not be possible to purchase a house with a small deposit like that. Then she told me that some time previously she had £50, and went into an office in Modern Chambers, where she saw an agent, who accepted that sum as a deposit on a house. The next time she called she found the office closed, and was told that the agent had gone to Sydney. That was the end of her £50. The agent was really a criminal. This Bill will go a long way towards preventing evils of that sort. Although I am not permitted to go into details of the various clauses, I should like to say a word or two about one matter. Members of the legal profession are not included in this Bill. Some of them act as agents, collect money, and deal with trust funds. They should be subject to the provisions of this measure. During the Attorney-General's second-reading speech, the honorable member for Barwon referred to the fact that members of the legal profession were not brought within the scope of the measure, and the reply was that there was already an authority which could discipline offending members. That may be so, but quite recently a solicitor in New South Wales was deservedly sent to prison for some years for misapplying trust funds.

Mr. WETTENHALL.—Another solicitor shot himself in Tasmania recently.

Mr. TOUTCHER.—That is so. I think solicitors and any other persons who collect money and deal in trust funds should be brought within the scope of this Bill and required to enter into a fidelity bond. Reference has been made to the position of firms and corporations, and an amendment will probably be brought forward in the clause dealing with them. I know of a firm which comprises six people. They are not carrying on business as a company. Each member of that firm will have to take out a separate licence under this Bill, and it is quite right that that should be so.

Mr. SLATER.—They have to do that under the existing law.

Mr. TOUTCHER.—That is so. Still, the fact that each member of this firm will have to take out a licence and pay the premium for a fidelity bond, will be a serious tax. On the other hand, a corporation which may include a large number of persons, and which may carry on business all over the State, need take out only one licence. It can operate through a sub-agent by paying a registration fee of 2s. 6d. That is a ridiculously low fee to demand. I think sub-agents should be put in much the same position as agents, and be compelled to provide a fidelity bond. I have mentioned this matter so that the Attorney-General may know of the intention to submit amendments in this respect. An auctioneer now has to pay a licence-fee of £25, and it is proposed by this Bill that he shall pay another £5 to be licensed as a real estate agent. Auctioneers contend that they ought to be licensed as estate agents without additional fee.

Mr. SLATER.—The fact that auctioneers have not hitherto been licensed was found to be a difficulty under the principal Act. There were a number of abuses in the transaction of business by auctioneers.

Mr. TOUTCHER.—There is every desire to prevent abuses, but it is claimed that the fee of £25 should be sufficient for the auctioneer's licence and the estate agent's licence if one man carries on the two businesses. There are persons who take out an auctioneer's licence, but who do very little business under it. They think they have a better status and get a better advertisement if they can describe themselves as auctioneers. Some of them may not make sufficient at auction sales to cover the fee they have to pay. It is just possible that these men will not take out an auctioneer's licence in the future if they are compelled to pay the fee prescribed under this Bill, and in that case a good deal of money will be lost to the revenue. This Bill is one for consideration more in Committee than in the House, and I will not say any more about it just now except to add that, speaking on behalf of the Opposition, I commend the Government for its introduction.

Mr. BROWNBILL (*Geelong*).—After hearing the statement of the Attorney-General every one will agree that this Bill

is necessary, and the House should pass it expeditiously. The Attorney-General gave us a number of instances showing the great need for an amendment of the law regarding estate agents. I have something to say, however, about auctioneers being included in this particular Bill. If there are two auctioneers in one firm, each has to pay a licence-fee of £25. Under this Bill, they will have to pay another fee of £5 each if they act as real estate agents. That means that each member of the firm will have to pay £30. On this subject I have received the following letter from the Geelong Auctioneers and Estate Agents Association:—

138 Little Malop-street,
Geelong, 1st October, 1927.
ESTATES AGENTS BILL.

Dear Sir,—

At a special meeting of the council of the above association held yesterday the following resolution was carried, viz.:—

“That this association, whilst being in sympathy with the objects of the proposed Estate Agents Bill to control land salesmen and prevent undesirable transactions being made, strongly protests against the proposed increase in fees, which it considers is grossly unfair and calculated to handicap the legitimate agent.”

I am instructed to ask if you will be good enough to oppose any increase in fees.

Thanking you in anticipation,

Yours faithfully,
(Sgd.) M H WRIGHT,
Secretary.

Mr. SLATER.—The necessity for increasing the fees is the policing of the Act. It is desirable in the interests of the community that the Act should be well policed.

Mr. BROWNBILL.—It seems to be rather anomalous that an auctioneer who now pays £25 should be called upon to pay an additional fee of £5.

Mr. SLATER.—Auctioneers have a monopoly by virtue of their licences.

Mr. BROWNBILL.—That may be so. These fees go into the Consolidated Revenue, and I may be permitted to say in passing that they should go into the funds of the municipalities where the auctioneers carry on business. As I have pointed out, each member of a firm has now to pay £25 for his licence.

Mr. SLATER.—That is if the two of them act as auctioneers. It is very rarely that that is the case. The usual practice is for one member of the firm to take out an auctioneer's licence.

Mr. BROWNBILL.—Auctioneers are protesting against being called upon to pay this additional fee.

Mr. BAILEY.—Auctioneers will not have to pay another £5. It is only real estate agents who will be called upon to pay that fee.

Mr. BROWNBILL.—But auctioneers deal in real estate, and it will be very hard on them to have to pay this additional fee. As the Attorney-General has said, sub-agents are the worst offenders of all. The sub-agents will escape with an annual fee of 2s. 6d.

Mr. SLATER.—There is a great difference between a sub-agent and an auctioneer. The latter has to obtain a special licence. If sub-agents were charged an annual fee of £25 for a licence, I do not suppose that there would be 100 sub-agents in Victoria.

Mr. BROWNBILL.—That might be a good thing for Victoria. The sub-agents have been involved in many of the transactions which the Minister referred to in his second-reading speech. In my opinion, the estate agents' fees should not be increased and auctioneers should not be compelled to pay another £5 per annum for their licences if they deal in real estate. The estate agents and auctioneers in my electorate are opposed to the increases of fees proposed by this measure, and I have now made their protests known on the floor of this House.

Mr. FROST (*Maryborough and Daylesford*).—I am pleased that the Government has introduced this measure, which is long overdue. Many scandals have been associated with the work of agents in this State and other States, and it is a wonder to me how many of them have been able to keep out of gaol. I intend to give one illustration. Some years ago a company known as Orchard Planters (Australia) Proprietary Limited subdivided an estate at Flinders and offered blocks for sale. They boomed the estate, assuring the public that Flinders would become the future Plymouth of Victoria, that it would be the site of a great naval base, and that people who bought blocks on the estate would be rich in five years. Many of the blocks were sold at £40 each. Their real value was about £5. When purchasers who had paid their instalments applied for certificates of title, they found that the company had

secured only an option over the estate. They could not, therefore, secure the transfer of the land from the company. The purchasers were informed by the company that, on the payment of £10, the company would communicate with the owners of the land and secure a certificate of title for the purchasers. I can understand that the sale of the blocks on terms and the receipt of instalments by the company was within the law, but the company went further than that. It accepted fees from purchasers for the issue of certificates of title. I hold in my hand the receipt which one purchaser obtained from the company for money paid to it. It shows that this man paid four guineas, which included his last instalment of purchase money, 12s. 6d.; transfer fee, £1 11s. 6d.; stamp duty, 10s.; and title fee, £1 10s.

Mr. SLATER.—Some of the fees were double-banked.

Mr. FROST.—I do not know how the company had the audacity to accept the fees. I brought the matter under the notice of the then Attorney-General (Mr. Eggleston), and I pleaded with him to introduce a Bill to regulate agents. He declined to do so. I then asked him whether the Government could not do something to bring dishonest agents to book. I consider that the men who were responsible for the sale of the land at Flinders to which I referred should have been gaoled. They have changed their names and addresses since that transaction took place, but I think I know where a couple of the directors could be found now.

Mr. TOUTCHER.—You ought to give the House their names and show them up.

Mr. FROST.—I hold a letter which shows that one of the directors was named A. A. Reed. The letter is headed, "Orchard Planters (Australia) Proprietary Limited." The Melbourne address was Scottish House, 90 William-street, Melbourne. The London address given was 72-75 Fenchurch-street, E.C., and the Melbourne cable address "Mossiefern." Victims of this company are to be found in all parts of the State. One man wrote to me from Bairnsdale as follows:—

Re Fraud at Flinders.

I bought and paid cash for block, "Orchard Planters." I put off getting title thinking if I paid for it and paid rates that I was secure. When I applied for title, I was informed by

their solicitor that if I paid another £10 they would issue title.

Mr. SLATER.—I can assure the honorable member that the prospect of any of the people connected with that company obtaining a licence under this measure will be very slight.

Mr. FROST.—Another matter to which I wish to refer is the position of fire insurance agents in country towns. In some towns there are from 20 to 50 of these agents. This state of affairs is a farce, because the only business that many of the agents attend to is the insurance of their own property.

Mr. SLATER.—They reduce the scope of the business of the legitimate agents.

Mr. FROST.—That is so. Reputable agents pay their fees but they cannot do a great deal of insurance business which they should do on account of the number of small agents whose work is confined to their own property. I think that all persons who undertake insurance agency work should pay a licence fee. Such a provision as that would protect the genuine agent, and increase the State's revenue. I suggest that a fee of at least 10s. per annum should be charged every agent carrying on insurance work. In addition to the Flinders case, particulars of which I have given, I may mention the matter of a sale of land at St. Albans, on the Bendigo line. In connexion with that transaction there was absolute misrepresentation. Intending purchasers were informed that the blocks were only a quarter of a mile from the railway station. Some people took the agent's word that that was so; but, on inspecting the blocks which they had purchased, they found them to be fully a mile, and, in some instances, a mile and a half, distant from the station. Could not those people have repudiated their contracts?

Mr. SLATER.—If there was a representation in the contracts that the blocks were only a quarter of a mile from the station, they could have done so.

Mr. FROST.—Unfortunately, the representation was verbal. I hope this Bill will reach the Committee stage this afternoon, because the sooner it is passed the better.

Mr. MORLEY (*Barwon*).—I desire to comment on this measure, but I am not prepared to do so at this stage. I may

inform the Government that a sub-Committee of members on this (the Opposition) side of the House has examined the Bill, and that the Opposition will help to have the Bill passed. There are certain features, however, which I wish to indicate, and which will require to be discussed in detail in Committee. Therefore, I move—

That the debate be now adjourned.

The motion for the adjournment of the debate was agreed to, and the debate was adjourned until Tuesday, October 11.

ADJOURNMENT.

RAILWAY DEPARTMENT: SPECIFICATIONS FOR TRACTOR ROAD ROLLER: BURNING OFF GRASS ON RAILWAY LANDS—VISIT OF SECRETARY OF STATE FOR DOMINION AFFAIRS.

Mr. HOGAN (Premier).—I move—

That the House do now adjourn.

Mr. McADAM (*Ballarat*).—I direct the attention of the Minister of Railways to a matter involved in the calling for tenders by the Railways Commissioners for a tractor road roller. I am in possession of a copy of the specifications for this roller. They contain a clause which is so framed as to practically exclude Australian manufacturers of road rollers from tendering. That is to say, the details of the clause are such that only a roller of an American type could come within the scope of the specifications. There are no road rollers of the kind manufactured in Australia. We do not want a repetition of what took place in connexion with the purchase of an imported road roller by the Melbourne and Metropolitan Board of Works. I ask the Minister of Railways if he will take prompt action to see that the specifications are amended to permit of tenders being received from Australian manufacturers of road rollers. In the framing of these specifications, we have an example of the way in which the Railway Department has succeeded in importing so much material from America. I repeat that the specifications are so drawn up as to provide practically a gift for any one who has American machinery on hand. One other matter to which I direct the attention of the Government has to do with the forthcoming visit of the Secretary of State for Dominion Affairs, Mr. Amery. The committee which is

responsible for his Victorian itinerary has provided for a stay of only about three hours at Ballarat. There are matters of importance to that city which it is felt should be brought under the notice of Mr. Amery, but the opinion of the people of Ballarat is that the visit will be altogether too brief. Ballarat has been treated in a similarly scant fashion when other distinguished gentlemen have visited this State. I trust that the Government will direct the attention of the responsible committee to this matter, and will endeavour to persuade it to provide for a longer stay. I do not see why Mr. Amery should not be so enabled to spend a whole day at Ballarat, as well as at each of the other leading provincial centres.

Mr. TUNNECLIFFE (Minister of Railways).—I am pleased that the honorable member for Ballarat has brought under my notice the nature of the specifications for the tractor road roller required by the Railways Commissioners. I shall take the earliest possible opportunity to have the specifications reviewed and the attention of the Commissioners directed to the matter, in the hope that Australian manufactures will be used by the Department, in this and every instance, as far as practicable. With respect to the itinerary of the Secretary of State for the Dominions, I understand that the original arrangements were in the hands of the Commonwealth Government, and that the persons immediately concerned provided for only a very limited visit by Mr. Amery to this State. The period allotted for the visitor's stay in Ballarat and the other provincial cities was determined eventually in consultation between the Commonwealth and State Committees. I shall place the representations of the honorable member before those responsible, to see whether it is not possible to extend Mr. Amery's time in Ballarat.

Mr. WETTENHALL (*Lowan*).—While it is somewhat early for me to raise the matter, it is not too early, I think, to direct the attention of the Minister of Railways to the risks which are run through railway servants burning off grass along the railway lines, particularly in the Wimmera. Last year, owing to the fact that burning-off operations were conducted too late in the season, a fire got away from the men in charge,

at a point about 4 miles west of Nhill. Some of my constituents were harvesting their crops less than a mile away, and it was only by the concentrated efforts of all those persons in the neighbourhood that the wheat was saved from destruction. The burning off of the grass along the railway lines is done invariably with great care. Occasionally, however, a breakaway occurs, and it is more likely to do so when these operations are left too late in the season. The risk is too great. I ask the Minister, therefore, to represent to the responsible officials of the Railway Department that burning-off operations should be put in hand before the crops are ripe, and that the utmost precautions should be taken. It may be said that the risks will not be so great this season, in view of the fact that there will be little grass. But there will be grass to be burned along the railway lines in the Wimmera, at any rate, and there will be wheat to be reaped.

Mr. **TUNNECLIFFE** (Minister of Railways).—By leave, may I state that I will take the honorable's member's representations to the Railways Commissioners, with a view to having extra care taken. Of course, the honorable member knows that burning off can take place only at certain periods, when the grass is dry, and the fire will run rapidly through it.

The motion was agreed to.

The House adjourned at 3.50 p.m., until Tuesday, October 11.

LEGISLATIVE COUNCIL.

Tuesday, October 11, 1927.

The **PRESIDENT** (Sir Frank Clarke) took the chair at 4.56 p.m., and read the prayer.

FORESTS BILL.

This Bill was received from the Legislative Assembly and, on the motion of the Hon. W. J. **BECKETT** (Minister of Forests), was read a first time.

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SOLDIER SETTLEMENT.

ADVISORY BOARDS.

The Hon. W. P. **CROCKETT** asked the Minister of Forests—

If the Soldier Settlers Advisory Boards have furnished to the Commissioner of Crown Lands and Survey reports concerning any of the districts visited; if so, what districts have been reported upon, and is it the intention of the Government to give early effect to the recommendations of these Boards?

The Hon. W. J. **BECKETT** (Minister of Forests).—The answer is—

In regard to the Inquiry Boards appointed under section 22, Discharged Soldier Settlement Act 1917, as amended by section 11, Discharged Soldier Settlement Act 1919, 2,412 soldier settlers in the dry areas and 1,092 soldier settlers in the wet areas applied to have their cases investigated by such Boards. Of this number, a total of 1,457 cases in the dry areas and 775 cases in the wet areas have been investigated by the Discharged Soldier Settlement District Inquiry Boards and reports furnished to the honorable the Minister. In 1,180 cases in the dry areas and 547 cases in the wet areas the Discharged Soldier Settlement District Inquiry Boards' recommendations have been dealt with by the Closer Settlement Board and the honorable the Minister of Lands, and the soldier settlers in question have been or are being notified of the decisions come to. These recommendations are being immediately carried into effect where practicable.

HEALTH BILL.

The Hon. W. J. **BECKETT** (Minister of Public Health) moved for leave to bring in a Bill to amend the Health Acts.

The motion was agreed to.

The Bill was brought in, and read a first time.

MILK BOARD BILL.

The debate (adjourned from September 28) on the motion of the Hon. W. J. **Beckett** (Minister of Public Health) for the second reading of this Bill was resumed.

The Hon. H. I. **COHEN**.—When this Bill was last before the House, I listened very attentively to the second-reading speech of the Minister in charge of the measure, and I must confess that at the time I was not very much impressed with either the urgency or the necessity for the Bill. Since that occasion I have read very carefully the remarks which the Minister made, and have, to the best of my ability, made a careful study of the Bill; but I must confess that I now feel less impressed with the necessity or the

urgency for it. The Minister avowed that the intention of the Bill was to create a better state of affairs for the milk producers in the country. He drew a very harrowing picture of their state, and he told us, amongst other things, that theirs was the most sweated industry in the community. We were told, as I have said, that the purpose of the Bill was to better their conditions, but the Minister did not tell us that the number of persons who would be benefited by the measure was only an extremely small quota of the milk producers in the country, and we are led to understand that notwithstanding the Bill the sweated conditions will continue to obtain amongst at least four-fifths of the milk producers. Now, why should it so happen that the only persons who are to be benefited by the Bill are those who sell their milk for consumption in Melbourne? We may have this state of affairs—there may be two adjoining dairy-farmers, one of whom sends his milk to Melbourne, and the other of whom, because it may suit his purpose better, sends his milk to a co-operative or proprietary factory in the locality. One of these men is to be benefited by the Bill. In respect of the other, the sweated conditions which are said to be the worst in the community are to continue to exist, and no relief is to be afforded him. This is a very real point, because, from information which I have gathered, it appears that in connexion with the 2,000 gallons of milk which one factory receives daily—it is unnecessary to mention the name of the factory—no more than 600 gallons are forwarded to the city. The dairy-farmers whose milk is forwarded to the city by that factory will get their measure of relief, but the rest of the dairy-farmers who supply the factory with milk will get no relief whatever. It so happens, in point of fact, that a co-operative company or a proprietary company that deals with milk in the various ways in which milk is dealt with—collects it by motor lorries, delivers it to a factory, pasteurizes it, cools it to a low temperature, forwards it to Melbourne, carefully supervises it as to cleanliness and quality, provides milk cans and pays freight—would have to bear all the expense entailed in these operations, and yet, by reason of the provisions of the Bill, would have to pay exactly the same price for the milk as if the dairy-farmer himself went through all these operations. That is

Hon. H. I. Cohen.

an unfair position. Dealing with the Bill generally, the objective is, of course, to fix a price for the milk producers. We are not told what else is to be done. We are told that there is to be a price to be declared upon data which, I shall shortly show, are entirely insufficient. We are also told that there is to be a declared price in regard to quality for the dairy-farmer, and that the measure of profit which is to be made by the distributor is to be fixed. But we are not told whether there is to be any measure of relief for the consumers.

The Hon. W. H. EDGAR.—The price of their milk is going to be increased.

The Hon. H. I. COHEN.—I do not know whether that is so or not. There is no foreboding of evil in that regard, and there is no hope held out to the community in general. It so happens, however, that half the population of Victoria is in the metropolitan area, and the million people who live in the metropolitan area would very much like to know whether they are going to get any benefit whatever from this measure, and, if so, what form it is going to take. Avowedly, this is a price-fixing Bill. I read the Minister's speech very carefully, and there was not a single suggestion from beginning to end that there is going to be any benefit in the way of reduced distribution costs, a better continuity of supply, or, indeed, beyond the pious hope that it will be so, that the consumers will get any better quality of milk. We are told that if the price of milk is fixed according to its quality, the dairy-farmer will be inspired to produce a better quality of milk—that by a wave of the wand in some way he will be able to produce a better herd, and better milk, and that the price for "A" quality milk being higher than the price for "B" quality milk, he will straightway produce "A" quality milk, and command that price. We are also told that there are persons who do produce infinitely better quality milk than others, yet they all now get the same price. I cannot understand how that can be so. It is opposed to all the laws of supply and demand, in respect of which we know that the best quality commands the best price. I cannot believe that the evil I have just mentioned is existent to-day, or that it could be remedied by the crude methods attempted to be applied by the Bill. The Minister told us that in another place the Bill met with general approval. I do not gather

that from reading the report of the debate in that House; rather I gather the contrary from the fact that there were superimposed upon the Bill which was originally introduced several amendments which were carried in an endeavour to make what would, at all times, be, to my mind, an unworkable Bill a more workable one. I want to pause here to say that I have, I believe, as much sympathy as any man in the community with the lot of those who are forced to work under conditions which are unfair, and I think every man is entitled to the worth of his labour and the worth of the product which he produces. But I do not see how an attempt of this kind to bring benefit to a small proportion only of the community is going to succeed, even with regard to that particular proposition. The Bill, as I have pointed out, relates only to the supply of milk to the metropolitan area. Why should we differentiate between the metropolis and, say, a great city like Geelong? Geelong has its milk supply. It has a big population, and its milk supply has to be brought from outside. I am taking Geelong just by way of example. I am not derogating, in any way, from other big cities like Ballarat and Bendigo. Why should the man who supplies milk to Melbourne be the subject of maternal legislation, and the man who supplies milk to Geelong be told to look after his own interests? This question of men looking after their own interests is a very important one. We were told by the Minister that special provision had been made in the Bill for the election to the Board which is to be constituted of the representatives of owners of dairy-farms from which milk is supplied directly or indirectly to the metropolis. That provision is made in paragraph (c) of sub-clause (3) of clause 3. We were told that the reason for the election in their case was that the dairy-farmers were a large body of men who had no organization, and were not in a position to look after their own individual or collective interests. Since we last met, in addition to the literature which has been supplied to me from various other sources, I have received three despatches from various persons presenting—and very fairly presenting—the side of the milk producers. I have given these despatches very careful and serious consideration, but I do not think that the arguments which are urged in them are

sufficient to enable me to support the Bill. However, what is interesting is the fact that one of these despatches is from an association called the Dairy Producers Association of Victoria, whose members represent over 600 of the producers supplying milk to Melbourne. It is evident there is an association, the members of which have banded themselves together for the purpose of looking after the interests of the milk producers. We were told that there was no such organization, and that, consequently, it became necessary to draft this elaborate series of provisions to enable the producers to provide, by a prescribed preferential system of voting, for the election of two of their representatives.

The Hon. A. BELL.—“Elaborate” is a good word for these provisions of the Bill.

The Hon. H. I. COHEN.—It is; for they are. While that body is allowed to select its own representatives, it appears that the representative of the dairymen, and the representative of the consumers, and the chairman, are to be selected by the Government. We were told that the dairymen, for instance, had an organization of their own, and that they probably would nominate a particular gentleman, whose appointment might be vetoed or sanctioned by the Government; and, similarly, with the nominee of the consumers. I asked the Minister of Public Health, in the course of his second-reading speech, who represented the consumers. I may interpolate that I never know whether the Minister is in earnest or not. Sometimes he jokes. He told us on this occasion that Parliament represented the consumers. I resent the suggestion that Parliament represents any particular body of persons in the community.

The Hon. R. H. S. ABBOTT.—The whole of the public are consumers.

The Hon. H. I. COHEN.—Certainly! But when it comes to the issue of one set of persons in the community as against another, everybody will agree with me that Parliament represents all. It is idle, therefore, to say that Parliament represents the consumers any more than it represents the producers, or the distributors. We have to hold the scales evenly between all parties when their interests conflict. I do not think that the Minister could have been serious when he

said that Parliament represents the consumers. I do not know how the Government is going to set about the task of choosing a particular individual to represent the million consumers in this city. Nor do I know why those consumers, who, having regard to their number, are at least as important as the milk producers, are going to be adequately represented by any one person—chosen by the Government—while the milk producers must be represented by two persons—chosen by themselves.

The Hon. R. H. S. ABBOTT.—The Government will probably appoint somebody who has been selected by the Employers Federation.

The Hon. H. I. COHEN.—I do not know about that. It may appoint some one selected by the Housewives Association or by the Women's National League. The person to represent the consumers may be the Minister himself, or one of his colleagues, who is understood to have a penchant for milk, and at whose table milk is always conspicuous by its absence—that is to say, its eventual absence.

The Hon. E. L. KIERNAN.—You would be satisfied with that representation?

The Hon. H. I. COHEN.—I should, for the individual to whom I allude seems to thrive on his diet, and he does not drink anything stronger than milk. Of course, he is fully entitled to make exclusive use of the food that nature provides to nurture him.

The Hon. R. H. S. ABBOTT.—Where does the milk of human kindness come in?

The Hon. H. I. COHEN.—That exudes from the Minister. He seems to have the utmost sympathy for the poor unfortunate milk producers—that is, in the nearer country. He would lead them to the promised land—a land flowing with milk and money, where they would have a glorious time after this Bill had become law.

The Hon. G. M. DAVIS.—But the Minister has that sympathy only for dairy-farmers within a limited distance of Melbourne.

The Hon. H. I. COHEN.—So I have indicated; for those within a radius of 40 miles at the outside, and the milk producers of Sale and Bairnsdale, and all other such remote parts, may take care of themselves. Apparently, they are all thriving. They do not need grand-

motherly legislation to look after their interests.

The Hon. A. E. CHANDLER.—Make the Bill apply to the whole State.

The Hon. H. I. COHEN.—We might then get away from the real objective—that is, if it is to provide cheap milk for Melbourne.

The Hon. A. E. CHANDLER.—Is that the real objective?

The Hon. H. I. COHEN.—I do not know. The Bill is silent. It is so silent on that matter that one cannot learn from it. But shall we get cheap milk for Melbourne? Possibly, a distributor in Melbourne may be himself a dairy-farmer. We cannot tell that man what he shall charge himself. We may get a price fixed by the Board, but that would put him on an infinitely better footing than all of his competitors. As a dairy-farmer, he might charge himself such a price as a distributor that he could undersell all others.

The Hon. A. E. CHANDLER.—But he would be fined if he did.

The Hon. H. I. COHEN.—Not in the case which I have put, and I may say here that I speak with knowledge, for the milkman who has the honour to supply my household has his own dairy-farm in the country, from which he gets his milk direct. No intervening price can be charged him. He can sell to himself at whatever price he likes.

The Hon. A. E. CHANDLER.—If he distributes, he must do so at the fixed price.

The Hon. H. I. COHEN.—The maximum that he can add to the price that he pays himself for his supplies is fixed by the Bill, but he will still be allowed to charge as much less than the maximum as he may wish. There is a maximum above the declared rate beyond which he may not go, but he may charge as much as he likes below that maximum; and I repeat that he will have a great advantage over his competitors. He could undersell every other distributor, who would be in the position of having to pay a particular price to the milk producer. The result would tend to a monopoly. This position might arise: We might have producers in the country using distributors in the city as their agents to sell

their milk in the city. Thus you could walk right round and through the Act. There might be share dairy-farmers in the country acting in conjunction with owners of distributing rounds in the city; and in many and various ways the Act could be circumnavigated. We have been told, in so many words, by the Minister of Public Health that the dairy-farmer's toil, and that of his wife and their children, bring him scarcely the equivalent of a basic wage. As I have remarked before, that condition of affairs is to be permitted to continue so far as concerns a large proportion of the dairy producers in the country. No attempt is to be made to better their lot. That leads me to another consideration. It is set out in the Bill that the price paid by the dairyman to the dairy-farmer is to be determined in a particular way. That is to be what is called the declared rate for milk. Sub-clause (2) of clause 5 states—

The Board shall before reporting as aforesaid what should be the minimum rate payable to owners of dairy farms take into consideration the cost of production of milk on an average dairy farm; and such cost of production shall provide for the basic wage for those engaged in the industry, and shall also provide for interest at the rate of 6 per centum on the capital invested.

I have applied my mind as best I could to that sub-clause, and I have tried to conceive how it could be practically worked. I do not want every member of the House to speak at once, but can any member tell me what is an average dairy-farm?

The Hon. A. E. CHANDLER.—Ask the Minister of Public Health.

The Hon. H. I. COHEN.—I do ask him.

The Hon. R. WILLIAMS.—I can answer that question by asking another. What is an average lawyer?

The Hon. H. I. COHEN.—I can refer the Honorary Minister to one who is above the average; but I cannot tell him what is an average lawyer, and I do not know what is an average dairy-farm. I understand that Mr. Abbott suggests two acres and a cow. Or would it be two cows and an acre? What is an average in sunny Gippsland may be quite different from the average in the remote Mallee.

The Hon. A. E. CHANDLER.—But it will be for the Board to say.

The Hon. H. I. COHEN.—The Board will have to conceive for itself an average dairy-farm, not for a district, but for the whole State; and the average must necessarily vary according to the productivity of the land.

The Hon. A. E. CHANDLER.—The average would require to be found only in respect of those farms which supplied milk to the metropolis.

The Hon. H. I. COHEN.—But I understand that some of the milk which is distributed in the metropolitan area comes from 100 miles distant. Some of it comes from 20 miles away, and some from 10 miles away. There is no attempt at zoning in the Bill in any shape or form. Land in this State varies widely in its productivity. One might be able to get a living off so many acres in one part of the State, while five times as much land in another part would not provide a living. There is the question of the soil of the farm; then there are such considerations as the number of the herd and the kind of herd. There is, further, the question of the distance from Melbourne, because freights vary according to distance. There is even the suggestion, which has been made prominent in connexion with the recent Electrical Exhibition, that a dairy-farm may be worked largely by electricity. And there is the question which the Minister himself suggested, namely, of a farm being run by a family party—a husband and his wife, and their children, two or three boys and girls. We are told that the cost of production must provide for a basic wage for those engaged in the dairy industry. Let us take this little family spoken of by the Minister. What is to be the basic wage for each and every one of these persons running the dairy-farm? Who is to determine the basic wage? Has it been determined, or is the Board to determine it? And on what materials? Is the Board—if and when appointed—to do so on similar materials to those on which the Commonwealth Arbitration Court has made its basic wage determinations? Or is it to do so on special materials, having regard to the particular industry whose affairs it will be considering? Then we

are told that this declared rate is to provide for interest at the rate of 6 per cent. per annum on capital invested. When invested? Originally invested? Are we to take the value of the land at the time when the Board inaugurates its sittings, or when a farm was purchased? Is it to be on the basis of what a hypothetical dairy-farm cost some hypothetical person at some hypothetical time? The Board would find it impracticable to make inquiries in respect of hundreds of farms. It would not be in a position to say to hundreds of dairy-farmers, "What capital have you invested? What amount did you originally invest? Is your land more, or less, valuable to-day than it was when you first purchased it? What capital have you invested in your herd? Is it of your own breeding? If so, how do you assess the value of your cattle?" A hundred and one considerations would arise which it would be impossible for any Board to solve. For that reason I think that this whole business will be unworkable. I approached the consideration of the Bill, in the beginning, without regard for the case presented by either side. I examined the Bill—as an average lawyer—and endeavoured to see whether it would be possible to work out the scheme which is attempted to be worked out here; and, when I came to the particular clause from which I have just quoted, it occurred to me that it would be absolutely impossible to work out the scheme. Honorable members will perceive that it is really the key-note to the whole measure. It is the hub; everything revolves about it. It is the hinge; everything hangs on it. If its provisions cannot be worked out the whole scheme must fail. I think that if the Bill becomes law it must fail, because it occurs to me that it will be absolutely unworkable. I shall now refer to another matter which the Minister dealt with in his light and airy way. I think it was Mr. Chandler who asked the Minister, when he was explaining the Bill, whether contracts in existence when the measure came into operation would be annulled. The Minister replied that they would be annulled on and from the date of the coming into operation of the Act. It may be that, on the strength of contracts entered into by a proprietary com-

pany or a co-operative company with a number of dairy-farmers in a particular district, that a company—proprietary or co-operative—has been induced to erect an expensive factory containing expensive machinery. Such companies as those are doing a good service to the dairy-farmers. In the case of a co-operative company, it may be, and is in some cases, a fact that the whole of the profits of the company eventually find their way back to the pockets of the producers. Yet this measure is so hard and fast that it would make it an offence if that co-operative company were to accept milk from the producers for consumption in the metropolis at less than the declared rate. If such companies received the milk at the declared rate, it would be impossible for them to carry on successfully, because they are rendering a service which is necessarily expensive, and which the dairy-farmers are only too glad to have the opportunity of avoiding. That service can be more adequately rendered by a company, whether co-operative or otherwise, than by the dairy-farmers themselves. Therefore, a system which is for the benefit of the section of the community engaged in dairy-farming, and that will be ultimately for the benefit of the whole community, will be swept away by this measure without compensation or advantage to anybody. That seems to me to be a defect in the Bill which no attempt has been made to overcome. A large number of the dairy-farmers recognize that, if this Bill comes into operation, more and more milk will be utilized in the making of butter. In other words, the quantity of milk which is now sent to the metropolis will not be sent to it, and the result of this legislation may make "confusion worse confounded," and cause a milk famine in the metropolis worse than we have ever experienced.

The Hon. A. E. CHANDLER.—If the price of milk is increased, is it not likely that more milk will be sent to the metropolis?

The Hon. G. M. DAVIS.—The consumer will not use so much milk if the price is high.

The Hon. H. I. COHEN.—A serious defect I see in this measure is that it will involve the abolition of a number of co-operative milk companies. We have

been led to believe over a series of years that these companies are doing an immense amount of good, and that they have enabled the small dairy-farmer particularly to compete with the large dairy-farmer. The small dairy-farmer may not have the capital to erect the necessary machinery or the labour to use it, and the companies undertake the work for him.

The Hon. M. Mcgregor.—No ordinary dairy-farmer has the necessary capital or labour.

The Hon. H. I. COHEN.—I am glad of that information, because it comes from an honorable member who knows this subject thoroughly. I recognize that there are a number of honorable members who have much wider knowledge of the milk question than I have. My speech is only a preliminary to the debate which must ensue on this subject. I am glad to have had it from the lips of Mr. Mcgregor, who is in a position to know, that no small dairy-farmer could carry on the treatment of milk properly unless these co-operative companies with the necessary machinery were placed at his disposal. If the dairy-farmers were unable to treat the milk, it would not reach the metropolis. The factories would not buy milk to transport it for sale in the city, because that business would place an onerous burden on them, as under the provisions of this measure they would have to pay the same price as would be paid for it in the metropolis. The factories would prefer to leave that side of the business alone, and buy and use milk for the making of butter and other by-products.

The Hon. H. H. SMITH.—Two-thirds of the milk received in the metropolis is supplied by co-operative companies.

The Hon. H. I. COHEN.—I welcome that information. I have been informed that not more than one-fourth of the milk produced in the districts supplying Melbourne reaches the metropolis. I understand that in ordinary times the dairy-farmer whose milk is consigned to the metropolis receives a better price for it than does the man whose milk is used for the making of butter or cheese. In the treatment of milk certain expenses are involved, and the profits which ensue from the treatment of milk in the com-

panies' factories are eventually divided amongst their shareholders. I think that I have covered most of the ground I intended to cover, although I must claim the indulgence of the House for not having presented my arguments in the orderly manner in which they might have been submitted. I cannot see that much good is going to follow the enactment of this measure. During the early stages of its operation there may be isolated cases in which a few—and a comparatively few—producers may appear to be obtaining a better price for their milk, but I feel sure that in the long run no real advantage will be gained by them. The Minister has not attempted to show that the consumer will gain any real advantage from the measure. The consumer may or may not gain an advantage. It may be the purpose of this Bill to benefit the consumer eventually, but the Minister has not taken the House into his confidence and told us how that is going to be done. The Bill contains a number of elaborate provisions whereby if a man sells milk at less than the declared rate he will be guilty of an offence and subject to heavy penalties ranging up to £50. Various grades of milk are to be stipulated. It occurs to me that possibly a man may sell his A grade milk at the B grade price. He may enter into an arrangement whereby a certain purchaser may take the milk throughout the year at the B grade price although it is A grade milk. Suppose it was suggested that such a vendor had committed a breach of the Act. Who is to prove that the milk supplied at a particular time and on a particular day—and these details would have to be stated—was milk of A grade? It would be impossible, I think, to say 24 hours after the milk had been delivered whether it had been A or B grade. I think that when the measure is put into operation it will be found to be unworkable and nugatory. In my opinion, the aspects from which I have approached this Bill are sufficient, without going into greater details, to force me to the conclusion that, desirous as we may be to benefit the lot of the producers in this community, the Government have not taken effective means to do so but, on the contrary, have taken most ineffective

means to deal with this important question. The passing of this measure, to my mind, would be unwise in the interests of the whole community or any section of it.

The Hon. H. F. RICHARDSON.—I desire to compliment the unofficial Leader on the manner in which he handled this subject. He is not a representative of a country province, nor has he had many dealings with dairy-farmers or other primary producers in the country; but I think that, despite that handicap, he has obtained a good grasp of the provisions of this measure. I am sure that the information which he has supplied to honorable members on the legal aspect of the Bill will be of considerable advantage to us. I realize that this is a price-fixing piece of legislation, crude and socialistic, and I am sure that if an attempt is made to put it into operation it will be found to be unworkable. If we make a start with milk in fixing by legislation the prices of commodities, where is it going to end? Why should not we fix the price of bread, meat, potatoes, onions, flour, &c.?

The Hon. R. H. S. ABBOTT.—We had price-fixing during the war.

The Hon. H. F. RICHARDSON.—But this is not a time of war. There have been times when prices have had to be fixed, but in a time of peace we do not require the introduction of legislation of that kind. I repeat, where is price-fixing to end if we make a start with milk? Why should milk be singled out by Parliament for price-fixing? This measure proposes to set up a Milk Board which will consist of five members, including an independent chairman. If the Bill becomes law, the Minister in charge of its administration will very likely suggest that the chairman should be the president of the Trades Hall Council.

The Hon. W. J. BECKETT.—If he did so, he would be only following the practice which was adopted when the Government of which you were a member was in office.

The Hon. H. F. RICHARDSON.—That Government did not have to please the Trades Hall Council. If the position of chairman of this Board has to be filled, the Government will undoubtedly follow the rule of spoils to the victors.

Mr. Bell has already pointed out that, when a position on the Ballarat Water Commission had to be filled, the present Government turned down the claims of a gentleman who had been a Commissioner for years, and appointed a member of its own party. It is very probable that the Government will follow that practice if the chairman of the Milk Board has to be appointed. One of the members of the Board is to be a representative of the consumers. I suppose that the Government will obtain a member of the Labour party for that position. Consequently there will be two representatives of the Labour party on the Board. If no one is elected by the consumers or the suppliers, the Government step in under the provisions of the Bill to appoint their own representatives.

The Hon. W. J. BECKETT.—Who should appoint them? The Government represents the majority of the people.

The Hon. H. F. RICHARDSON.—That is a matter of very grave doubt. The Government has not a majority either in this House or in another place. It is kept in office under sufferance, because of the splitting up of the anti-Labour forces. I do not wish to reply to such interjections because I know that they are disorderly. I can plainly see that the Board is to be a political Board and that the proposed legislation is quite on a par with what the Labour party aims at. It wants to gain control of production.

The Hon. R. H. S. ABBOTT.—It wants to help the producers of milk.

The Hon. H. F. RICHARDSON.—That is what the Government says. The Board is only to make suggestions to the Government. It will not fix a price for either the producer or the consumer. It will make a recommendation to the Government, and I can imagine the Premier seated in Cabinet saying, "The Board has recommended a certain price for the producer and a certain price for the consumer. Of course you have to realize that the great bulk of our votes come from the consumers, and we have to keep the price down. Otherwise we shall be in trouble." Mrs. Glencross, the president of the Housewives Association, draws attention indirectly to that phase of the matter. The Association represents something like 27,000 women. We have been inundated with circulars, and in one from

the Housewives Association Mrs. Glencross says—

Several thousands of our members are receiving milk of the purest and best quality for 6d. a quart, and it is quite possible that, in fixing a price above this figure, the proposed Board may be responsible for raising the price of that milk which the members of this association obtain.

Mrs. Glencross and Miss Robinson, the organizing secretary of the association, consider their 27,000 members should have a representative on the Board, and they ask that the Legislative Council should ensure that such representation is provided for. They realize, as I do, that if the producers are going to be foolish enough to think that the proposed legislation is in their interests they certainly will discover later that it does not work for their benefit. I realize that half the population of the State is in the metropolitan area, and from the industrial centres where complaints are made about the price of milk the Labour party receives its votes. Naturally it will endeavour to keep the price of milk down, and in doing so the price received by the producers will not be raised. The Minister has referred to "the down-trodden, slave-driven producers," but I do not know that the people who supply milk to the metropolitan area are in such terrible circumstances. Many families engaged in the industry are doing very well. The unofficial Leader has asked how the children who work on the farms are to be given the basic wage. Does the Minister of Public Health think that children should not milk cows? Has it done any harm? Many thousands of people in Victoria have been brought up in such circumstances, and milking cows has proved a very healthy occupation, out in the open air. I do not think that it is anything very unusual. It would be better for some of the children to be milking cows than to be working in factories. I know that the Minister claims that the measure will assist the "down-trodden, slave-driven producer," and he did not say a word about the consumer. The Bill will, if it becomes law, eventually react on the producer, and the present Government—in fact every Labour Government—has to look out for the consumer more than the producer. Reference was made by the unofficial Leader to Geelong, which is not affected by the Bill. I was waited on by the Geelong Dairymen's Association,

the representatives of which asked me to use my influence to oppose the Bill. We are well aware that the Bill does not deal with consumers or producers in Geelong, but there is a fear that the time may not be far distant when similar provisions will be applied to Ballarat, Bendigo, and Geelong. I said that I did not believe in price-fixing, which is one of the objectives of the Labour party. I was informed that the price paid to milk producers in Geelong was 1s. 4d. a gallon, and I think that this is a little more than the Minister of Public Health told us was being paid to the producers in other districts. I was informed, also, that the consumer paid 7½d. a quart—2s. 6d. a gallon. I know that the Minister would tell us that the poor unfortunate consumer was being robbed by being charged 7½d. per quart for milk. I should like to inform him that the distributor of milk has to work seven days in the week, including Christmas Day, New Year's Day, Good Friday, and other holidays.

The Hon. W. TYNER.—The dairy-farmer milk the cows seven days in the week.

The Hon. H. F. RICHARDSON.—The distributors have to begin early in the morning and work until late at night. When legislation is introduced to compel people to be honest so that there will be no bad debts, then it may be possible to supply milk and many other commodities at much lower prices. Otherwise honest people will continue to pay more for their commodities, because there are dishonest persons who cause bad debts. People have to pay high prices for their groceries and their bread. In the last election campaign it was suggested that a State flour mill should be established so that the people could get cheap bread. Now the Government is sending a gentleman round to make inquiries regarding the cost of bread. That is another of those price-fixing ideas of the Labour party. Representatives of the Geelong Dairymen's Association told me that if their members could only get away from bad debts, they could supply milk at a lower price.

The Hon. W. TYNER.—The producer incurs bad debts.

The Hon. H. F. RICHARDSON.—The producer is paid. Those who are supplying milk to proprietary and co-operative concerns are paid their money

regularly. As far as the metropolitan area is concerned there are a number of large firms distributing milk. They have been in the business for years. There may be some smaller concerns. I repeat that the great bulk of the producers are being paid, but it is the unfortunate distributor who has to contend with bad debts. Wages have been fixed. The distributor has to pay log wages to the milkmen, and when he gets his horse shod and his harness and vehicle repaired the same standard of wages applies. All those factors react, and it is a ridiculous argument that on the one hand wages can be increased, and on the other the cost to the consumer can be reduced. I am not in favour of the Bill. Very recently I visited Queensland, and I learned what had been done in the direction of semi-price-fixing there. Huge losses have been incurred by the Labour Government in an attempt to interfere with the operation of the laws of supply and demand. The Bill now before us endeavours to interfere in a similar way. It is a fact that the Labour Government in Queensland tried all kinds of ventures. It opened meat and fish shops, ran trawlers, made bricks, and started other undertakings. In nearly every case those undertakings were huge failures, and large sums of money were lost to the taxpayers. We do not want that kind of business here. The Bill which we are now considering is the first of its kind. There is another on similar lines on the notice-paper. It deals with the fixing of rents to be paid by the tenants of houses.

The PRESIDENT (Sir Frank Clarke).—The honorable member is in danger of transgressing the Standing Orders.

The Hon. H. F. RICHARDSON.—You are quite right, Mr. President. I should not deal with such a matter at the present time. In conclusion, I say that if the Bill becomes law gross injustice will be done to the co-operative and proprietary concerns. The Bacchus Marsh factory is sending large quantities of the purest milk, brine cooled, to the metropolitan area. I was waited on by representatives of the co-operative factories in the Western district with a complaint that they were practically cut out, because, as the unofficial Leader has pointed out, those factories would not, under the proposed legislation, be allowed to use their valuable machinery. One firm said that they had

spent something like £15,000 in installing new machinery, and that if the Bill became operative, they would practically have to cease business. They would have to pay a fixed price, and they could not make any charge for brine cooling or otherwise treating milk sent to the metropolitan district. If they are practically to be driven out of business, will that be of any assistance to the consumers? The unofficial Leader pointed out that the factories which are supplying a very large proportion of milk to the metropolitan area will, if the Bill becomes law, have their businesses very materially affected. This Bill will not help either the producer or the consumer. It is one of the most idiotic pieces of legislation ever submitted to us. The unofficial Leader has directed attention to many defects in the Bill, and I see many more.

The Hon. M. McGREGOR.—I regret that the Government has not seen fit to deal with such an important matter as milk production in a more comprehensive way. The Bill is a price-fixing Bill, and deals with a small proportion only of the milk-producing industry. The milk industry is the most important, as regards revenue, of all our industries. I propose to supplement the remarks of the unofficial Leader with figures relating to the production of milk in this State. From statistics published in the *Victorian Year-Book*, we find that, in 1925-26, the value of milk consumed in its natural state in Victoria amounted to £2,333,000. The value of the butter made here was in that year £6,182,120. The value of the cheese was £227,660; of cream, £184,350; of milk products—that is to say, condensed milk, and so forth—£1,437,660. The total value of these products was £10,364,790. The value of milk consumed in its natural state is 22 per cent. of the total value. My attitude towards the supply of milk to the metropolis is sympathetic. One of my first speeches in the House related to the supply of milk in a proper condition by brine cooling. All milk intended for domestic use should be cooled on the farm. This should be done even where the farmer milks only one cow. If the milk is to go into distribution, it should be brine cooled so that it may come to the consumers in a proper condition.

The Hon. R. H. S. ABBOTT.—That is impossible.

The Hon. M. MCGREGOR.—It is not impossible; it may be impracticable.

The Hon. W. ANGLISS.—It is only a matter of price.

The Hon. M. MCGREGOR.—That is so. Many milk distributors in Melbourne brine-cool the milk. It can only be done through the depots. Our milk products during the last three years have averaged in value about £10,500,000.

The Hon. H. I. COHEN.—How much of that relates to Melbourne?

The Hon. M. MCGREGOR.—I cannot say what the proportion is. The value of the milk consumed in its natural state throughout Victoria in 1925-26 was £2,333,000.

The Hon. R. H. S. ABBOTT.—Half the quantity must be consumed in Melbourne.

The Hon. M. MCGREGOR.—Two-thirds of our milk products are consumed in the State and one-third is exported. I have here other figures relating to products. The value of our wheat in 1923-24 was £8,189,069; in 1924-25, £11,973,546; and in 1925-26, £6,665,150. The value of our wool in 1923-24 was £7,695,000; in 1924-25, £11,440,240; and in 1925-26, £7,082,820. The averages for three years are:—Milk products, £10,435,968; wheat, £8,949,251; wool, £8,739,351. The output from our butter factories, of which there are 189, in 1925-26 amounted to £7,815,969, a greater output than that from any other industry, primary or otherwise. In addition, we have exported £3,990,957 worth of butter and of milk products, and that without any Tariff advantage, but rather in face of a Tariff that is a disadvantage, because everything the producer uses on his farm is subject to a very high protective duty. Therefore, we can claim that, even without protection, we have done well for the community.

The Hon. H. I. COHEN.—None of these producers will benefit by the Bill.

The Hon. M. MCGREGOR.—That is so.

The Hon. R. H. S. ABBOTT.—Will not the Bill benefit the butter manufacturer?

The Hon. M. MCGREGOR.—No; I shall deal with that. I represent the greatest milk-producing province in the State. We have in my province some very progressive factories and private enter-

prises. The Bill, if carried in its present form, will have an injurious effect on those concerns that are supplying milk to Melbourne. A factory of which I am a director supplies 1,000 gallons of milk a day to one of the best distributing firms in Melbourne. We have carried on that branch of our business for a great number of years, and I can say, with confidence, that we have had a fairly good deal from those with whom we have entered into agreements. Unfortunately, prices, owing to the operation of the law of supply and demand, have not made the enterprise profitable. I should like to refer to some private enterprises. I do not propose to name any of them. One, situated near my own factory, sends to Melbourne 1,500 gallons of milk a day, or over. At some distance from this concern, one of the enterprising dairymen of Melbourne has established an up-to-date milk depot at a cost probably exceeding £10,000. There are other up-to-date depots in my province. We have in Warragul a factory that receives daily about 5,000 gallons of milk, portion of which goes to Melbourne. At Drouin, and in districts contiguous thereto, we have other factories dealing with large quantities of milk. If the Bill is passed in its present form, it will be absolutely impossible for these people to send milk to Melbourne.

The Hon. E. L. KIERNAN.—The unofficial Leader says it would be better for the dairymen that you refer to.

The Hon. M. MCGREGOR.—I compliment the unofficial Leader on his splendid speech. Unless the Bill is altered, it will be impossible for the factories to which I have referred to supply milk to Melbourne for this reason: Under the Bill, they will have to pay dairymen the declared price. Today, in connexion with the milk that is sent to Melbourne from these places, the supplier is charged with a proportion of the cost of the treatment of the milk and of the freight charges, amounting in all to about 3d. a gallon. How is it possible for a co-operative company to operate and to pay the declared rate to the producers? As the unofficial Leader stated, very truly, these depots are of great assistance to the producer, who would not be able to carry on his business without their aid. These factories are

being established by the producers themselves.

The Hon. E. L. KIERNAN.—What about Morris Brothers?

The Hon. M. MCGREGOR.—I was not going to mention any names, but, as the honorable member has mentioned Morris Brothers, I wish to say that that firm has been a great help to the district in which I reside. At times it has been one of the best suppliers of milk to the co-operative factories.

The Hon. E. L. KIERNAN.—How will the Bill affect Morris Brothers?

The Hon. M. MCGREGOR.—It will affect them materially. Even though they are distributors in Melbourne, they will have to treat their own milk and pay their freight, and then they will be paid, according to this Bill, the amount determined by the Milk Board.

The Hon. G. M. DAVIS.—At the depot?

The Hon. M. MCGREGOR.—No; in Melbourne.

The Hon. G. M. DAVIS.—They will have to pay the determined rate to those who send the milk to them.

The Hon. M. MCGREGOR.—Quite so. The Bill is full of inconsistencies. It does not provide a clear definition of milk areas. It has been framed with the object of having a zone where the milk shall be produced. Apparently the object is to put out of action those factories to which I referred.

The Hon. A. E. CHANDLER.—There is nothing in the Bill to that effect.

The Hon. M. MCGREGOR.—Just after the Bill was introduced in the other House, I said to an officer in the Department of Agriculture for whom I have every respect that some of the best milk brought into Melbourne came from Darnum Flats. There are gentlemen in the public gallery to-day who will agree with me, but that officer said that it was not so. I stated that I felt that milk produced from beautiful grass pastures was of better quality than that produced under conditions which included hand-feeding, but I was told "no."

The Hon. R. H. S. ABBOTT.—How far is Darnum Flats from Melbourne?

The Hon. M. MCGREGOR.—About 66 miles.

An HONORABLE MEMBER.—Can you feed quality into a cow?

The Hon. M. MCGREGOR.—You can make her give more milk. A cow is

absolutely like a machine—the more you keep her in order and the better you feed her, the more you get from her. The great weakness of the Bill is that it does not determine the basis on which the value shall be determined by the Milk Board. I regret that the measure does not clearly set out that the value shall be based on the butter-fat content. We ought to endeavour to get milk with a higher butter-fat content than we get now. What is the good of our paying a considerable amount of money every year to the herd-testing associations if a higher standard of milk is not obtained? Those bodies are doing inestimable work in the country. The No. 2 cow on last year's list issued in connexion with the Government herd testing gave a great quantity of butter-fat—over 850 lb., I think—but her milk contained only 2.9 per cent., and the standard is 3.5 per cent. She is a Friesian, and that breed gives a greater flow of milk than any other. I have no doubt that the result has been achieved by very high feeding, but we are not told the cost. If that cow went into an ordinary pasture, the possibility is that she would produce only half the quantity, and the test would give about the same result as with the greater yield of milk.

The Hon. E. L. KIERNAN.—The test as to the butter-fat content is not the best one for milk for children.

The Hon. R. H. S. ABBOTT.—That cow's milk would not be saleable in Melbourne.

The Hon. M. MCGREGOR.—If a man had that cow close to Melbourne and sent her milk into the city, and if the Department of Agriculture were carrying out its tests, he would be debarred from selling the milk and would be liable to prosecution. Instead of bringing a new Board into existence, I should have thought a Government that talks about cutting down expenditure would have done something to reduce the number of Boards and Departments at present controlling milk. We have the Department of Agriculture, the Health Department, the Milk Supply Committee, the municipalities, and the Commission dealing with export. I do not know whether the Cream Grading Board is still in existence. In my opinion, the Government could well have brought about a co-ordination of effort in regard to these various authorities. I do not think much

harm would be done if they were wiped out altogether, and if one good Board were appointed in their place. I should not mind very much if the one authority were the Department of Agriculture itself. That Department has some of the best experts on the various phases of milk production, treatment, and distribution it is possible to get. The Government should have done something in that direction. There is another matter to which I wish to refer—that of making the Dairy Supervision Act effective throughout the State. I have spoken of this on many previous occasions. It has been said that it would cost too much to do that, but everything should be done to improve the standard of milk, which is the most important food. This Bill does nothing to improve the quality of the milk.

The Hon. R. H. S. ABBOTT.—Will it decrease the cost to the consumer?

The Hon. M. MCGREGOR.—I cannot follow the Minister of Agriculture, who publicly stated that the Bill would increase the price of milk to the producer and reduce it to the consumer. If he can do that, he is the greatest magician of the age.

(At 6.27 p.m. the sitting was suspended until 7.52 p.m.)

The Hon. M. MCGREGOR.—I do not wish to prolong the debate, and I may say, in concluding my remarks, that it is almost impossible to provide for a satisfactory fixation of prices in regard to such a commodity as milk. After all, the London parity regulates the price of our produce. A few years ago, the Paterson scheme regulating the export of butter was introduced, and it improved the position of the dairyman slightly. It was a voluntary scheme. The cream producers provided a levy of 1d. per lb. on the whole of the butter manufactured in various factories. That increased the price to the local consumer by 3d. per lb. Later, there was a deferred pay to the factories, which resulted in about 1½d. being returned out of the levy. Only one-third of the butter produced was exported, and the price of the remaining two-thirds, which was consumed locally, was increased by 3d. This meant that, if there was a “fifty-fifty” position in regard to the butter consumed and exported, a return of 1½d. per lb. was made. If the proportion varied, the return was

slightly less or more. I do not know that this scheme is economically sound. It can only be carried out if the whole of the producers in Australia agree to it. If two of the big butter agents, for instance, were to decline to carry on under the scheme, it would have to be dropped. The dairying industry is a very important one, and requires some assistance, but I cannot see that that assistance will be given by this Bill. I want the definition of a dairy-farm to be altered somewhat. In the interpretation clause in this Bill it is provided that “dairy-farm” has the same meaning as in section 4 of the Dairy Supervision Act 1915. I want the interpretation of a dairy-farm to include “co-operative dairying companies and milk depots.”

An HONORABLE MEMBER.—What about private companies?

The Hon. M. MCGREGOR.—Private companies will be included in milk depots. If that amendment is not made, I cannot support the Bill.

The Hon. F. W. BRAWN.—We can deal with that point when the Bill is in Committee.

The Hon. H. H. SMITH.—Will it ever get there?

The Hon. M. MCGREGOR.—That remains to be seen. Then I want an alteration in clause 7, which provides the penalty for buying milk from producers at less than the declared rate. I think dairy companies should be put in the same position as individual producers. As I pointed out earlier in my remarks, if dairy companies are not put in the same position as individual producers, it will be impossible for them to carry on the milk trade with the metropolis. Dairy companies purchase supplies of milk from producers, and then send it on to Melbourne. Some allowance ought to be made for those who are operating outside of what I might call the metropolitan dairying area. I suggest that the radius should be about 40 miles. That is my case in regard to this Bill, and unless I can get a promise that these two matters will be considered in Committee, I shall not be able to support the Bill.

The Hon. H. H. SMITH.—No Bill has come before this House since I have been

a member of it that has aroused so much discussion outside. We have all been bombarded with documents by a number of people who are interested in this business. I blame the Government for bringing in this Bill in the form in which it is presented to us. In the Bills which have been submitted to us this session by the Government we have had to render great assistance in making them workable. That was noticeable in regard to the Poisons Bill, and it will be the same in regard to other Bills which may be brought forward. I can forgive the Government for introducing Bills in this way. It is the first time a Labour Government has really been in office, and we can overlook its ignorance in carrying on work of this kind. The policy of the Labour party is against price-fixing, except in regard to the fixing of the price for labour. The Minister of Railways said the other day that price-fixing was favouring capitalists, and putting up the price to the ordinary consumer.

The Hon. E. L. KIERNAN.—That ought to suit you.

The Hon. H. H. SMITH.—I am surprised at Mr. Kiernan making an interjection of that sort after what he said the other day about the Proprietary Articles Trade Association. I shall be able to prove to Mr. Kiernan and to other members of this House that the ordinary retailer of milk does not make more than 10 per cent. profit on his transactions. I object to a practice which has been followed in connexion with this Bill. A certain section of persons interested have been herding farmers together in special districts, and they have been using their influence on members of this Parliament. I understand they boast that they frightened two members to vote for the Bill in another place. I do not think we ought to take action of that sort too lightly. Certain people are complaining that they are being victimized, and a producer who has taken a great part in the proceedings regarding this Bill has said that the Dairymen's Association will not buy his milk. I say that is altogether wrong. I am going to read some letters, and I will prove to the House the exact position so far as the Dairymen's Association is concerned.

I do not say there are not faults on both sides. I do not say that the dairymen have never watered their milk, but I say that the faults are not all on one side. Further, I say that if there have been any faults they have been through the Government not exercising proper supervision. The Government have not cancelled any licences. They have allowed any one to trade as a dairyman, and have never given proper attention to the cleanliness of the farms.

The Hon. A. E. CHANDLER.—You are going a bit too far. You do not know what you are talking about.

The Hon. H. H. SMITH.—I say that the Government have not exercised proper supervision, and I shall prove that before I conclude. I have some letters about Mr. Houlihan and other gentlemen. One is as follows:—

94 Kooyong-road, Caulfield,
October 10th, 1927.

The Hon. H. H. Smith, M.L.C.

Dear sir.—*Re* the agitation for the Milk Bill, I desire to state that the Mr. Houlihan, the secretary of the Dairy Farmers' Association, was supplying me with milk fairly recently. This was during the recent months of winter, and I was paying him 1s. 6d. per gallon delivered at the Caulfield station, for 150 to 200 quarts daily. Milk was very scarce in May, June, and July, and I found that I was not getting full measure from Mr. Houlihan, and informed him of the shortage the first week, as there was 5 or 6 quarts daily less coming to me than the quantity that he booked up, but in spite of this complaint the milk still continued to come short. One day in particular I received two 50 and two 30 cans containing 156 quarts in all, which was booked up as 173 quarts, or 17 quarts short. I stopped this quantity when paying my cheque, but was unable to do this on other occasions, as milk was so scarce, with the exception of two other weeks. I therefore had to submit to short measure, until milk became more plentiful, when I promptly cut him off. I estimate that the shortage had averaged 7 to 8 quarts daily, which I considered most unsatisfactory. I am willing to sign a statutory declaration to this effect if you require same.

Yours faithfully,

J. H. KITCHEN.

The Hon. E. L. KIERNAN.—He says he will sign a statutory declaration that he knocked that supplier off as soon as supplies got plentiful.

The Hon. H. H. SMITH.—As I have said, the faults are not all on one side. I just want to show that the poor innocent dairy-farmer, of whom we hear so much, pops it on, too, when he gets the oppor-

tunity to do so. The following is another letter that I received:—

Wattle Dairy,
Lake-street, Glenhuntly,
13th October, 1927.

To the Hon. H. H. Smith.

Dear sir.—In reference to statements in the *Age*, where it was alleged by a producer, who I have reason to know is a Mr. T. Houlihan, of Nar-nar-goon, where he states that he was ill-used in regard to milk supplied to me. He used no name, but from the incidents mentioned I know that I am the person referred to. For your information, and in justice to myself, I wish to state my side of the case. In the first place, I took Mr. Houlihan on after he had unsuccessfully tried to place it elsewhere, and after doing business for about two weeks, I had reason to complain about the quality of the milk and shortage of measure. The cans showed a shortage of 3 pints to 2 quarts per can a day. I spoke to him about this, but I still had trouble with him. Finding that I could not get satisfaction, I decided to discontinue with him. The fact of his connexion with the producers' organization had nothing to do with the matter. The position was that Mr. Houlihan could not, or would not, give me satisfaction, and I had no option but to go elsewhere.

Yours faithfully,
E. J. WHITE.

P.S.—Should it be necessary, I am prepared to sign a statutory declaration as to the truth of the above statements.

E. J. WHITE.

The Hon. W. TYNER.—Do you think you are helping your case by reading letters like that?

The Hon. H. H. SMITH.—I want to put the case from the points of view of the dairyman, the consumer, and the dairy-farmer. I shall try to put it as fairly as possible. I have here a letter in Mr. Dedman's own writing. It is as follows:—

Galloway, Launching Place,
28th February, 1927.

Kennedy Brothers.

Dear sirs.—Re your letter of the 21st inst., I have unfortunately been away from home, hence delay in replying to your latest letter. I answered your wire by return post, but the telegram gave no address, and, if I remember, there is another Kennedy in the trade who may have got it. My answer was to the effect that I had placed my milk. The other gentleman at Launching Place you mention has also placed his milk. I have suffered considerably in the past from unscrupulous retailers, and am endeavouring to find one who will give me an agreement on the lines indicated on enclosed slip. If you are prepared to accept same, you can have my milk within seven days.

I am, &c.,
JOHN J. DEDMAN.

Mr. Dedman is president of the producers' association. I shall read the conditions

Mr. Dedman lays down, and ask honorable members whether any one could be expected to sign an agreement containing those conditions:—

CONDITIONS OF SALE OF MILK REQUIRED
BY PRODUCER.

1. That the retailer contracts always to pay the highest price quoted in the *Age* or the *Argus*.
2. Such price never to be less than 11d. per gallon, delivered at consignee's station.
3. That in spring and summer months retailer to take up to 20 per cent. more than the average for April, May, June, and July.
4. Four months' notice of termination of agreement to be given by either side, the party to whom such notice is given to have the right to terminate it summarily any time during the said four months.

N.B.—If granted these conditions, I am willing to conform to any reasonable conditions you may desire to have inserted.

Would any one agree to those conditions? When I was in the United States of America, I saw the conditions under which milk is produced and supplied. The conditions in the City of New York, with its population of 7,000,000 people, are very different from the conditions in the City of Melbourne, with its population of 1,000,000 people. I made an examination of the milk supply business in the United States, and forwarded a report on the subject to the Melbourne City Council. The council thanked me for my report, which it sent to the Government. In that report I showed how milk was produced in the United States under proper conditions. There, if a dairy is dirty, it is closed down until the proprietor is prepared to carry it on in a proper way. If any one sells milk that is not up to the standard, for a first offence he is fined, for a second offence his place is closed down, and for a third offence he is imprisoned. As I shall show, the dairymen are not always responsible for the impure milk that is sold. The following are reports that appeared in the *Age* newspaper in August last:—

IMPURE MILK.

YANNATHAN FARMER FINED.

Adulteration Denied.

Charges of having sold inferior milk were preferred against A. Cameron, dairy-farmer, of Yannathan, in Collingwood Court yesterday. Action was taken by the local health inspector against the farmer after investigation in regard to the quality of milk forwarded to Charles H. Smithson, dairyman, of Victoria-parade, Collingwood.

Inspector Tassie said that on the 4th and 5th of July he went to Smithson's dairy, and took samples of milk.

Albert Koch, analyst, said one sample was deficient 5 per cent. in non-fatty solids, indicating the presence of added water. The milk was not the normal article. A second sample was deficient 3.4 per cent. in non-fatty solids, and again suggested added water.

Cameron said he had had long experience in the trade, and it was his first appearance in a court. The whole of his supplies went to Smithson. There had been no adulteration of the milk on his part. It has been a poor season, and the cows had to be hand fed.

On each of two charges defendant was fined £5, with £3 18s. costs. Five other charges were adjourned for a week.

INFERIOR MILK.

WHOLESALE FINED.

The plea often advanced by retail dairymen that milk which has been found to be below the standard was in that condition when received by them was supported by the evidence given at the Prahran court yesterday, when A. E. S. Broome, dairy-farmer, of Loy Yang, near Traralgon, was charged with having sold adulterated milk. Defendant did not appear.

Henry Rider, inspector, employed by Prahran Council, said that on the 16th of July he accompanied a local dairyman, named White, to Toorak railway station and took samples from three bulk cans of milk, which had been consigned by defendant to White's dairy. On analysis, two of the samples showed a deficiency of 4 per cent. in fatty solids. The third sample proved to be correct. Witness had received a letter from defendant stating that either water or skim milk had been added to the milk by a lad in his employment, and that the boy had since been dismissed.

A fine of £10, with £2 1s. costs, was imposed.

Last February, I visited several dairy-farms in the vicinity of Melbourne to find out under what condition those farms were worked. At the first farm I visited, the place was very dirty. There was cow-dung all round the yard, and the shed where the cows were milked was not properly blocked or bricked. I said to the farmer, "You ought to have that place blocked or bricked," and he said that he would get that done some day. He also told me that he was getting 10d. per gallon for his milk. That man could not get more for his milk because his place was dirty. At another farm which I visited, the owners—two brothers—were getting 1s. 4d. a gallon. They said that they had no trouble to obtain that price, and they added that it was because their farm was clean. If a dirty farmer gets only 10d. and a clean farmer can get 1s. 4d. and more, do honorable members who support this Bill realize that

Hon. H. H. Smith.

they will be making a very serious position for the clean farmer by fixing the price of milk?

The Hon. M. MCGREGOR.—Do you realize that you are making a very serious charge against the Department of Agriculture and its inspectors?

The Hon. H. H. SMITH.—I am giving my own experiences, and I repeat that I have seen dirty dairies. I am prepared to take honorable members to see those places for themselves. I visited one farm at Dandenong which revealed the other side of the picture. It was properly run, and it was scrupulously clean. That man was obtaining 1s. 4d. a gallon, and he has since got 1s. 6d. So long as a man keeps his farm clean he can get rid of his supplies without difficulty, at the top price. If, on the other hand, he allows conditions to become as bad as they are in some places away back in the country, the people of Melbourne, or some of them, will be paying more than they should for a product that is not as pure as it should be. Pure milk is the life of the nation. We must eliminate the dirty dairy. Some time ago a man who was about as persuasive as is the Minister of Public Health sought a loan from me on his dairy. With my wife, I examined that place, and we found that both the house and the dairy were dirty. There are about 1,760 dairies around Melbourne, and I am of opinion that about 100 of them ought to be wiped out.

The Hon. G. M. DAVIS.—Are these retailing dairies, or dairy-farms where cows are milked?

The Hon. H. H. SMITH.—I am referring to retail places. I understand that between £4,000,000 and £5,000,000 has been invested in and about Melbourne on establishments of this kind, some of which, I repeat, are beautifully clean, while others ought to be closed because they are so dirty. It is a shame that these latter places should be allowed to compete with the others on which so much money has been spent to provide the most up-to-date plants. I suppose that the Model Dairy in Kew is one of the finest of its kind in the world. I have a photograph of it here which I invite honorable members to inspect. I believe that about £20,000 has been spent on the installation of machinery alone. Nothing is spared to ensure purity. There is cleanliness everywhere. Distributing dairies in Melbourne make a tremendous total of

bad debts. I also visited a dairy in Fitzroy, the value of which I was given to understand was about £80,000. Altogether about £40,000 had been spent on machinery and fittings. I noticed an automatic milk supply apparatus from which the public could obtain a quantity of milk on the penny in the slot system. The apparatus has had to be closed at night, however. I understand that the people concerned were losing about twenty gallons of milk each night owing to the illegal manipulation of the apparatus. It works only in the day-time now. This place has still to put up with considerable losses, amounting to about 25 per cent. from all sources. Distributors in Melbourne do not make more than 10 per cent. on their capital outlay, and that is not a good enough return. I have asked people at various dairies why they have not brought their plants up-to-date. They have replied that they are severely hampered by legislation. They do not know what is going to happen next—whether there is to be a Milk Board or whether there is to be a municipal supply. If this Bill is thrown out and the distributors concerned can be assured that there will be no legislative interference with their affairs, improvements will be made in hundreds of dairies, and the people of Melbourne will have a purer and altogether better supply of milk. This Bill has so many terrible faults that I do not see how the House can pass it. I try to regard it and all other such legislation, not from a city man's point of view, and not in an effort to get the country man's view-point, but from the aspect of one who seeks to do his best for the State as a whole. If the Government had brought in a Bill of a comprehensive character, if it had sought to introduce a proper system of dividing the city among the various suppliers on a scientific basis, it would have been better for all concerned, including consumers. I agree that there should not be five or six different authorities. We should endeavour to centralize control. I agree with the Minister of Public Health when he says that all matters affecting the health of the people should be brought under one concentrated authority. It may be said that more inspectors are needed. There does not appear to be enough of them. On the other hand, it may be that if there were enough, every second person in the community would be a Government inspector. If this Bill is passed the con-

sumers will obtain milk that is not as good as they get to-day. There will be exploitation. We should eliminate unsuitable dairies, but the Bill does not seek to do that. Recommendations covering the milk supply in America are most stringent, so that one can always be sure of a clean and wholesome product. Yet in America the butter fat standard for retail milk is only 3 per cent., while in Melbourne it is 3.5 per cent. We are getting a purer milk supply than the people in America. This Bill, however, does not aim at providing a still purer supply. This Government, which is supposed to be so very democratic, is really most autocratic. I appeal to honorable members to throw this measure out. We have been told that the dairy-farmers are unable to make a success of their industry. We can put that down, in some cases, to ignorance. We can attribute it, in some instances, to a lack of cleanliness, which prevents the producer from obtaining the highest returns. We can put down the failure of some producers to make a decent living to the fact that they have paid too much for their land. Perhaps the land was boomed, and the price at which it was purchased was so high that a dairy-farmer could not make a living on it. In such circumstances, how can a zoning system be introduced effectively? It will debar the dairy-farmer who lives a long way from the metropolis from obtaining a fair price for his milk. That is a serious aspect, because only 25 per cent. of the milk supplied to the metropolis comes from the districts near the city. At certain seasons of the year, there is always more than a plentiful supply of milk. How can people be forced to pay more than the legitimate price for milk when the market is flooded? It has been stated that the retailers have agreed to price-fixing. That statement is far from correct. If they did agree, they did so conditionally on certain improvements which are not contained in this Bill. Without those improvements, how can the dairymen hope for any reform in their business? Past experience has proved that competition has been too keen, and too many licences have been granted to dairymen without regard to cleanliness of premises, or the ability of the trader to deal fairly with the public. No provision has been included in the Bill to improve the position of dairy-farmers who produce milk for

butter. Another defect of the measure is that the penalties provided in it apply only to dairymen. The dairy-farmer will not be subject to penalties under this measure.

The Hon. A. E. CHANDLER.—The Bill does not provide that.

The Hon. H. H. SMITH.—If the honorable member will read the Bill, he will see that he is wrong. I always held the view that the Minister of Public Health was a reasonable man. I am therefore sorry to know that he has introduced a Bill which contains a provision for setting up a Board such as is contemplated by this measure. Let us study the constitution of the Board. To make it clear, I shall read portion of the clause which provides for its constitution—

The Board shall consist of—

- (a) two persons appointed as representing owners of dairy farms from which milk is supplied directly or indirectly to the metropolis and who have no financial interest in any retail milk distributing business within the metropolis;
- (b) one person (being a dairyman) appointed as representing dairymen;
- (c) one person appointed as representing consumers of milk;
- (d) one independent person who shall be chairman of the Board.

If a Board is necessary—and I do not think that it is necessary—three members should be sufficient, one representing the dairymen, one representing the producers, and an independent chairman. The constitution of this Board is not just. It has been pointed out that two-thirds of the milk sold in Melbourne is inferior to that supplied in Wellington under the local scheme, which provides for price-fixing. I desire to make it clear to the House that only two-thirds of the milk supplied in Wellington is distributed by the council, the other one-third being supplied by private enterprise. Consider the comparative death rates among infants under one year of age in Wellington, and in the suburbs of Malvern, Camberwell, Caulfield, Brighton, Hawthorn, and St. Kilda. The death rate per 100 in Wellington is 4.39, while it is 3.85 in the suburbs which I have mentioned. The population of Wellington is about 90,000, and Melbourne has a population of 1,000,000. Wellington has

a much cooler climate than Melbourne, and owing to the hilly nature of the surrounding country, which forms a kind of saucer in which the city is situated, the buildings are more concentrated than in Melbourne.

The Hon. E. L. KIERNAN.—The average death rate of infants in Wellington is less than in Melbourne.

The Hon. H. H. SMITH.—I have quoted the figures. They do not show that. It is well known that New Zealand butter has been sold in Melbourne during the last three months at 3d. per lb. less than Victorian butter after 2d. per lb. has been paid for transport. Overhead charges and the duty of $\frac{1}{2}$ d. per lb. have to be taken into account. When they have had a good season in New Zealand, they have repeated the mistake they made years ago. The price of butter is fixed on the London market, but because they have been able to produce butter at a lower cost than it has been produced in Victoria, they have shipped butter to this State. Does this not lead to the conclusion that milk can be produced profitably at a lower rate in New Zealand than in Victoria? Some doubt exists as to the price paid to the dairy-farmers for milk in New Zealand. The average price works out at 1s. per gallon. The Minister of Agriculture has stated that Victorian producers received 1s. 2d. per gallon last year. With reference to the question of distribution of milk, confusion also exists. In his report to the Melbourne City Council, Mr. Heron stated that a driver distributed 380 quarts daily in Wellington. The average taken in each household was $1\frac{1}{2}$ pints daily. This is a high average for dairy businesses, and, if true, it would take a milk carter, working at the rate of 60 customers per hour, seven hours to get through this quantity, which is absurd, as it is an impossible proposition. A driver who was recently employed in Wellington has stated that it took him eight hours with the assistance of a boy to complete his round. As only one boy is allowed to five fully-paid milk-cart drivers in Melbourne, overtime to the extent of twelve hours at the rate of time and a half would have to be paid if the same quantity of milk was to be distributed per cart in Mel-

bourne. The result would be a large increase in distributing costs. Mr. Heron gave many figures in his report to the Melbourne City Council, but a number of authorities consider that his figures were not always correct. He stated that bottles lasted 100 journeys under the Wellington system. When the Melbourne City Council considered this Bill, it was stated that each bottle lasted only seven journeys in Wellington. I have made inquiries in Melbourne from different retailers, and one whose business is in one of the better suburbs informed me that a bottle will last for eighteen days. I understand that, in Fitzroy and other suburbs where the people are more closely settled, and are not, perhaps, as careful with the bottles as those in the better suburbs, a bottle will last, on an average, thirteen days. In New Zealand, refrigerating costs are low on account of the climatic conditions, and covered insulated milk wagons and bottles are not required. Open lorries from which a man can extract the bottles are used, and this tends to keep down the cost of distribution. This Bill includes pasteurized milk, but does not provide for skim, desiccated, condensed, or powdered milk. It will prevent milk brought from a long distance being sold in Melbourne, although it is a fact that milk brought from the districts farthest away from the metropolis, if looked after properly, arrives in the city in better condition than milk brought from the nearer districts. Another defect of the Bill is that it does not deal fairly with the co-operative companies which assist the dairy-farmer greatly by allowing him to obtain cash for his products. Mr. Chandler stated that the producers make bad debts. I reply that the producer does not make as many bad debts as the retailer does. I have heard retailers say that their bad debts represent 30 per cent. of their business. If that is so, I do not know how they conduct their businesses. When I was in business I collected over 99 per cent. of my debts. If a man conducts his business properly, and does not allow too much credit, he should not have bad debts, but if he is like the foolish virgin, and does not keep his lamp filled with oil, he will have bad debts. If a farmer carries on his operations methodically, he should not have bad debts. The mis-

take that too many dairy-farmers make in this State is that they employ slipshod methods. This Bill will not prevent that state of affairs. The measure makes it imperative that the farmer shall receive a certain price for his milk, but it does nothing to eliminate the retail cutter or to prevent him selling a cheaper grade of milk to the public. It also provides for the basic wage for those engaged in the industry, and provides for the rate of 6 per cent. on the capital invested. One man may have paid £20 or £30 per acre for his land. How is he to make 6 per cent. on the capital invested when compared with another man who obtained his land for £5 per acre?

The Hon. A. E. CHANDLER.—Where will you get land for £5 per acre suitable for dairying?

The Hon. H. H. SMITH.—The honorable member is a shrewd man. Perhaps if he looked around, he could get land at that price. If a dairy-farmer is not prepared to clear his land properly, and carry on his operations systematically, he will not make a success of them.

The Hon. A. E. CHANDLER.—Land at £5 per acre would not be worth clearing for dairying.

The Hon. H. H. SMITH.—I know that Mr. Chandler has a very comfortable property. He has worked hard, and made a success of life. I do not know that I admire any man more than him. He has carried on his work systematically, and has received his reward.

The Hon. A. E. CHANDLER.—You ought to have been a parson.

The Hon. H. H. SMITH.—I have one brother a parson, and that is sufficient from one family. The Board, in fixing the minimum rate to be paid to dairy-farmers, will take into consideration the cost of milk on a dairy-farm, but will allow nothing for extra freight on long-distance milk. Whilst the farmer will have to be paid at a rate of 1s. to 1s. 2d. per gallon for milk during the butter season, he will receive only 7d. per gallon for milk used in the production of butter. One gentleman told me that he got 1s. 6d. The price varies in certain seasons.

The Hon. A. E. CHANDLER.—It varies from 7d. to about 1s. 4d.

The Hon. H. H. SMITH.—I shall tell honorable members another thing. Some of them apparently are one-eyed.

An HONORABLE MEMBER.—You will take the Melbourne point of view.

The Hon. H. H. SMITH.—No; I am dealing with the matter from a broad-minded point of view. The farmer receives a very much lower price when his milk is used to make butter. By having a minimum rate per gallon, this will prevent at least one-third of the producers of the milk—those whom I call the long-distance farmers—from supplying the market. A matter brought up by the Co-operative Butter and Cheese Factory is that the producers living within 30 to 40 miles of Melbourne are supplying 25 per cent. of the milk for the metropolis, and if one of the sub-clauses of clause 7 were made operative retailers would be compelled to pay the farmers the declared minimum rate per gallon, and could not make any profit to defray expenses incurred in pasteurization, brine cooling, &c. In consequence, the business could be carried on only at a loss.

The PRESIDENT (Sir Frank Clarke).—From what is the honorable member reading?

The Hon. H. H. SMITH.—From notes that I made not only in Melbourne, but in other parts of the world. I thought that they would be interesting to the House. I trust that my speech will indicate to honorable members generally that there is no possible hope of the Bill being workable. It is the most impossible measure on which I have ever set my eyes. Take, for instance, the enforcing of the declared price. Any farmer who cannot sell his milk in the flush of the season can sell 150 gallons of milk to the retailer and give the retailer 50 gallons for love and affection—as is stated in a deed of gift—thus driving a coach and horses through the price-fixing provisions. We ought to think of the man who is retailing the milk. He has to keep his dairy clean and work 365 days in the year. Honorable members who are asleep at 2 o'clock in the morning may not have much sympathy for the dairyman who is at his work at that hour.

The Hon. A. E. CHANDLER.—What about the producer?

The Hon. H. H. SMITH.—He does not have to work as hard as does the retailer. Retailers have lost thousands of pounds owing to their having to pay

high prices for milk, while declining to charge the consumer an increased rate. Mr. Chandler has said a good deal to-night.

The Hon. A. E. CHANDLER.—I said that you ought to be a parson.

The Hon. H. H. SMITH.—I would rather be a politician. I think that I have said enough to show what is wrong with the Bill. It is like Dr. Johnson's famous leg of mutton—ill-bred, ill-fed, ill-cooked, and ill-served. I hope that it will be thrown out by this House.

The Hon. R. WILLIAMS (Honorary Minister).—Mr. Smith has made a somewhat rambling statement. I think that is a fair thing to say.

The Hon. H. H. SMITH.—You are trying to be nasty, and it does not become you.

The Hon. R. WILLIAMS.—I think that Mr. Smith will agree with me that that would be impossible. The unofficial Leader spoke on the Bill, and was followed by Mr. Richardson. Although they both were opposed to it, they gave different reasons and advanced arguments which confuted each other. The unofficial Leader said that one of the main reasons why he opposed the Bill was that it would be of benefit to only a few producers. I should like to ask him whether that is a reason or excuse for voting against the measure. The best thing that we can do is to take the Bill into Committee and see what can be done to make its benefits more general.

The Hon. H. I. COHEN.—It benefits the few at the expense of the far greater number.

The Hon. R. WILLIAMS.—Mr. Richardson said that he was opposed to the Bill because the Government had to consider the consumer to the detriment of the producer. The unofficial Leader takes a different attitude. Mr. Richardson went on to quote from a letter from the Housewives' Association, in which it is stated that members of that association obtain milk for 6d. a quart. I am not aware of pure milk, in any considerable quantities, being delivered to householders at 6d. a quart. I doubt the statement very much.

The Hon. H. F. RICHARDSON.—It is in black and white.

The Hon. R. WILLIAMS.—The honorable member went on to describe the Bill as one of the most idiotic measures that had ever been presented to this House. As a matter of fact, it passed another place without a division.

The PRESIDENT (Sir Frank Clarke).—The Honorary Minister is not permitted to allude to proceedings in another place.

The Hon. R. WILLIAMS.—Then I shall put it this way: There was no opposition to the Bill in another place.

The Hon. H. I. COHEN.—That is not correct. The Minister of Public Health said that there was one division.

The Hon. R. WILLIAMS.—At all events, the Bill met with almost unanimous approval. It has often been stated that this House can reasonably be looked upon as the middlemen's House. It seems to me that as far as the discussion on the Bill has gone, the House is living up to its reputation. It has been said that the Bill injures proprietary or co-operative companies, and that it benefits only a few. The flag is being waved, and certain honorable members are saying, in effect, "For God's sake do not touch the middleman." They contend that the middleman must have his cut. It would seem that if the producers were as well organized, and had as much influence as the middlemen, a different tale would be told. Mr. Smith's argument was, in effect, "The producers who are anxious to get a little more for their milk than they have received in the past may be able to molest the members of another place, but God help them if they come here. They will not change our minds. Our minds are made up. The producer can go hang. We shall protect the middleman."

The Hon. H. H. SMITH.—You did not hear anything like that.

The Hon. R. WILLIAMS.—I heard quite a lot from the honorable member. No other honorable member in this chamber could understand it.

The Hon. H. H. SMITH.—You may be ignorant, but others are not.

The Hon. R. WILLIAMS.—It is reasonable to say to the critics of the Bill—especially those who were members of the last Government—that it is, at all

events, an attempt to give better conditions to the dairy farmer.

The Hon. H. F. RICHARDSON.—I deny that.

The Hon. R. WILLIAMS.—The honorable member may deny it, but the fact remains. Compare this attempt with what the last Government did. That Government included a majority of country representatives, and it made no attempt to give the farmers of Victoria better conditions. The present Ministry has had hurled at it the fact that it has not a majority in either House, but despite that it proposes to help the farmers in a way which the last Government, although it possessed a majority in both Houses, never attempted.

The Hon. R. H. S. ABBOTT.—When a Labour Government was last in office another Milk Bill was passed, but the measure was never brought into operation.

The Hon. R. WILLIAMS.—This Bill should be regarded as the forerunner of future legislation. I contend that a number of the matters referred to by Mr. Smith had no connexion with the Bill. The measure does not deal with the question of the supply of pure milk. It simply appoints a Milk Board, with a view to introducing other legislation in the future. Dr. Harris may smile.

The Hon. Dr. HARRIS.—The reason why the Bill has been introduced is that it will be a vote-catcher.

The Hon. W. J. BECKETT.—It will not receive many votes in this House.

The Hon. Dr. HARRIS.—The point is, how many votes will you get outside the House?

The Hon. R. WILLIAMS.—The present position is that we are greatly in need of more votes in this House. I have sufficient faith in honorable members to believe that they will agree to the second reading of the Bill, and they can amend it in Committee if they so desire. Honorable member should endeavour to make the Bill conform with their ideas of what it should be. I ask them to agree to the second reading, and so give the Bill a chance.

The Hon. G. M. DAVIS.—Show us how it will improve the position of dairy-farmers and we shall be satisfied.

The Hon. R. WILLIAMS.—Very well. I have here a letter that was sent to the Minister of Public Health:—

Greenvale, 7th October, 1927.

Hon. W. J. Beckett, M.L.C., State Parliament House, Melbourne.

Dear Sir.—We, the undersigned dairy-farmers, respectfully solicit your support in the matter of the Milk Board Bill to come before the Legislative Council on the 11th inst.

We maintain that the passage of this Bill would be of considerable benefit to dairy-farmers, who for many years have been carrying on under adverse conditions, and, were it not for the unpaid labour of families (in very many instances) the industry could not be carried on; the passage of this Bill would not only ensure the producer a living wage, but would provide a purer milk supply for the metropolis.

We would therefore urge upon you the necessity of using your vote and influence towards the safe passage of the Bill.

Thanking you in anticipation of your valued support.

We are,

Yours faithfully,

T. R. MASHITER, Greenvale.
F. RHODES, Yuroke.
JOHN HORTON, Greenvale.
B. R. JEFFERIES, Greenvale.
W. T. SAUNDERS, Yuroke.
W. H. POOLE, Mickleham.
R. BEASLEY, Yuroke.
G. H. HOCKING, Greenvale.
D. GAMBLE, Greenvale.
H. WILLIAMSON.

I have also a letter from the Secretary of the Shire Council of Broadmeadows, which states—

Broadmeadows, 8th October, 1927.

Dear Sir.—With reference to the Milk Bill to come before Parliament, I have to inform you that the dairy-farmers of this district are highly delighted with the prospect of securing better remuneration for their families and themselves, and all are of opinion that the provisions of the Bill will much improve the milk business; and I am requested to ask you to kindly do all in your power to secure the passing of such measure.

Thanking you for past kindness, and trusting you will see your way clear to comply with this request,

I am,

Yours obediently,

A. T. COOK, Shire Secretary.

Hon. W. J. Beckett, M.L.C., Parliament House, Melbourne.

These documents sufficiently answer, I think, the request of Mr. Davis that I should show in what way the Bill will benefit dairy-farmers.

The Hon. G. M. DAVIS.—Are you going to increase the price to the producer?

The Hon. R. WILLIAMS.—Yes.

The Hon. G. M. DAVIS.—Then how will the consumer get on?

The Hon. R. WILLIAMS.—Mr. Smith referred to the early hours of the morning during which milk is delivered, and to the long hours worked by dairymen. I could refer to the long hours and hard work put in on the dairy-farms. I am reminded of an incident at the last election. I heard a woman, speaking from a platform at Merbein, advocate the importation of women to work on our Australian farms. It is a shame that such sentiments should be allowed to be expressed in public. As an Australian born and bred, I object to kiddies having to work on the farms. If an industry cannot carry on under decent conditions, it should be wiped out.

The Hon. G. M. DAVIS.—You do not understand the position.

The Hon. R. WILLIAMS.—May be so, may be not. At all events, I am humane.

The Hon. Dr. HARRIS.—I have devoted a considerable amount of thought to this Bill, and I have wondered whether I could possibly support its second reading. It has always been my wish, as a representative of a country electorate, to assist the primary producer. But I find myself in this position: I do not believe in arbitration. I believe that the Commonwealth Arbitration Court and the political principles advocated by the present Ministry have resulted in a vicious circle. I also believe that the Tariff is contributing towards that result. If we are going to bolster up primary industries by the fixation of prices, we shall add the final straw that will break the camel's back. We cannot progress with the "go-slow" policy of Labour, the reduction of hours, and failure to give a fair day's work for a fair day's wage. We are piling up capital costs in the development of the State, costs which posterity will have great difficulty in liquidating. Something like 200,000,000 gallons of milk are produced in this State per annum. There are two prices for the milk. One is the butter-fat price, which is something like 7d. or 7½d. per gallon; the other is the price of milk for consumption by the people, which varies in amount from 1s. to 1s. 3d. per gallon. If we are going to fix the price of milk at what is not the fair competitive value of the milk, then we are going to

have in this State the competition of 200,000,000 gallons; because, if I produce milk in the country, and I can get in the city a better price than 7½d. for it, I am going to send it into the city. I ask the Ministry in what way they could prevent me. I have always understood that Labour Governments were actuated by communistic principles. I also had the idea that they believe in co-operation, and, more or less, in cutting out the middleman, as the Country party does. Yet in this Bill they have cut out the co-operative companies, who will not participate in the benefits of the measure. They have also cut out the proprietary companies. The Attorney-General has told us that the Bill accomplishes that. I want to know why, when co-operative farmers join together in companies, and put into their factories modern machinery with the object of sterilizing, cooling, and marketing their shareholders' milk, they should be prevented, as they are prevented under this Bill, from sending the milk on to this city? The Government claims to be an intellectual Government. It gives us the impression that it is the only Government with brains that has been in power in this State. Yet it brings before us a half-boiled measure, such as this Milk Board Bill is, and expects us to pass it. I am a country man, and I want to help the country people. But I am not a "tarnation fool." I call the Government "The Dunstan-Hogan Government." At the instance of the Country Progressive party the Government has introduced into the Bill the principle of the basic wage and interest on the capital of a dairy-farm. How is it to be worked? An army of administrative officers will have to be created. A secretary is to be appointed. As many of the officers in the Department of Agriculture as may be considered necessary will be taken to carry out the provisions of the measure. How many detectives will be required to move about the city in the endeavour to find out whether the prices listed by the Milk Board are adhered to? If I purport to sell 6 gallons of milk and sell 7, how is it to be found out? How many detectives will be required? How many bookkeepers will be required? A new Department will be necessary to carry out the provisions of the measure. And what will it all

amount to? If the Government were in earnest in this matter of the milk supply, it would be their endeavour to ensure purity of milk—the banishment of disease from our great dairying industry. That is not attempted. The Government have brought forward a vote-catching measure. If this House rejects it, the Government will say, "What a fine thing it would have been had the Milk Board Bill been carried!" If I were Puck, I should advise the House to pass the measure and to let the Government wallow in their own mire. It is proposed to have a Board of five members. The election machinery would be sufficient for a State election, and it is created, for what? To elect two men. There are to be electoral rolls and provision is made for absent voting. There is to be an elaborate election for the purpose of electing two members to represent the primary producers. The other members are to be appointed by the Governor in Council, that is to say, the Government themselves. They will appoint Trades Hall representatives, or, at all events, men who are in sympathy with the Labour objectives. The chairman of the Board is to have two votes. If the Bill passes, the primary producer will be in the hands of the Government's representatives and the chairman, who will have a second or casting vote. That is to say, the Government will command four votes out of six. I do not think that the primary producers will be satisfied with the Bill when they understand it. There is one other point. Under clause 11, the Milk Board, when it comes into being, is going to be a permanent Commission to inquire, at the instance of the Government, into any matter that may be referred to it. We shall have a permanent Milk Board. The fees are to be £2 2s. per sitting for the chairman, and one and a half guineas for each member. The chairman may receive £120 and each member £90 in fees per annum. Fancy 50 sittings of the Milk Board to define the price of milk! Do honorable members think that the Board will need to sit 50 times in a year? These are some of the points that I have noticed in the Bill. I ask the House to reject the Bill as unworthy of becoming any portion of the legislation aimed at assisting the primary producer. The

measure will not do any good. It is half boiled and half considered. It is an abortion, and honorable members should recognize that fact.

The Hon. E. L. KIERNAN.—I do not propose to discuss the Bill to-night, but Mr. Smith made a statement in regard to infantile mortality which I wish to challenge. He selected several Melbourne suburbs, and proceeded to show that the infantile mortality was higher in Wellington, New Zealand, where there was a system of block distribution of milk. According to the latest official figures, the rate of infantile mortality in New Zealand is 40 per 1,000, in Australia 53 per 1,000, and in Victoria 57 per 1,000. The rate of infantile mortality in Wellington, New Zealand, is 35 per 1,000, whereas in Melbourne it is 60 per 1,000.

The Hon. Dr. HARRIS.—That has nothing to do with the milk question.

The Hon. E. L. KIERNAN.—The statistics were brought forward by Mr. Smith, who said that Melbourne had a lower rate of infantile mortality.

The Hon. Dr. HARRIS.—The climatic conditions of Wellington, New Zealand, are favorable to children.

The Hon. H. H. SMITH.—I gave you statistics in connexion with certain suburbs.

The Hon. E. L. KIERNAN.—The honorable member should have taken the metropolitan area as a whole. He took Hawthorn and a few such districts.

The Hon. H. H. SMITH.—Wellington has no suburbs as poor as Fitzroy and Collingwood.

The Hon. W. ANGLISS.—There is a good deal of sound argument in what has been said by those who have spoken for, and those who have spoken against, the Bill. I consider that we should support the second reading of this measure, and make amendments to certain clauses in it. I have received about 30 letters concerning the Bill.

The Hon. G. M. DAVIS.—Are you in favour of price-fixing?

The Hon. W. ANGLISS.—I am not, generally speaking, in favour of price-fixing, but I am in favour of the producer getting a reasonable reward for his labour. Probably price-fixing would not give him that, but the provisions referring

to that subject might be considered in Committee. We must admit that the dairy-farmers' hours are longer than those of other people. Probably there is no more monotonous work than that performed by dairy-farmers. If something can be done to improve their position, we should do it. For that reason I shall support the second reading, and I hope that honorable members will agree that the Bill should reach the Committee stage. Then those clauses which are considered to be objectionable can be either eliminated or amended. I shall read one letter that I have received, and that is similar to the letter the Honorary Minister (Mr. Williams) read. It is as follows:—

Regarding the Milk Bill which came before your Chamber recently, and the consideration of same deferred for a few days, we take this opportunity of earnestly requesting you, as our representative, to use your influence on our behalf to endeavour to have the Bill passed in its present form, as we feel quite certain that it is the only time in which an honest endeavour has been made to put the milk industry on a fair and equitable footing and enable us to employ hired labour, as up to the present we have been quite unable to do so. We fail to see why the milk industry should not be put on the same level as other industries.

This is an important part—

Up to the present time the dairymen as a whole have had great difficulty in making ends meet, and, were it not for the help of those who are willing to work for nothing (the like of which is not allowed in any other industry), they would not be able to carry on at all.

That is a fair sample of the letters that I have received. It is evident that the dairy-farmer is not getting a fair reward for his labour. I agree that it is almost impossible for him to pay for labour. The result is that children of tender years are brought into the industry, and their health is injured to some extent. It is not good for young children to have to rise in the early hours of the morning so as to milk a number of cows. Dr. Harris put the thing plainly. He pointed out that the producers of this country are up against adverse conditions. They have to pay high duties on everything they buy, their goods go to the cities where high wages have to be paid, and the result is they find that they are receiving less for their products than would otherwise be the case. I consider that we should try to assist the men on the land by protecting them as much as possible, and we should also try to give a fair deal to the public. The question

of co-operation has been brought in, and I agree with Dr. Harris. We have no right to eliminate the co-operative companies, nor to sacrifice the money of the producers who are interested in those concerns. I admit that the Bill bristles with difficulties, but surely there is common sense enough in the House to produce a measure that will meet with all the reasonable wishes of the producers, and will protect those interested in the milk business, as well as the public generally. I hope that the House will support the Bill and will allow it to reach the Committee stage, where members should endeavour to give protection to a section of hard-working people that is deserving of more consideration than it has had in the past.

The Hon. F. W. BRAWN.—I have received a number of letters from different people in regard to the Bill, and have heard the arguments advanced in this House. The measure does not concern the Ballarat people, but I feel that it should be allowed to reach the Committee stage. It is difficult to deal with the milk problem. I do not think that the Bill goes far enough in connexion with primary production. If we are going to have a pure milk supply, we must start at the source and improve it from that point. There are good points in the Bill, and I shall vote for the second reading.

The Hon. G. M. DAVIS.—I have listened with considerable interest to the discussion. I agree largely with the views of the unofficial Leader and of Dr. Harris. The Bill is bristling with the greatest difficulties. I cannot see that it will benefit the primary producers in the way in which it is supposed to. It is proposed that a Milk Board shall be created, and that it shall fix the prices for "A" and for "B" quality milk. I do not know what is meant by "B" quality milk. If milk is not watered the butter-fat content would vary from 2.6 up to 5.2 or 5.7 per cent. in the richest milk. I do not know if the grading is to be on the condition of the milk or its quality. This is an attempt to introduce price-fixing, and an effort is being made to get the vote of country members, in particular, because we are all deeply interested in the man on the land, especially the dairyman. We

know that the conditions under which a dairy-farmer carries on his work are very different from those which prevail in secondary industries carried on in cities and towns. Therefore, we have the greatest sympathy with the dairy-farmer, and we would like in some way to lessen the difficulties he has to encounter. I do not see how this Bill is going to do that in any way. Like other honorable members, I have had numerous letters about this measure, and I have studied them. In reply to one writer, I said that if the Bill would guarantee the basic wage to the producer, and 6 per cent. interest on the capital he has invested, it would have my support. That guarantee, however, is not provided by this Bill. It would be very difficult to arrive at the basic wage, and possibly still more difficult to provide for the payment of 6 per cent. interest on the capital invested in the industry. Consideration would have to be given, not only to the price of the land and the plant, but to the depreciation in the value of the cows every year because of their being milked out. Many people suffer because of the depreciation in the value of their cows. A man might pay anything from £8 to £15 for a cow, and when it goes dry its value is less than when it is in full milk. At certain stages cows have to be turned out for a period of rest, but all that sort of thing would have to be taken into consideration in estimating the amount of capital invested by a dairyman. I am totally opposed to the principle of interfering with private enterprise. At the same time I would give this Bill my support if I could see that it would be of any benefit to the dairy-farmer. However, I can see no hope for anything of that sort being brought about by the passage of this measure. The only way to improve the position of dairy-farmers is to organize the industry, and to bring about such conditions that they will be able to fix the price of their milk. People in the metropolitan area must have pure milk, and we have already provided certain safeguards to see that supplies are up to requirements. It is only reasonable, however, that dairymen should be in a position to say what price the commodity they sell shall fetch. We have been told that this Bill will apply only to the metropolitan area. I suppose that means that it will include dairy-farmers carrying on operations within a radius of 30 or 40 miles

from the city. We know that land inside that radius is held for speculative and other purposes, and will bring high prices. The price which will have to be paid for land within that radius would have to be taken into account in fixing the amount of capital invested. Beyond the radius I have suggested, land is not of so much value. To a large extent its value is only what it will produce. Except by complete organization, I cannot see how dairy-farmers are going to secure the fixing of a price which will give them a commensurate return on the capital they have invested, and at the same time provide them with the basic wage. The position is complicated by the fact that milk is delivered in small quantities, from half a pint to a few gallons, and by the waste which must take place owing to its being of such a perishable nature. Because of these things a greater margin between the price for the producer and the cost to the consumer has to be provided than in regard to many other commodities which are not so perishable. No matter what is done in regard to the fixing of the price to the producer, intermediaries will still exist, and in that way the price to the consumer is increased. It may be possible to reduce the price to some extent by a block system of distribution, but from what I have read and heard of the block system I do not see how the cost to the consumer could be reduced to any material extent. Those who sell the milk to the consumer may make a decent living—and we are all glad that they do—but if we are going by this Bill to insist that a higher price is paid to the producer, then it will follow that the consumer will have to pay a higher price also.

The Hon. A. E. CHANDLER.—Do you think the producer should get a higher price than he does now?

The Hon. G. M. DAVIS.—The only way in which the producer can get a higher price is by organizing the industry. Seasonal conditions have a lot to do with the price of milk. When we have good seasons milk is plentiful, but when we have had bad seasons like that we have passed through during the last twelve months, it is impossible to produce the same quantity of milk. Many dairy-men have been at their wits' end during the last six months to know how to carry on, but whatever is done in the way of

fixing a price to the producer the consumer is bound to have to pay more.

The Hon. E. L. KIERNAN.—The object of the Bill is to keep down the price to the consumer and increase the price to the producer.

The Hon. G. M. DAVIS.—That is so, but any one who thinks it is possible to increase the price to the producer and reduce the price to the consumer is the most wonderful optimist I ever heard of. I have the deepest sympathy with dairy-farmers, but I am not satisfied that this Bill will give them any relief. If they were organized they would be able to get a fair average return for their labour. It must be realized that when a dairy-farmer owns his land, even if there is a debt on it, he is like the man whose home is his castle. He occupies a fairly independent position, and he lives in the open air. In this way he is in a better position than a man who has to attend to his duties on the tick of time and put in eight hours a day.

The Hon. E. L. KIERNAN.—Don't some of the dairy-farmers work twelve and fourteen hours a day?

The Hon. G. M. DAVIS.—They may do so, but it is not hard work. If a man is able to have a fairly equipped dairy, properly laid out, with milking machines and other appliances he is in a fairly satisfactory position. He goes round about his farm, sees how his stock is developing, and, as I have said, occupies a much better position than men who live in the city. I heard the Honorary Minister (Mr. Williams) speak about children having to milk cows. Life in the country is the best for the children of this State. I am a fair sample of man, and when I was a youngster I had to milk fifteen cows, and then ride 4 miles to school. My brothers used to have to do the same, and we are all about 6 feet high. I started milking when I was six years of age, and it did not do me any harm. I should say that that remark would apply to thousands of men in Australia who are the backbone of this country. People living in the open air in the country are in a much better position than those who have to work in factories and shops in the city. Children in particular have in the country the opportunity for physical exercise under health surroundings, and they develop into the

best type of men and women. There are a number of members who would like to see this Bill go into Committee, but in my opinion no good purpose would be served by allowing it to do so. It is an ill-conceived proposal, and apart from its ineffectiveness in doing what is desired, it would mean the creation of a new Department of public servants. We should have the same intermediaries between the producer and the consumer, and we should need a staff of public servants to see that the provisions of the law are carried into effect. I hope the Bill will not pass its second reading.

The Hon. W. TYNER.—I propose to vote for the second reading of this Bill, but I reserve to myself the right in Committee to support the amendments outlined by Mr. McGregor. The Bill provides, amongst other things, for the appointment of a Milk Board, and for its powers and duties. In dealing with a Bill of this sort we may well leave out all party considerations. Price-fixing is a principle I do not agree with, but the position to-day is such that I think the Bill, if amended, will give some help in relieving the deplorable conditions in which the milk producer is placed.

The Hon. M. SALTAU.—Would you apply price-fixing to other rural productions?

The Hon. W. TYNER.—Price-fixing has been applied to some produce, and some honorable members who have stated that they will vote against the Bill have voted for price-fixing in a certain form. The milk industry is one of the great sources of the wealth of this State, and, after all, the welfare of the State is linked up with that of the primary producers. When the man on the land is doing well, his prosperity is reflected right throughout the State. According to the *Victorian Year-Book*, last year there were 24,394 holdings mainly used for dairying in the State. Assuming an average of 4.25 persons—the average household in the shires—that would represent 103,690 persons living on dairy-farms and dependent on the industry. This does not include the number of persons indirectly dependent on the industry, such as those in factories. In the *Victorian Year-Book* for 1925-26 it is shown that the number of cow-keepers had

decreased by 2,616, and the number of dairy cows by 32,267, while the quantity of butter made had decreased by 19,102,092 lb. The estimated value of milk consumed in the natural state was £2,333,000, the estimated value of butter and cheese £6,409,780, and the estimated value of other dairy produce £1,622,010, making a total of £10,364,790. There has been a steady decrease of those engaged in the dairying industry since 1924, and I certainly think that we should do something to arrest that decrease if we possibly can. During the last few years in settling people on the land £27,000,000 has been spent, and a large amount of that money was spent on dairy-farms. Quite a number of the soldier settlements are used for dairying purposes, and I certainly think that we should do anything we possibly can to help in putting the producer in a better position. Much of the land was bought at a very high figure, consequent on the very high price of produce ruling at the time of purchase. Necessarily, of course, the value of the land was based on what it would commercially produce at that particular time. The producer of milk says that there is too wide a spread between himself and the consumer, but it seems to me that the main factor in connexion with the spread is the cost of distribution. I have gone very fully into the question, having regard to the price charged to the consumer and the price given to the producer for his milk, and I do not altogether agree that the spread is excessive. It seems to me that there has grown up in this State a system of marketing which has created a sort of environment, as far as the distributor is concerned, and consequently the overlapping in connexion with distribution has been very costly. If the Board that is to be appointed, after inquiry, can arrive at a solution of the problem whereby portion of the spread now existing would go to the producer, good should result. A zoning or block system should obviate a lot of the enormous cost involved in the distribution of milk. I have collated some statistics with regard to milk distribution in the United States of America. The first illustration I wish to give is from Clements and Kelly's *Marketing Milk*. That is quite

a recent work, which is thoroughly reliable. The illustration is as follows:—

MARKETING MILK.

Distance travelled and number of quarts delivered by milk wagons in four cities.

City.	No. of Wagons included.	No. of Dealers.	Average Miles Travelled.	Average Loads in Quarts per Wagon.	Average No. of Quarts Delivered per Mile Travelled.
Pittsburg District .. of	41	1	14·20	327·10	23·07
Columbia ..	63	14	18·60	301·8	16·20
Baltimore ..	11	1	20·20	215	16·15
Boston ..	22	1	20·35	245	12·03

I may state that in the cities mentioned a large quantity of milk is delivered in bottles. One vital omission from the Bill is that of a provision for the obtaining of a pure milk supply. I have made it my business to visit several suburban dairies, and I may say that there is a tremendous amount of capital invested in some of those I saw. Some of the dairies are quite up-to-date, with very fine plants. I have examined records from the books of one leading retail firm, and I am satisfied that the spread is not excessive. Any benefits that will come to the producer in connexion with this Bill, I should think, will come to him in connexion with a zoning or block system. The following is an illustration I have taken from the *Dairy World* of August last:—

(NOTE.—American cwt. equals 100 lb. avoirdupois; American quart equals 5-6ths imperial quart.)

City.	Price landed City Railway Station Raw Milk (3·5% butter-fat) per cwt.	Equivalent per Imperial gallon.	Retail price quart bottle.	Equivalent in £ s. d. per Imp. quart dollars at 4/2.
	Dollars.	s. d.	Cents.	d.
Washington, D.C. ..	3·49	1 5½	15	9
Chicago ..	3·00	1 3	14	8½
New Orleans ..	2·81	1 2	14	8½
Boston ..	3·63	1 6½	14	8½
Detroit ..	3·00	1 3	14	8½
Albany—New York ..	3·02	1 3	15	9
Pittsburg ..	3·45	1 5½	14	8½
Philadelphia ..	3·49	1 5½	13	7½
Los Angeles ..	3·15	1 3½	15	9

(Figures for New York City not available.)

Price of sealright bottle made=¼ New York; 3s. Melbourne.

As I have already stated, many of the distributors whose dairies I visited have invested enormous sums of money in their businesses with the object of providing a

Hon. W. Tyner.

pure milk supply. If, with the amendments indicated by Mr. McGregor, the Bill appears likely to do anything in that direction, I certainly think it ought to be given a trial. The wages of a milk carter are fixed at £4 15s. 6d. a week, which is equal to £248 6s. a year, and I certainly think there must be something wrong economically when the driver of a milk cart obtains more than the producer does in many cases. I need hardly remind honorable members that dairy-farming is slavery to a large extent, and that the work is continued every day in the year without a holiday. I am of the opinion that a more comprehensive Bill might have been brought down to deal with this important matter, but still the measure is a step towards putting the producer on a better footing. The Minister has stated that it is the intention of the Government to enforce the regulations of the Milk Supply Committee, but I would remind the honorable gentleman that the conditions are the same to-day as they were in 1925, when the previous Government decided not to enforce those regulations. If the regulations were enforced, I am inclined to think that a great deal of extra cost in the treatment of milk would have to be met by one of the three parties concerned. After all, the basis of the price of milk to some extent is regulated by the butter-fat price, plus the price of skim milk and one or two other factors, including, of course, London parity. If the Bill is carried, I consider that the declared rate should be the rate to be paid at Melbourne, and not the rate to be paid on the farm.

The Hon. H. H. SMITH.—Are you in favour of price-fixing for hay and wheat?

The Hon. W. TYNER.—I might ask the honorable member if he is in favour of price-fixing in connexion with motor tires and accessories.

The Hon. H. H. SMITH.—I am not in the motor business.

The Hon. W. TYNER.—Of course, the honorable member has retired after having been in the motor business for many successful years. I was about to say that if the declared rate were the rate on the farm, it would put a number of dairy-farmers near Melbourne in a more favorable position than those farther out. So far as the milk supply of Melbourne is concerned, I certainly think that the producers have lost many opportunities of

bettering their position. I am of the opinion that if they had got together in co-operative groups side by side with proprietary firms, they would have done very much better than perhaps they will under Government control. However, the producers have neglected to help themselves in that direction, and consequently the Government has come along and is attempting to relieve their position. I am a great believer in the co-operative principle, and I believe that if the dairy-farmers had taken the opportunity of doing something in that direction their industry would not be in the deplorable condition in which it is to-day. The same trouble arose in 1919-20 with respect to the affairs of the English dairy-farmers. Many of these formed themselves into groups alongside the proprietary companies. The English milk supplier to-day, as a result, is in a very much better position than he was formerly. Milk distribution in London is in the hands chiefly of one very large limited company, which has eliminated overlapping of delivery. The over-flush in certain periods of the year provides one of the greatest difficulties which the producer around Melbourne has to overcome. The contract agreement system exists very widely throughout the United Kingdom, as between producer and distributor. An arrangement is made whereby the milk is taken at a certain price all the year round. Co-operative companies also distribute from the producers to the consumers in many cities. Consequently, many difficulties which existed previously have been removed. I have some particulars before me bearing on the duplication of delivery of milk owing to the overlapping of distributors. They relate to conditions in five cities in the State of Wisconsin, in America—

City.	Total No. Miles City Streets.	Total No. of Miles Travelled Dairy within City in Delivering Milk.	No. of Times each Mile of Street Covered.
Milwaukee ..	602·63	3,440·28	5·71
Oshkosh ..	103·30	377	3·75
Beloit ..	80	213·54	2·67
EAU CLARIE ..	59	142·5	2·42
Madison ..	81	244	3·01

I venture the opinion that some of our streets are covered more than six times daily in a similar fashion. I was speaking to a leading dairyman in

my own neighbourhood only last Saturday, and he told me that in one street a mile long no less than 24 different dairy-men were operating. In connexion with a deputation which waited on the Minister of Agriculture some time ago, the milk retailers themselves stated that, on a conservative estimate, £300,000 per annum could be saved in respect of distribution alone. In other words, the distributor and consumer were paying, by way of waste in distribution, up to £300,000 a year. Clements and Kelly, in *Marketing Milk*, state—

It has been estimated that the 265 milk wagons distributing milk in Worcester, Mass., cover 2,250 miles daily to supply the houses on less than 220 miles of streets. In the district of Columbia, 98 routes were measured in 1914, the average distance travelled for the 98 routes was 19.1 miles, varying from 10 to 30 miles. Assuming that each of the 250 retail milk wagons in the district at that time covered 19.1 miles, they all travelled 4,775 miles, or 9.3 times the total mileage of streets in the district of Columbia at that time.

The dairy producer is in a very bad position. A huge amount of money is sunk in the industry, both on the side of production and of retailing; and if we can do anything to obviate the waste and inefficiency caused by overlapping we shall help the industry as a whole and the consumer as well. I am satisfied that there is no excessive spread between the producer and the consumer, taking all the circumstances into consideration. I emphasize that the industry is in a deplorable condition, and, while I do not favour price-fixing generally, there must be found some remedy. With a view of considering such amendments in the Bill as have been suggested by Mr. McGregor, I intend to record my vote in favour of the second reading.

The Hon. A. E. CHANDLER.—I suppose that no measure which has come before the House has been surrounded with more difficulties than this. Several attempts have been made in the past to deal with milk production and distribution from various aspects, but most of those attempts have failed. I think that the Dairy Supervision Act has been the most successful of all legislative efforts. The producer has numbers of difficulties to face, and it is only right that Parliament should assist him in some way or other. Practically everything that he has to purchase is

produced by union labour, paid union wages. Even when he has to buy fodder for his cattle the bran and the chaff are produced by union labour which is paid union wages. The milk producer, however, has to take just what he can catch. Something must be done to assist him so that Melbourne and the State as a whole shall receive a proper supply while the producer obtains fair remuneration. The price of milk varies throughout the year from about 8d. to 1s. 4d. a gallon. That is a wide margin of difference. One of the main troubles which face the producer is that at certain times of the year he finds it difficult to maintain a regular supply. That applies particularly to the cold months, when he has to go to great expense to maintain his supply, especially if he is under a contract. It has been said that this is a price-fixing Bill. I believe it is; but when the price is fixed—and this is a weakness of the Bill—there is no obligation for the price to be paid. The Minister is to be the great "Pooh Bah," and he can say that the price is too high or too low. In fact, he can fix the price, and not the Board. What is the good of paying a Board, therefore, to deal with the price of milk? Mr. Smith regards this Bill from the point of view of a city man. I doubt if he has spent a week on a dairy farm in his life.

The Hon. H. H. SMITH.—I am fat enough now.

The Hon. A. E. CHANDLER.—If Mr. Smith had to work for a week on a dairy-farm as the milk producer has to work, he would soon lose weight. He stated to-night that he had visited various dairy-farms, and that some of them were very dirty. He mentioned that certain producers received only 10d. a gallon for their product.

The Hon. H. H. SMITH.—I was talking about conditions existing last February.

The Hon. A. E. CHANDLER.—Mr. Smith said that these producers got only 10d. when the average price was 1s. 4d.

The Hon. H. H. SMITH.—I did not say that. I said that they got 10d. while others had got up to 1s. 4d.

The Hon. A. E. CHANDLER.—Mr. Smith said that the owners of dirty

dairies were receiving only 10d., while others were obtaining 1s. 4d. because they had clean dairies. If the conditions are as Mr. Smith says, there is something wrong with the Department of Agriculture.

The Hon. H. H. SMITH.—The inspectors do not all do their work.

The Hon. A. E. CHANDLER.—I do not think that that criticism is either fair or correct.

The Hon. H. H. SMITH.—There are not enough of them.

The Hon. A. E. CHANDLER.—From what I know of the dairy supervisors, if they find unclean conditions on a farm the producer very quickly hears of it, to his cost. They can stop the dairyman supplying milk if they consider his place is not kept reasonably clean.

The Hon. H. H. SMITH.—But do they do it?

The Hon. A. E. CHANDLER.—They have done it in many cases to my knowledge. They can force a dairyman to put in brick or cement floors if they consider they are necessary. The statements that have been made by Mr. Smith in this connexion are a libel on the Department of Agriculture.

The Hon. H. H. SMITH.—Every statement I made is true.

The Hon. A. E. CHANDLER.—Then Mr. Smith, as a member of this House, should get busy and see that the supervisors and inspectors of the Department of Agriculture do their work efficiently. Mr. Smith said that the distributors receive only about 10 per cent. net profit. Yet the distributors receive on an average 2s. 4d. per gallon for the milk. Speeches which have been made to-night have shown that the dairy-farmer receives on an average about 11d. or 1s. per gallon. If the distributor receives 2s. 4d. per gallon and the producer only 1s., who, I ask, has the better end of the stick—the man who keeps the cows or the man who distributes their milk?

The Hon. H. H. SMITH.—I have never met a rich dairyman.

The Hon. A. E. CHANDLER.—And I have never met a rich producer of milk. I consider that some of the clauses of this measure will be unworkable. Still, I should prefer to see it pass the second reading, so that honorable members may put an inside into the Bill when it is

committed and thus make it workable. All that the producer is asking for is a reasonable return for his labour. He will not complain if he can secure a reasonable average price for his milk throughout the year. For many years the producers have not received a fair average price for their product. A great deal has been said about the necessity of the dairy-farmer's wife and children having to work on the farm. Anybody who has travelled through the country districts will agree that there is a good deal of that kind of labour used on dairy-farms. I understand that the Factories and Shops Act prohibits the employment of a child under fourteen years of age, but there is not the slightest doubt that in many country districts children under fourteen years are employed to milk too many cows before they go to school. I do not say that boys and girls should not be taught to milk. It does them good.

AN HONORABLE MEMBER.—They do not seem to like it.

THE HON. A. E. CHANDLER.—No; they seem to get away from it as soon as they can. Still, it makes them useful on the farm. The trouble is that the price which some dairy-farmers receive for their milk is so low that they cannot afford to obtain outside labour, and the children have to help to support the family. I consider that the clause which relates to the production of milk for the metropolis only is one of the many faulty parts of the Bill. Unless something can be done to overcome that difficulty and make the provision more general, the Bill will break down under its own weight. Immediately the price is fixed at a higher rate for the metropolis than for the country districts, Melbourne will be flooded with milk. In concluding his speech the Honorary Minister (Mr. Williams) made a remark on which I intended to raise a point of order. He said that he was humane, and that was more than some honorable members of this House were.

THE HON. R. WILLIAMS.—I did not say that other honorable members were not humane. I said that I, at least, was humane.

THE HON. A. E. CHANDLER.—No, the honorable gentleman went further, as I indicated. I think that members of this House are as kind-hearted as the Honorary Minister, and desire to do the fair

thing. I hope that they will have a kindly feeling for a body of men who are doing their utmost to obtain a livelihood in one of our primary industries. During recent years those producers have faced adversity year in and year out, and some action must be taken by the Government and Parliament to give them a better deal. They are carrying on an important work in supplying this great metropolis with milk. I consider that every honorable member who desires to see the dairy-farmers receive a fair return for their labour should vote for the second reading of this Bill and endeavour to make the measure workable when it is in Committee.

THE HON. E. L. KIERNAN.—By leave, I desire to refer to some allegations which were made by Mr. Smith.

THE PRESIDENT (Sir Frank Clarke).—I do not think that the honorable member can make a speech on the Bill at this stage, because he has already spoken on this motion. He may make a personal explanation. Does he desire to do that?

THE HON. E. L. KIERNAN.—No.

THE PRESIDENT.—The honorable member should reply when the Bill is in Committee to the statements to which he takes objection.

THE HON. E. L. KIERNAN.—It may be too late then for the press to take note of my explanation.

THE PRESIDENT.—The honorable gentleman may make only a personal explanation at this stage. Any other explanation he desires to make may be made when the Bill is in Committee.

THE HON. R. H. S. ABBOTT.—I think that seldom in the history of this Chamber have we had such an animated debate as we have had to-night. In my opinion, the Government is entitled to a great deal of credit for having tackled this intricate subject in the interests of the primary producers. It is my view that the Government is realizing that our economic system is so artificial with its high tariffs, arbitration court awards, and union control of industry that the primary producer who is looking to the overseas market for the profitable realization of his products is in a most difficult and unfortunate position. Everything that he requires for his own

use and for conducting his industry is affected by the manner in which factory production is carried on. The producers look with envy and a certain amount of alarm at the continued drift of the population from the country to the big city of Melbourne, owing to the infinitely superior conditions that labour is offered in the city. I feel that if, by a measure such as that which we are considering, it is at all possible to make the great population of Melbourne realize that they are receiving benefits which are operating to some extent to the disadvantage of primary producers, a considerable service will have been done. I cannot see that the return to the producers of milk can be increased without raising the price of the commodity to the consumers.

The Hon. G. M. DAVIS.—That is where the Board will come in. The declared price!

The Hon. R. H. S. ABBOTT.—The Board will fix the price at which the milk shall be bought. Although I think that the price to the consumer must be increased, I have not the slightest concern in that respect. The Bill applies only to milk supplied to the metropolitan area, and the district which I represent is not interested in that. The producers are, however, very interested in producing butter for export, under conditions which are becoming more and more difficult. We are faced with a serious state of affairs when we find that year by year fewer cows are being milked, less butter produced, and less exported. The reason is that, because of the difficulties met with in the industry, the producers are abandoning it if they find that course at all possible. The old proverb, "It is no use crying over spilt milk," is applicable in connexion with this Bill. If the measure can accomplish anything at all to improve the position of milk producers, then the Government will achieve a very desirable end. The producers feel that it is absolutely necessary—and it is certainly absolutely fair—that they should receive for their products a price that is conformable to the payment made to workers in other industries. I join with most honorable members in expressing the fear that price-fixing will be disastrous. It is certainly likely to be more detrimental than beneficial in all industries. I have a lively remembrance that during the war time primary producers had the greatest reason

to regret that prices were fixed for wheat and meat. I remember the time when the Peacock Government fixed the price of wheat, and by statute compelled the growers to sell to the millers at what was not a high price. A short time after the law began to operate, a wheat-grower in the northern district was compelled to sell some thousands of bags to a miller. Within three or four weeks the Government allowed the price of wheat to be raised about 2s. a bushel, and the miller obtained the benefit of the higher price. Price-fixing for primary products is a most difficult question. So far as butter is concerned, it has been explained that the Paterson scheme has increased the return to the producers. Large factories dealing with butter were able to form an association, and provide themselves with a fund. There was a bonus for export butter, and the price to consumers in Australia was raised. Consequently, there was a fair surplus to divide among the producers at the end of the year. The Paterson scheme is credited with having paid to the producers something like £1,500,000 in respect of last year's production. Mr. Smith has certainly enlightened the House on a great many aspects of the dairying industry, and the advantages and disadvantages of new and old methods respectively. But I think that he is in the same category as the boy from Melbourne who spent a holiday in the country for the first time. When he returned home, he said to his mother at the breakfast table, "You are drinking that milk. I am surprised. If you saw the dirty cow it was squeezed out of you would never drink it." I think that is the experience which has been the lot of Mr. Smith in his endeavours to ascertain what are the conditions of the dairying industry in and around the metropolis. Like other honorable members, I have received many letters on this subject, including the following from the Tongala District Herd Testing Association:—

The Hon. Mr. Abbott, M.L.C.,
Melbourne.

Sir,—We desire to inform you of the following resolution, which was unanimously carried at a committee meeting of this association held to-day:—

"That this association whole-heartedly support the Milk Bill in its entirety, and that our secretary convey this resolution to the Members of the Legislative Council, Mr. Tuckett and Mr. Abbott, and request that they give their full support to the measure."

That organization holds the same view as I do, that any attempt to improve the position of the dairying industry is well worth making. An amendment which was inserted in the Bill at the instance of the Leader of the Country Progressive party in another place helped to improve it. That was the insertion of the following sub-clause in clause 5:—

(2) The Board shall, before reporting as aforesaid what should be the minimum rate payable to owners of dairy farms, take into consideration the cost of production of milk on an average dairy farm; and such cost of production shall provide for the basic wage for those engaged in the industry, and shall also provide for interest at the rate of 6 per centum on the capital invested.

The Country Progressive party is an energetic and up-to-date branch of the Country party. It has given its imprimatur to this Bill, and has had, as I have said, a very desirable provision included in it. Country producers are entitled to a basic wage, and also to interest on capital invested. I fear, however, that if this Bill becomes law the Government will be in the position in which a great dramatist put one of his characters when he makes her say, "The attempt, and not the deed, confounds us." I am afraid that even if this Bill is passed into law it will be in much the same position as a measure passed by a previous Labour Government in dealing with the supply of milk. Honorable members will recollect that that Act permits municipalities to enter into the sale and distribution of milk throughout the metropolitan area. It includes many drastic provisions which are also in this Bill, but no attempt has ever been made to take advantage of them. I am afraid that this Bill will also be in the nature of a delusion and a snare, and will never be effectively put into operation.

The House divided on the question "That the Bill be now read a second time" (Sir Frank Clarke in the chair)—

Ayes	...	..	...	10
Noes	...	...	...	15
				—
Majority	against	the		
	second	reading	...	5

AYES.

Mr. Abbott	|	Mr. McGregor
" Beckett		" Williams.
" Brawn		
" Chandler		Tellers:
" Disney		Mr. Angliss
" Kiernan		" Tyner.

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NOES.

Mr. Bell		Mr. Richardson
" Cohen		" Saltau
" Crockett		" Tuckett
" Davis		" White
" Edgar		" Zwar.
" Goudie	|	Tellers:
Dr. Harris	|	Mr. Beggs.
Mr. Hitchcock	|	" Smith.

ADJOURNMENT.

MILK BOARD BILL: ALLEGATIONS AGAINST MR. T. HOULIHAN.

The Hon. W. J. BECKETT (Minister of Forests).—I move—

That the House do now adjourn.

The Hon. E. L. KIERNAN.—I wish briefly to refer to allegations made by Mr. Smith during the discussion on the Milk Board Bill that has just been defeated on the motion for the second reading. The statements of which I complain reflected seriously on Mr. T. Houlihan, who desires that I should let the House know that he absolutely denies that there is any truth in the allegations. The allegations were made, I understand, by a Mr. White, a letter from whom was read by Mr. Smith. I have before me a letter from Mr. White to Mr. Houlihan, in which the following appears:—

Discontinue sending milk after Tuesday next.

There is no reference in the letter to any shortage. I may say that although Mr. Houlihan could do nothing in regard to the charges made publicly by Mr. Smith, he is obtaining legal advice as to what action he can take against Mr. White.

The Hon. H. H. SMITH.—All I have to say in reply to Mr. Kiernan is, that I would not willingly do any man an injustice. I have two letters alleging victimization. If the statements that I made had not been put in writing, and the writers had not stated that they were prepared to make statutory declarations, I should never have made the statements that I did in the House.

The motion was agreed to.

The House adjourned at 10.50 p.m.

LEGISLATIVE ASSEMBLY.

Tuesday, October 11, 1927.

The **SPEAKER** (the **Hon. O. R. Snowball**) took the chair at 4.43 p.m.

BURWOOD SANITARY DEPOT.

Lieut.-Col. KNOX (*Upper Yarra*) asked **Mr. Cain** (Honorary Minister), for the Minister of Public Health—

If, in view of the unsatisfactory attitude of the Melbourne and Metropolitan Board of Works, disclosed in their statement in reply to my question in this House respecting a date for the closing of the Burwood sanitary depot, he will take immediate steps to have the said depot closed, in accordance with the provisions of section 7 of the Health Act 1926?

Mr. CAIN (Honorary Minister).—The answer is Yes. Under the provisions of section 7 of the Health Act 1926 an early opportunity will be taken to get the Burwood sanitary depot closed. I have a report which is from a medical officer who visited the site yesterday, and I shall make it available to the honorable member.

**MELBOURNE AND
METROPOLITAN BOARD OF
WORKS.**

WAGES AND CONDITIONS OF EMPLOYEES.

Mr. WEBBER (Honorary Minister), in compliance with an order of the House (dated September 27, 1927), presented a return relating to the remuneration and conditions of the employees of the Melbourne and Metropolitan Board of Works.

**CASTERTON TO NANGEELA
RAILWAY CONSTRUCTION BILL.**

Mr. TUNNECLIFFE (Minister of Railways) moved for leave to bring in a Bill to authorize the construction by the State of a line of railway from Casterton to Nangeela.

The motion was agreed to.

The Bill was brought in and read a first time.

POISONS BILL.

Mr. PRENDERGAST (Chief Secretary).—I move—

That this Bill be now read a second time.

Before I explain the Bill I desire to place on record my thanks to the Minister of

Public Health for the vast amount of information which he has supplied to assist me in explaining this measure. The Bill consists of 45 clauses and it is divided into four parts. The first part which comprises clauses 3 to 13 deals with the control of sale and use of cyanide of potassium. The second part, which embraces clauses 14 to 21, relates to the control of the sale of methylated spirit. The third part comprises clauses 22 to 29, and refers to certain narcotic and other substances and preparations, and the fourth part contains a number of general provisions. The Bill therefore deals with various matters of public importance and also introduces a new principle in regard to poisons which require to be used with caution, but to which all the restrictions of the Poisons Act need not be applied. Part I. places further restrictions on the purchase, sale, use and possession of cyanide of potassium. Under the present Poisons Acts there are so many exemptions that this dangerous poison can be obtained without any difficulty. Whilst chemists and licensed dealers in poison are required to enter sales in the poisons book and observe other precautions, there are no regulations governing use by the purchaser. This is a serious defect. The free sale of cyanide of potassium for mining purposes also renders the restrictive sections of the Act of little practical value. The problems arising from the unrestricted use of the poison have been the subject of consideration by various Departments and Governments for some years past. The damage caused not only to native game but also to live stock in country districts through the use of this poison has increased greatly during the last few years. The high value of opossum skins has resulted in increased illegal poisoning. By the use of fast motor cars the poisoners have been able to get out of a district before complaints reached the police. In 1922 a complaint was received from Youanmite regarding the placing of poisoned baits in school grounds. In the same year, **Mr. Rogers**, P.M., at Numurkah, referred to the serious danger to stock of poisoned baits. In 1923 a deputation from the Victorian Farmers Union, led by the ex-Premier, the honorable member for Rodney, urged that action to restrict the sale of cyanide of potassium should be taken. Several of the speakers complained of the loss of cattle because of the placing of this poison

on the land. One speaker stated that he had lost four ewes and five lambs from this clause. Mr. A. A. Billson, in submitting a question in this House in that year, also urged restriction of the sale of cyanide of potassium. Reports in the press in 1925 showed that the following losses of live stock in various districts occurred from cyanide poisoning:—

Craigieburn.—Several cows and two valuable draught horses poisoned by baits.

Kilmore.—A number of fat bullocks.

Cohuna.—Five cows and four pigs.

Seymour.—Landholders throughout the district are losing a large number of horses, sheep and cattle. One lost a fat bullock and 30 sheep; another lost a large number of sheep and some valuable horses.

In 1925, Mr. W. L. R. Clarke, after submitting a question in the Legislative Council, urged the Government to take action to stop the use of cyanide of potassium. Later, the Game Act was amended, making imprisonment the penalty for the poisoning of native game by cyanide of potassium. Although this law has been actively administered, it has proved insufficient, and nothing less than the control of the sale and use of this poison will meet the situation. Ample provision is made in the Bill to allow the use of the poison for legitimate mining or trade purposes, but it is necessary for the protection of the stock-owner in the country, and for the saving of our native game, that everything shall be done to put down illegal traffic. It will be seen that the loss of valuable stock has been severe and the damage to native game substantial. The police and the Fisheries and Game Department have been greatly handicapped in their efforts to detect these illicit poisoners who use fast motor cars and are in and out of a district before their activities are reported. The Pharmacy Board has at present no power beyond insisting upon a record of sales being kept by the vendor, but the purchaser of the poison is free from supervision. With so many loopholes in the present law its penal provisions are of little value, and this Bill has been drafted to remedy the existing weaknesses. I shall now explain the main clauses. Clause 5 provides that only persons at present authorized as vendors of poison or persons who obtain licences provided for in this Bill may sell cyanide, and that persons requiring it for mining or trade purposes must obtain permits to purchase. Under clause 6 wholesale dealers in poison are prohibited from selling cyanide except to authorized

sellers. Under the provisions of the Bill, vermin killers containing cyanide can only be legally sold retail by authorized sellers. Grocers may not sell cyanide. They have not this right at present except in the case of vermin killers containing cyanide. In practice, any grocer holding a 10s. licence to sell phenyle, ammonia, &c., sells any vermin killer containing cyanide. Clause 7 follows the Queensland law, and requires the purchaser to obtain a permit from the police or some other prescribed person that he is a fit and proper person to be permitted to purchase cyanide. This provision is considered by the Pharmacy Board to be essential to proper control. Clause 8 authorizes the issue of licences to sell and permits to purchase cyanide as required by paragraph (d) of sub-clause (1) of clause 5, and clause 9 fixes the penalty for contravention of the Act or its regulations. Clause 10 gives the police or any authorized representative of the Pharmacy Board power to enter premises, inspect books, stocks, &c., or to detain vehicles. A warrant is necessary before premises can be searched. The penalty provided for obstruction is to be not more than £20. Clause 11 is an important provision. It provides a penalty of imprisonment for not more than twelve months for any person who kills any animal or lays any bait with intent to kill by cyanide of potassium. The penalty of imprisonment is deliberately provided, as past experience under the Game Act has proved that where skins are valuable the profit therefrom exceeds the penalty of the fine which is thus no deterrent. Clause 12 makes special provision requiring that calcium cyanide shall be hermetically sealed when in course of delivery or transport, and shall be kept securely locked up. This provision is inserted on the recommendation of the Health Department, as the poison is more dangerous than dynamite. If liberated in a house or railway carriage, contact with the air produces a deadly poison. Poison gas is often constituted of cyanide as a base. Clause 13 gives the power to make the regulations required to carry the Act into operation in detail. The Minister of Mines must approve any regulations dealing with cyanide to be used for mining purposes. Part 2, dealing with methylated spirit, is intended to minimize the evil of the illicit use of this spirit. For several years past

the Melbourne City Council, police, social workers, and others have been urging the enactment of legislation to place obstacles in the way of persons drinking methylated spirit. Endeavours were made to discover some methylating substance which, when added to spirit, would either cause persons drinking it to have nausea or would render the spirit so highly poisonous that life would be endangered. None of these efforts has been successful, being either too costly or ineffective. Pyridine is used at present as a methylating substance and it is a poison, but unless taken in large quantities it does not cause death. In 1916 the police drew attention to the prevalence of drinking of methylated spirit, particularly during Sundays when other intoxicating drink was not available. A proposal was made that this spirit should be added to the fourth schedule of the Poisons Act 1915. This would have meant that only medical practitioners, chemists and persons licensed by the Pharmacy Board could sell it, and special provision would have to be made as to bottling, labelling, &c. Certain legal difficulties arose as it was found that, even if this latter course were adopted, the power to make regulations to control its sale and the hours of sale was not adequate. In 1923, the Melbourne City Council and the Chief Commissioner of Police directed attention to the growth of the practice of drinking this spirit amongst habitual drunkards and others of both sexes. Further police reports were made in 1924. During that year several cases came before the courts, and a number of comments appeared in the press. In the *Sun* of the 26th of July, 1924, a case at the Prahran Court was reported. On the 28th and 29th of July it was urged by the *Argus* that legislation should be enacted as suggested by the Pharmaceutical Society. The *Herald* of 29th of July also urged this course. On the 10th of July that newspaper reported that methylated spirit addicts were receiving daily treatment at the Melbourne Hospital. In the *Age* of the 11th of July, Mr. Love, secretary of the Charities Board, was reported to have stated that many of the inmates of the benevolent asylums were addicts of this revolting habit. On the 9th of August that newspaper reported a case of a methylated spirit drinker having made a violent assault on his wife whilst under the influence of the spirit. It re-

Mr. Prendergast.

ported on the 7th of October the case of a woman habitually drunk through this cause. In the *Age* of the 21st of August appeared the report of the Coroner's inquiry into the death of a woman through alcoholic coma and methylated spirit poisoning. On the 17th of November the *Argus*, *Herald*, and *Sun* reported Mr. Wade, P.M., as having urged the restriction of the sale of this spirit when he dealt with the cases of a number of men and women suffering from the effects of drinking methylated spirit. In the *Herald* of the 12th of August appeared an appeal by a member of the Salvation Army of Collingwood that control should be exercised over the sale of this spirit. Methylated spirit drinkers generally mix the spirit with aerated waters. Supplies of the spirit are obtained from many doubtful and uncontrolled sources after the hotels have closed. The clauses are self-explanatory and will be dealt with in detail when the Bill is in Committee. Sales by wholesale and in quantities exceeding one quart are exempted, and clause 21 gives power to make the necessary regulations. By bringing methylated spirit under the Poisons Act the following provisions will apply to its sale. It can only be sold by persons holding licences or authorities. Doctors, chemists, storekeepers, grocers, and ironmongers holding licences to sell phenyle, ammonia, spirit of salts, &c., may sell without any further licence or payment of any additional fees. The container must be labelled "Poison" together with the name and address of the seller. Special bottles or tins as prescribed by present regulations must be used. Part III., which deals with narcotic drugs, is very important. Victoria is bound by the League of Nations opium convention to deal with the sale and distribution of narcotic drugs. The Poisons Act 1920 and the Dangerous Drugs Regulations made under that Act provide the necessary machinery for regulating the sale of these habit-forming drugs. New resolutions have comparatively recently been agreed upon by the International Opium Convention in 1925, and the Imperial Parliament recently amended the original Dangerous Drugs Act. These altered definitions and additional requirements have been included in the present Bill, which will bring Victorian legislation into line with similar laws in operation elsewhere, and make it

in keeping with the resolutions of the Convention. Many of the clauses are technical, but the main motive is the adoption of those resolutions. Clause 23 adopts the new definitions of the 1925 Convention. Clause 24 is somewhat similar and provides, for the first time, for the control of Indian hemp. Sub-clause (6) alters the principal Act by authorizing the Pharmacy Board to issue permits to stock these poisons. These permits were previously issued by the Governor in Council, and this involved a round-about method, as they are, in practice, issued to and required by pharmaceutical chemists only. The Board is already empowered by Act of Parliament to issue far more important licences, and this amendment is made for the purpose of avoiding circumlocution. Clauses 26 and 27 adopt the provisions of recent British legislation. The State is in duty bound to keep its legislation dealing with narcotic drugs up to date, and the Bill has that objective. Every possible obstacle that experience finds necessary should be placed in the way of the drug traffic. Part IV. consists, as I have mentioned, of general amendments. They represent general improvements of the existing law, found to be necessary by experience. Clause 29 extends the definition of the term "sale" for the purposes of the Act, making it an offence to expose or offer for sale any poison. Clause 30 is purely technical, and is adapted from the British Dangerous Drugs Act 1925. Clause 31 takes arsenical fly-papers out of the exemption clause. This has been strongly recommended by Dr. Robertson, of the Health Department. Arsenic is a very dangerous poison, and is specially dealt with in Great Britain by an arsenic Act. The poison must be adequately controlled. Clause 32 is purely technical, defining and standardizing analysis, and follows recent English law. Clause 33 introduces a new principle in the Victorian poisons law to deal with substances that, while poisonous and requiring cautious handling, do not require that all the restrictions applicable to more dangerous poisons should be applied to them. Clause 34 contains a re-arrangement of section 7 of the principal Act as to dealers' cupboards, wrappers, &c., to bring the law into conformity with the present Bill. Clause 35 gives the Board power to require that antidotes of poisons be printed on the bottles. That seems to

me to be a very wise provision. Clause 36, adapted from the recent British Act, contains provisions which hitherto have not been included in our Acts. These provisions prescribe certain requirements to be complied with in cases where medical men, dentists, and veterinary surgeons order poison for use in their professions. It prescribes the procedure to be followed, and is a very necessary addition. Clause 37 deals with the sale of medicines for internal use. After considerable trouble the Board secured the general use of what are known as regulation poison bottles as containers of certain poisons—particularly phenyle. Now it is found that some manufacturers are using similarly-shaped bottles as containers for medicines for internal use. As the practice may lead to serious accident, it should be immediately stopped, and this clause is designed for the purpose. Clause 38 makes it an offence for persons to leave poisonous substances about unlabelled. The provision already exists in respect of poisons under Part I. of the principal Act. Clause 39 is mostly consequential upon previous clauses. Clause 40 refers to the issue of search warrants for dangerous drugs. It is adopted from the British Act. Clause 41 rectifies an accidental omission in the Poisons Act 1925 referring to opium, pipes, and other smoking accessories. Clauses 42 to 45 are machinery clauses and provide, among other things, for the revocation of any regulation by the Governor in Council. This is a very important Bill, and I do not propose to trouble the House any more with it just now. The present Government does not take all the credit to itself in respect of the measure, because it is, to a great extent, a legacy from former Chief Secretaries. The honorable member for Toorak will, no doubt, have a lively recollection of the trouble that he had in formulating some of the amendments which are proposed in the Bill. I desire to grant a reasonable adjournment of the debate, but I really think, in view of the attitude adopted by another place in regard to the Bill, that it can be passed here with very little trouble.

Dr. ARGYLE (Toorak).—I move—

That the debate be now adjourned.

I quite agree with the Minister that the Bill has been very much needed for some time. With the passing of time and the growth of our knowledge concerning its

operation and effect, I think that it will have to be brought before this House for amendment. I came into contact with the first amendment of the principal Act in 1920, when I first entered this House, and there have been two amendments since. As the Minister says that he has no objection to a reasonable adjournment, I suggest that the debate be adjourned for a week, to enable me to place copies of the measure before the responsible people and others who are interested, so that I may get their opinion.

Mr. PRENDERGAST.—The Government will facilitate any desire that you have.

The motion for the adjournment of the debate was agreed to, and the debate was adjourned until Tuesday, October 18.

CASTERTON TO NANGEELA RAILWAY CONSTRUCTION BILL.

Mr. TUNNECLIFFE (Minister of Railways) presented a message from His Excellency the Governor, recommending that an appropriation be made from the Consolidated Revenue for the purposes of the Bill "to authorize the construction by the State of a line of railway from Casterton to Nangeela."

A resolution in accordance with the recommendation was passed in Committee and adopted by the House.

DEBATE ON THE BUDGET.

The House having gone into Committee of Supply, the debate on the Budget, submitted by Mr. Hogan (Treasurer), on September 20, was proceeded with.

Sir WILLIAM McPHERSON (*Hawthorn*).—A few minutes before I entered the House, the Premier very courteously presented me with a copy of the financial agreement which has been arrived at between the Commonwealth and the State Governments. I would suggest that before we proceed with the debate on the Budget it would be advisable, not only from his point of view, but in fairness to the House, for him to explain the agreement, because—as he told us in his Budget speech—the two matters are interwoven. If the honorable gentleman will accept my suggestion, a great deal of time and discussion will, in my opinion, be saved.

Mr. HOGAN.—I explained the agreement in my Budget speech.

Sir WILLIAM McPHERSON.—Not the agreement!

Mr. HOGAN.—Yes. Actually the agreement.

Sir WILLIAM McPHERSON.—Does the honorable gentleman mean to say that the agreement is completely explained in the Budget speech?

Mr. HOGAN.—I condensed it a little. There were several pages devoted to it.

Sir WILLIAM McPHERSON.—I suggest that the honorable gentleman should delay the debate on the Budget until tomorrow, and in the meantime give us the explanation of the agreement.

Mr. HOGAN.—The first three pages of the Budget speech explain the financial agreement. I did the best I possibly could to explain it in the Budget, and the only part that is not explained there is the constitutional alterations which will be involved.

Mr. WETTENHALL.—That is the most serious part.

Sir WILLIAM McPHERSON.—At what stage does the Treasurer intend to explain the agreement?

Mr. HOGAN.—When I introduce the Bill for its ratification.

Sir WILLIAM McPHERSON.—When will that be?

Mr. HOGAN.—As soon as the Parliamentary Draftsman can have it ready for us.

Sir WILLIAM McPHERSON.—As I feel that it is an integral part of the Budget, I think that the honorable gentleman should do as I suggest.

Mr. HOGAN (Treasurer).—By leave, I should like to say that the only part of the agreement which has not been made as clear as it is possible to make it in the Budget speech is the alterations to the Constitution—alterations which will be necessary in order to make the financial agreement effective. Those alterations do not affect our Budget; they affect the Constitutions of the Commonwealth and of the States. They do not affect the finances which are dealt with in the Budget itself.

Mr. ALLAN.—Supposing that we agree to the Budget and reject the agreement?

Mr. HOGAN.—Honorable members will not be asked to do that. All that they are asked to deal with in the Budget is the finances for the year. I anticipate that several honorable members desire to discuss the financial proposals for the year, and I expect that there is considerable scope for debate.

Sir WILLIAM McPHERSON.—There is no doubt about that.

Mr. HOGAN.—After honorable members have spoken to the first item of the Estimates, I propose to introduce a Bill for the ratification of the financial agreement. I have expedited the financial agreement as much as it was possible to do. To-day, we have worked at an accelerated pace, with the result that I have been able to give an advance copy of the financial agreement to the Leader of the Opposition, and within an hour I hope to be able to distribute copies among honorable members generally. The Government Printer has the work in hand now. As far as the financial agreement itself, and its application to the finances of Victoria, are concerned, I have already explained the position in my Budget speech. A Bill for the ratification of the financial agreement will be necessary. The Parliamentary draftsmen are preparing the Bill. As soon as it is ready I will submit it to the House. The Leader of the Opposition can, therefore, speak without prejudice on the matter. I think that he ought to proceed with his speech this afternoon. In fact, I think it would be rather unfair to further postpone the debate. I have done everything possible to expedite the production of the financial agreement.

Sir WILLIAM McPHERSON (*Hawthorn*).—In view of the fact that the Treasurer has promised the House that the first item of the Estimates will not be finally dealt with until such time as the financial agreement has been considered by honorable members, I take it that I have no option but to go on with my speech. At the same time I feel that a waste of time may be involved if, as the honorable member for Rodney has suggested, we proceed with the debate on the Budget, and then when we come to the financial agreement, find that honorable members are not prepared to ratify the agreement.

Mr. HOGAN.—The Government must accept the responsibility for that.

Sir WILLIAM McPHERSON. — I have no intention of dealing with the financial agreement at this stage, but there are one or two things I should like to say in passing. I entirely disagree with the view taken in the agreement that this State is going to benefit when there is one borrower in London for all the States and the Commonwealth. I have had some experience of financial arrangements in

London, and I discussed this very aspect of the matter with financial men when I was there in 1919. It was then pointed out by financial experts that we, as a State, would not benefit by allying ourselves with other States whose credit might not be as good as our own. It stands to reason that that is the case. If one authority is going to borrow in London or in New York for Australia as a whole, large sums of money will be involved. There will be more difficulty in borrowing, say, £20,000,000 or £50,000,000, in that way than is experienced by this State in borrowing, say, £3,000,000 or £4,000,000. Sir George Fairbairn, who came out recently, after occupying the office of Agent-General, made the statement, in the Melbourne Town Hall, that when he left London Victorian stock was 10s. higher than any other Australian stock, including the Commonwealth stock. Our Victorian stock has always been in favour in London. That is one point in which I do not agree with the financial agreement.

Sir ALEXANDER PEACOCK.—You mean making the arrangement permanent?

Sir WILLIAM McPHERSON.—That is so. Then in regard to the Australian Loan Council, it seems to me that we, as a State, are to hand over some of our sovereign rights. I cannot see how the State can hand over to any body that may be set up its rights in this matter, and at the same time retain the power to deal with its own finances. As far as the transferred properties are concerned, the Commonwealth Government want to make out that they are very liberal in allowing 5 per cent. interest.

Dr. ARGYLE.—It took them a long time to make up their minds.

Sir WILLIAM McPHERSON.—They should have made up their minds many years ago. Properties that were taken over 25 or 26 years ago have greatly improved in value. To-day they would fetch double the price that the States have been credited with, so there is not much to compliment the Government upon there.

Mr. HOGAN.—Still, we were a long time getting the matter fixed up.

Sir WILLIAM McPHERSON.—We were. We all realize the great value of the recent rains and the effect they will have on our finances. When I was at the Treasury I used to say that an inch of rain in the country was more important

in its effect on the finances of the State than any puny efforts I could put forth.

Mr. FROST.—The recent rains were not general.

Mr. DUNSTAN.—Rain has fallen in patches here and there. Three-fourths of the wheat-growing areas have missed the rain entirely.

Sir WILLIAM McPHERSON.—I was about to congratulate the Treasurer upon the general rainfall. He told us the other week that he hoped Providence would be kind to him, and send the rain that was needed. I think Providence has been kind to him. Scripture tells us that the Lord "sendeth rain on the just and on the unjust." We, the Opposition, regard ourselves as the just. We had good rain-falls during many seasons, and now the other side are, I take it, entitled to a little consideration. Again, to quote scripture—

Oh! . . . that mine adversary had written a book.

My political adversary, the Treasurer, has written two books—his policy speech, and his speech on the Budget as recorded in *Hansard*. I propose to quote copiously from those utterances. In criticizing the Budget, I shall not follow the example set by the honorable gentleman when he was Leader of the Opposition. I shall not use harsh terms about the Government. I shall not, as did the honorable gentleman, talk about "the Pecksniffian hypocrisy of the Government," the "pawn-shop methods" of a "pawn-shop Government," or the "boom, borrow and burst policy of the Government." Those are some of the phrases that were used by the Treasurer when he was Leader of the Opposition. He also said that he must replace crooked finance with straight finance. Before I have concluded my remarks, I hope to show to whom these epithets can more justly be applied. The Treasurer has stated in public, on more than one occasion, that the State is financially in a bad way, that he has an empty Treasury, and, practically, that we are on the high way to financial disaster. The Government, he has stated, proposes to pull the State out of its financial difficulties by the exercise of the strictest economy. He adds "And we must have efficiency." If the financial agreement is approved, there will be a saving, we are told, of some £550,000 in connexion with the sinking fund. Revenue, he expects to expand to the extent of £180,000. He proposes to put on new

taxes to bring in £370,000. In all, he expects to have over £1,000,000 more revenue than the last Government had. Yet he tells us that he expects to do little more than balance the ledger. That is to say, he has budgeted for a small surplus. He is doing a little in the spending line himself. As a matter of fact, there has been a great increase of expenditure. Where is the economy that he has talked so much about? One of the phrases he has used is—

We must jettison extravagance, and exercise economy.

Mr. GROVES.—Twopence a mile saved on motor cars!

Sir WILLIAM McPHERSON. — I was going to refer to that. The Government, we are told, has effected economies in the administration of Departments to the extent of some thousands of pounds. But, said the Treasurer, the tendency of all Government Departments is to increase expenditure by leaps and bounds, and economies can only be carried out with difficulty, as obstacles are met in every quarter. I cannot help feeling that the Treasurer is experiencing difficulties that previous Treasurers have had to contend with. He is beginning to find out that it is not easy to make savings.

Mr. HOGAN.—Does not the Leader of the Opposition endorse my attitude?

Sir WILLIAM McPHERSON.—Yes. I am glad that the honorable gentleman now has the trouble to face. This is what he tells us about the economies he has effected.

A sub-committee investigated the motor hire expenditure of every Department, every other item of expenditure has been carefully scrutinized, and considerable savings will result.

We should have been much better informed, and possibly much better pleased, had the Treasurer stated in what way savings were to be made. A general statement like that in the Budget really means nothing. The Treasurer should have particularized. He should have presented a schedule showing savings that were being made in this direction, and in that. That would have been much more satisfactory. I noticed a newspaper statement the other day to the effect that railway officers in receipt of more than £600 a year are not to receive increments that are due to them. I do not think it fair to practise economy and retrenchment at the expense of one section of the State's employees. If there is to be retrenchment, it should apply all

round. Why should men in receipt of a salary of £600 a year or more have increments that they are entitled to stopped, whilst men getting £400 a year are to have their increments as usual? In the Chief Secretary's Department there are at least three officers getting £700 a year, to whom increments are due, and who will receive their increments. If we wish to retain the respect of the Public Service and of the public generally, we must act justly in these matters. It is not right to try to economize in one Department at the expense of others. The Treasurer has told us that a further £690,000 will have to be made up by taxation if the financial agreement is not accepted. That, in addition to the amount proposed to be collected in new taxation, will mean over £1,000,000. As I have said, I can see no evidence of real economy. There is an increase of expenditure in every Department. If honorable members have the Budget before them, and turn to page 12, they will notice that in practically every Department—the Chief Secretary's Department, the Labour Department, the Education Department, the Law Department, the Public Works Department, the Forests Department, the Water Supply Department, the Department of Agriculture, the Health Department, and the Railway Construction Branch—there is an increase of expenditure. The amount set down by the Treasurer is lower than last year. That is due to the fact that £160,000 had to be paid for some special reason.

Mr. HOGAN.—Guarantees to the banks in connexion with the meat freezing works.

Sir WILLIAM McPHERSON.—With that exception, there are increases involving £450,000, or nearly half a million pounds. I think that one feels justified in asking where is the sign of the economy of which the Treasurer spoke in his Budget?

Mr. HOGAN.—The honorable member knows the answer.

Sir WILLIAM McPHERSON.—I do not know how the Treasurer can talk of economy when the expenditure has increased by £450,000. He also said that there were to be no increases in the number of public servants. If the honorable gentleman will turn to page 44 of the papers which were distributed with the Budget for the information of honorable

members, he will find a tabulated report from the Public Service Commissioner, and will see that there is an increase in the number of employees in every Department. I do not want to do an injustice to the Treasurer, because when he made his statement in the House he said he excepted the Education Department, which was short of teachers. The table on page 44 of those papers shows that there is a proposed increase for the year of 497 public servants, at an extra cost of £268,000.

AN HONORABLE MEMBER.—The decrease is in the Police Force.

Sir WILLIAM McPHERSON.—The Police Force is not mentioned. The Government is keeping quiet about it at the present time.

Mr. FROST.—Most of the increase is in the teaching staff.

Sir WILLIAM McPHERSON.—We should have expected the Premier to economize in his own office, but on page 31 of the Estimates we find that the staff is to be increased at a cost of another £1,200. The total increase in the expenditure for the Premier's Office is £3,100. There is an item "Contingencies," but it is not explained.

Mr. HOGAN.—An explanation of that is that the Government motor cars and drivers have been taken over by the Premier's Office. They were previously in another Department.

Sir WILLIAM McPHERSON.—The honorable gentleman will recall that the Minister of Public Works has expressed the opinion that there is a great over-staffing of the Public Service. I think that the expression he used was that "the Service was bleeding at every pore," or something to that effect. We see no word in the Budget as to what is to be done with Mr. Wallace Ross's report. The previous Government engaged Mr. Ross, who is an expert accountant, to go through the Departments, and he made very many valuable suggestions. So far as the Budget is concerned, nothing is said in regard to economies at all. One of the greatest economies that could be effected in the Government Departments would result if the public offices were remodelled. Many of the offices are like a lot of dog-boxes. There should be one large room, as there

is in up-to-date offices, like the Commonwealth Bank in Sydney and in Melbourne. In such a room the staff would be under the eye of the head of the Department. I believe that if that system were adopted a great saving would be effected, and it would be beneficial to the public servants themselves. Mr. Wallace Ross drew attention to the fact that at least some public officers were not 20 per cent. efficient. I do not know how the Government will deal with them, but if they are only one-fifth efficient, that means that the services of some of them who are getting £300 per year are really being paid for at the rate of £1,500 per year. Something should be done in that connexion.

Mr. FROSR.—Are not a number returned soldiers?

Sir WILLIAM MCPHERSON.—Perhaps they may be. I think it would be better for the Government to pension the men. I am led to understand that the Public Service is demoralized because there are officers who are only doing one-fifth of the work that other men on the same salary are doing. How would any honorable member whose efficiency was 100 per cent. like to work alongside a 20 per cent. man and get the same wage?

Mr. A. HUGHES (*Hampden*).—Are you blaming this Government for that?

Sir WILLIAM MCPHERSON.—Not altogether. The Government is in power, and we want to know what it intends to do. In dealing with the Budget presented by the honorable member for Allandale last year, the Treasurer said that it was faked. One of his reasons for so describing it was that the deficit of the State Electricity Commission and the deficit of the Closer Settlement Board were not taken into account. I said that the two accounts were never taken into the Budget figures.

Dr. ARGYLE.—Nor are they now.

Sir WILLIAM MCPHERSON.—Although the Treasurer waxed eloquently on that subject, we find that he is following the same procedure as the honorable member for Allandale did. The Treasurer has not brought in those two accounts. This is what he said last year:—

The deficits in the State Electricity Commission's accounts and in the Closer Settlement Board's accounts are kept out of the Budget. Why should the annual losses of the State Rivers and Water Supply Commission

be disclosed and the losses of the Closer Settlement Board be omitted from the Budget? I ask the Treasurer to tell us that. Why should the losses of the Railway Department be disclosed and the losses of the State Electricity Commission be omitted from the Budget? There may be hidden deficits in the other Departments, but to the acknowledged deficit of £314,827 there should be added the State Electricity Commission's loss for 1925-26, as shown on page 5 of the Auditor-General's report. That loss is £288,960. . . . Then the losses of the Closer Settlement Board for 1925 . . . amounting to £651,368, are kept out of the Budget.

I ask the Treasurer if he has added the losses on this occasion. He admits in his Budget that the deficit was £641,000, and states that he has been negotiating with the Commonwealth Government to take that over. If he really did what he said last year should be done, then the deficit which he has announced would not have been £641,000, but £641,000 plus £200,000 for the losses of the State Electricity Commission and £301,000 for the arrears incurred on account of closer settlement, but he does not show those sums. My only reason for drawing attention to these things is that I want the public to know that, while the Treasurer roundly denounced the past Government for a certain thing, he is adopting the same methods himself.

Mr. HOGAN.—On page 17 of my Budget speech I gave particulars of the soldier settlement losses.

Sir WILLIAM MCPHERSON.—The soldier settlement losses are not in the Budget figures. The honorable gentleman talked about a surplus of £27,000 for the current financial year, but if he had included those losses there would be a deficit.

Mr. HOGAN.—On page 9 you will find the State Electricity Commission figures.

Sir WILLIAM MCPHERSON.—Similar figures were published in the Budget presented by the honorable member for Allandale last year, and in the Auditor-General's report.

Mr. HOGAN.—The State Electricity Commission has turned the corner. I do not anticipate another deficit for it.

Sir WILLIAM MCPHERSON.—The Treasurer asserted last year that the honorable member for Allandale should have taken those losses into account, but the honorable gentleman has not done that himself. That is undeniable, in my opinion.

Mr. HOGAN.—Will you look at page 9 of my Budget?

Sir WILLIAM McPHERSON.—The Treasurer charged his predecessor with not having added to the deficit the losses of the State Electricity Commission and of the Closer Settlement Board, but the honorable gentleman is not doing that himself.

Mr. HOGAN.—I do not anticipate that we shall have a loss on the operations of the State Electricity Commission this year. I hope to transfer some of the other amount to the Commonwealth Government.

Sir WILLIAM McPHERSON.—The honorable gentleman is basing his Budget on the assumption that the Commonwealth Government will help, or will take over the losses incurred through soldier settlement. All that the Commonwealth Treasurer (Dr. Earle Page) said on soldier settlement when he delivered his Budget was—

At the recent conference of Commonwealth and State Ministers the Government undertook to review the matter of losses when the revaluations were completed. In the meantime, the presentation of the agreement to Parliament for ratification will be deferred.

There is no definite promise that the Commonwealth Government intends to make any allowance to this State in regard to soldier settlement. The Commonwealth Treasurer says the Government will review the matter, and it is too early to say that the soldier settlement matter will be fixed up. I think that the Commonwealth Treasurer said as much as he did so as to induce this House to accept the financial arrangement.

Mr. BAILEY.—The Leader of the Opposition was not at the Premier's Conference. We were there, and heard what the Prime Minister said.

Sir WILLIAM McPHERSON.—I have read to honorable members what the Commonwealth Treasurer told the House of Representatives.

Mr. HOGAN.—There is on record in *Hansard* another document which was agreed to at the Conference, and to which the Commonwealth Government has agreed.

Sir WILLIAM McPHERSON.—The Commonwealth has not agreed to take over the losses on soldier settlement. It has gone as far as to say that it will help, but it has not agreed to take over all the

losses. With all due respect, I say that the statement was put that way because the Commonwealth Government is anxious to get the agreement expedited, and it was not possible to say straight-out that it would give no more assistance. The Treasurer also criticized the financing of the Allan-Peacock Government, which he said used loan money to pay arrears of interest. He was very indignant about that, but he overlooked the fact that we passed a Bill in this House authorizing the use of loan money in that way.

Mr. TUNNECLIFFE.—That does not make it any better—it rather makes it worse.

Sir ALEXANDER PEACOCK.—It showed that Parliament approved of the use of loan money in that way.

Mr. HOGAN.—I think I heard the honorable member for Allandale denying that he used loan money to pay interest. Now we have an Act of Parliament quoted to prove not only that that was done, but the honorable member seems to glory in it.

Sir WILLIAM McPHERSON.—The Act which was passed in 1918 provides that—

The proceeds of the sale of the said stock or of the said debentures shall subject to this Act be issued and applied only for and towards the following purpose namely:—

To recoup the Discharged Soldiers Settlement Fund any amounts due on account of concessions made by or under and by virtue of the authority conferred by the Discharged Soldiers Settlement Acts.

The fact that this payment was made under the authority of an Act of Parliament was not referred to by the honorable gentleman.

Mr. HOGAN.—The Leader of the Opposition is now satisfied that money was used in that way, though on a previous occasion he denied it vehemently.

Sir ALEXANDER PEACOCK.—No member objected to the passing of that Bill.

Mr. HOGAN.—I did. Furthermore, I moved an amendment in this House, and had it carried, but it was thrown out in another place. Take that and smoke it.

Sir WILLIAM McPHERSON.—The honorable gentleman did not say anything about that Act at the time. The honorable gentleman has been in office now for five or six months, and I ask him if he has given instructions to alter the method which was adopted under the authority of that Act. I challenge him

to say that he has given instructions for a different method to be pursued. For the honorable gentleman to talk as he did is not quite honest. He has not altered the practice in one iota. Before he became Treasurer, the honorable gentleman, in criticizing the previous Government, also referred to loan money being spent on unproductive works, and he was really quite angry at that being done. The honorable gentleman said that he wanted to make it quite clear that loan money was being used for certain public works which should not be paid for in that way because they were unproductive, and that if the State wanted to carry out public works which are not productive the money should be found out of revenue. The sum of £500,000 was spent last year in repairing schools, and £397,000 of that was loan money. The honorable gentleman, in criticizing the Budget speech last year, said—

When loan moneys are expended for public purposes which are not able to pay the interest charges, those interest charges either become a charge on the taxpayer, or, under the Peacock policy, other loan moneys are used to pay the arrears of interest, or realizations of capital are used to pay interest charges, as is done by the Closer Settlement Board. This is rotten finance, it is gulling the people of to-day, and it is fraud against our children.

Sir ALEXANDER PEACOCK.—Some members of the then Opposition did not agree with that view if we take their speeches as correctly expressing their ideas.

Mr. HOGAN.—They did agree with what I said then, because it is the policy of the Labour party. I say that the policy of building unproductive works out of loan money is wrong.

Sir WILLIAM McPHERSON.—The honorable gentleman went on to say that—

If the Government had provided money for these works out of revenue, the State would be in a sounder financial position than it is to-day.

Mr. HOGAN.—Hear, hear! I admit every word of that, and I believe it to-day as strongly as I did then.

Sir WILLIAM McPHERSON.—I now wish to read something which the honorable gentleman said in his policy speech delivered at Ballan on the 3rd of March last. The copy I have in my hand has only one drawback—it does not contain a photograph of the honorable gentleman. I had one given me the other day

which does. However, this is what the Treasurer said then in regard to finance—

During the years 1914-15 to 1926-27, £4,000,000 of loan money was expended by Nationalists and composite Governments on unproductive works. If this money was derived from revenue instead of from loans, the lying boast could not be made by the anti-labour financial fakers that Victoria is the lowest taxed State in the Commonwealth.

Mr. HOGAN.—I said that, and I adhere to it.

Sir WILLIAM McPHERSON.—That is pretty good. I will now turn to the loan proposals of the present Government. It might be imagined that no mention would be made in them of unproductive works. We are told, however, that the Government intends to borrow about £8,000,000. It proposes to spend £385,000 on school buildings notwithstanding what the honorable gentleman said about using loan money for non-productive purposes. Then a sum of £20,000 is to be spent on the hospitals for the insane, £20,000 on the Titles Office, and £12,000 on bridges.

Mr. WETTENHALL.—What sort of financing did the honorable gentleman call that?

Sir WILLIAM McPHERSON.—He said it was "rotten" financing. I merely want to say that in talking as he did the honorable gentleman was guilty of gross humbug. The Allan-Peacock Government was quite justified in doing what it did, and when men like the Treasurer denounce what was done, and then propose the same kind of thing, the attention of the public ought to be drawn to the fact. In previous years provision was made for the building of schools out of loan money, and we did that with our eyes open, because of the fact that an arrangement was made to repay the money in about 28 years by a 2 per cent. sinking fund. We also borrowed money to improve our tourist resorts, and provision is made for its repayment by a 10 per cent. sinking fund. If we had not borrowed money to develop our tourist resorts they would not be in the position they are to-day, and a considerable amount of revenue would have been lost. In his policy speech at Ballan the Treasurer also said—

Owing to the expenditure of loan money on unproductive works, the State's capital investments are unable to earn sufficient to meet the interest charges. Last year this shortage was £1,349,000, and was met from realization of capital and loans or was not met at all, but was funded and left for posterity to pay.

The Treasurer proposes to add another £30,000 to this shortage. He does not, however, indicate how he is going to make up that additional shortage. Further items of expenditure out of loan money are £432,000 for the railways, £555,000 for the State Rivers and Water Supply Commission, and £206,000 for the Country Roads Board.

Mr. HOGAN.—You are now referring to last year's figures.

Sir WILLIAM McPHERSON.—The honorable gentleman pointed out that there was a shortage because of money which had been expended not bearing interest to the extent of £1,304,000.

Mr. HOGAN.—That was for the financial year ending the 30th of June, 1926, and the other figures you have just quoted are those for the financial year ending the 30th of June, 1927.

Sir WILLIAM McPHERSON.—The honorable gentleman made no provision for meeting this deficit, and the same position of affairs is going on just the same.

Mr. HOGAN.—It is not going on just the same. We are making provision for it in the Budget I delivered last month.

Sir WILLIAM McPHERSON.—The honorable gentleman referred to the fact that the Allan-Peacock Government had a deficit one year of £314,000, and he complained that no provision had been made to meet it. There was a further deficit at the end of the last financial year. The honorable gentleman has contended that these deficits should be met, not by the issue of Treasury bonds, but by taxation. That, of course, means that the extra taxation should be imposed this year. It is not until the end of the year that the actual state of the finances is known.

Mr. HOGAN.—Do you suggest I should make up your deficit? The Treasurer last year budgeted for a deficit.

Sir ALEXANDER PEACOCK.—I did not. We proposed to increase the betting tax, but you objected to it.

Mr. HOGAN.—And when defeated you should have resigned at once, but you did not do so.

The CHAIRMAN (Mr. Solly).—I must insist upon order being maintained. I hope honorable members will agree to the debate being conducted in a proper way.

Sir WILLIAM McPHERSON.—The honorable gentleman also said in his speech at Ballan—

The Government issued £314,000 worth of Treasury bonds, which means that the Government borrowed money from the wealthy to pay part of last year's bills, and are paying interest for the money which it should have raised by taxation or saved by economies. The admitted deficit for 1925-26 was £314,000, but that was a fake deficit.

Notwithstanding what the honorable gentleman said then, the same sort of thing is now going on.

Mr. HOGAN.—What does the honorable member contend that I should have done about the deficit?

Sir WILLIAM McPHERSON.—If the honorable gentleman had followed out his own statement, he would have dealt with it by imposing taxation.

Mr. BAILEY.—Would you have supported the taxation?

Sir WILLIAM McPHERSON.—I am too old to be caught with a question like that. In his criticism of last year's Budget, the present Treasurer complained about the high rate of interest. The following is an extract from the *Hansard* report!—

Mr. WEAVER.—You don't blame the Government for the increase in the rate of interest, do you?

Mr. HOGAN.—I do.

Mr. WEAVER.—How do you account for it?

Mr. HOGAN.—There has been over-borrowing. The Government has borrowed money and expended it in ways in which borrowed money should not have been expended. Consequently, the demand for loan money was excessive, and the people who had money to lend asked for and obtained very high rates of interest.

I ask the Treasurer how much has he affected the rate of interest since he has been in office? He has not affected it to the extent of a fraction. One can go to the Treasury to-day and hand over the counter £100, £500, or £1,000, and one will get the same rate of interest as prevailed before the honorable gentleman took office. He has not affected the rate of interest one iota, yet he charged the previous Treasurer with creating a high rate of interest.

Sir ALEXANDER PEACOCK.—The Commonwealth Treasurer says that Mr. Lang caused the interest rate to go up by a quarter per cent.

Mr. HOGAN.—He does not say I did that.

Sir WILLIAM McPHERSON.—There is another matter to which I would direct attention. The present Treasurer, when Leader of the Opposition, was very strong on the subject of loan expenditure. In his speech on last year's Budget he said, in reference to the then Government—

The only thing it will do is to introduce Bills to provide for borrowing money in every imaginable way, including the sale of Treasury bonds. The Government and the Treasurer are going to make an attempt to finance the State of Victoria by pawnshop methods. This is a pawnshop Government.

In other parts of his speech the honorable gentleman said—

I come now to the matter of loans, which, it may be said, are a strong point of the Treasurer. If it had not been for loans, as Treasurer, he would have starved years ago. He has lived solely on loans, and he is living on loans now. As soon as the supply of loan money is cut off, he will die from lack of nutriment. . . . I consider that it is time this Parliament gave serious consideration to the financial condition of Victoria, particularly as far as its loan indebtedness, its annual borrowings, and the provision made to pay the interest on loans are concerned. . . . The Government are practising a policy of borrow, boom, and burst.

The honorable gentleman also said—

The Victorian Government and many citizens are revelling in an orgy of extravagance and squandermania. When this is done on borrowed money, and by evading payment of interest on the borrowed money, we are standing on shifting sands, and the whole structure must collapse if the crazy policy is not abandoned and replaced by sound methods. . . . If this State is going to pursue the methods and policy of the spendthrift, and to squander money just as long as it can borrow, and not cry "Halt!" until the Government can borrow no more, then I, for one, must refuse to travel that road. It is a road that can lead only to ruin and disaster.

That is what the present Treasurer had to say in reference to borrowing in his speech on last year's Budget. At that time the then Treasurer proposed to borrow £8,750,000. One would think that in the circumstances when bringing his Budget down the present Treasurer would have said, "In decency I cannot propose to borrow anything like that sum." But what do we find? He intends to borrow this financial year £8,425,000—practically the same amount as he denounced last year. Now, who can be accused of Pecksnifian hypocrisy? The present Treasurer last year charged the then Treasurer with a policy of "borrow, boom, and burst," but

I think that such a charge can be laid much more appositely against the honorable gentleman himself. I have tried to show honorable members that the present Treasurer does not propose to reduce the expenditure of the State. As a matter of fact, there is to be a substantial increase. Under the financial agreement with the Commonwealth, the Treasurer expects to save £522,000 that he would otherwise have to pay into sinking funds. The natural increase that he expects in taxation, without the additional taxation proposed, is £180,000. The Treasurer is going to spend that £702,000, and, in addition, he is going to ask for another £370,000 by means of increased taxation. One of the newspapers—I think it was the *Argus*—pointed out that this increased taxation is equal to about 5 per cent. on £7,500,000. We have to realize that, although the Commonwealth Government proposes to reduce its income tax to the extent of about 10 per cent., the Victorian Government, on the other hand, is increasing its taxation. Our Government proposes an increase of the income tax, which, to my mind, is a tax on industry and commerce. Two or three days ago, in one of the newspapers, I saw the following cablegram, which indicates that one of the Labour leaders in England holds the same opinion as I do—

Mr. Ernest Bevan, transport worker, said that many of the difficulties of trade union leaders were due to the millstone of taxation about the neck of industry.

That is perfectly true. Labour leaders in the Old Country are commencing to see that high taxation on industry is a means of bringing about unemployment. I agreed with the betting tax proposals that were made by the honorable member for Ailandale when he was Treasurer in preference to increasing the income tax. I have been trying to work out what the increased income tax the Treasurer proposes to impose will return, but it is most difficult to do so. The only section in regard to which one can work out what the result of the proposed increase will be is the company section, because the taxation on individuals is on a sliding scale. The Treasurer proposes that the income tax shall be increased by 1d. in the £1 on incomes from personal exertion, 2d. in the £1 on incomes from property, and 2d. in the £1 on incomes of companies. I think that the increased revenue that will be derived will be very much greater than

the honorable gentleman has predicted in his Budget. Using the figures for 1924 as a basis—there has been no income tax report printed since then—I have calculated that the increased taxation on companies will bring in nearly £150,000. In my opinion, the increased stamp duties that the honorable gentleman proposes to impose are simply a class tax. The honorable member for Stawell and Ararat gave me a letter from the management of a small butter factory in Ararat, in which it is stated that the increased stamp duties will cost that factory an additional £30 a year.

Mr. ANGUS.—The Kerang butter factory informed me that the cost to it will be 17s. 6d. a week.

Sir ALEXANDER PEACOCK.—I have a letter from the Bungaree factory, in the Premier's district. The cost to it is going to be £85 a year.

Sir WILLIAM McPHERSON.—I think the increased stamp duties will have a very serious effect on trade and commerce, and will press especially on small people who have to pay all their accounts by means of cheques. There are one or two omissions from the Budget speech to which I should like to refer. I do not see any provision made for the expense of a general election, though we were told that we were going to have a redistribution of seats very early. I do not know whether or not that little item has been overlooked. In the Premier's policy speech at Ballan he said that the revenue from the land tax would be transferred to the Railway Department in order that freights and fares might be reduced, but I do not see any reference to that in the Budget. Speaking generally, the Budget shows no originality whatever. It consists largely of statements as to how certain works, started by previous Governments, are getting on.

Mr. TUNNECLIFFE.—It shows a considerable amount of sanity, does it not?

Sir WILLIAM McPHERSON.—The same part of the Budget is really that which copies what the last Government was doing. The Treasurer devoted a whole page to setting out matters in connexion with water supply schemes. It is all right to deal with such Departments as the Water Supply Department in the Budget if the Treasurer shows how the finances of the Department referred to affect the Budget, but the statement regarding water supply contained in this

year's Budget had nothing to do with finance. It was only so much padding. It simply told the people how various undertakings started by the previous Government are getting on. Another page was devoted to the fruit industry, but what was stated had nothing to do with finance.

Mr. LIND.—We get all that stuff in the Governor's Speech.

Sir WILLIAM McPHERSON.—Another portion of the Budget was devoted to health, but no reference to finance was made in that portion. The same remark applies to education. We were not told anything about the cost of education, which is rising from year to year. I think it is time we had a Royal Commission to see whether we are getting value for the tremendous amount of money we are spending on education. I believe that there is a good deal of overlapping, and I consider that, as parliamentarians, we should see that for every £1 we spend on education and such matters we get 20s. of value. In his second-reading speech on the Apprenticeship Bill, the Minister of Labour, who is also Minister of Public Instruction, pointed out the loss that occurs in connexion with our technical schools through lads who enter for four or five-year courses dropping out after attending for two or three years, and going in for other avocations. That means that a large proportion of the expenditure on school buildings, teachers, and so on, goes for nothing. I hope the honorable gentleman will take steps to see that lads who enter upon courses at technical schools go right through those courses. If that is done, those who come after us will reap the benefit.

Mr. EVERARD.—Couldn't we do that without a Royal Commission?

Sir WILLIAM McPHERSON.—I do not know any other way of dealing with the matter. I am convinced, after having looked through the Budget, that we can expect no economy from the Government. There has been a great deal of talk concerning how the Government is going to economize, but it goes for little unless it is put into practice. The Government has not shown the House whether it intends to economize. We have been informed that some money has been saved in regard to the hire of motor cars, but what is that small amount of saving in comparison with a total expenditure of about twenty-seven millions sterling?

Mr. ALLAN.—The Government does not know whether it is really saving on this motor car business or not. It only imagines that it is.

Sir WILLIAM MCPHERSON.—At any rate, honorable members are entitled to a specific statement of the economies being practised, and to be put into effect. The Treasurer has said in the Budget that economy is to be exercised, and that the Government will have efficiency. This House should press for something more in detail. I feel, personally, that instead of economy being practised, the expenditure will grow, and that, in growing, it will have to be met by taxation.

Mr. CAIN.—That is what happened when you were in office.

Sir WILLIAM MCPHERSON.—No; I was in charge of the Treasury for six years; and I say that, despite assertions that State services were not fully looked after, there was no direct increase of taxation during that period. That was the record of the Lawson Government.

Mr. TUNNECLIFFE.—You brought the whole of the services to the verge of ruin, and then you resigned your job.

Sir WILLIAM MCPHERSON.—That is not a fact.

Sir ALEXANDER PEACOCK.—How has the Minister of Railways been treating Government servants lately?

Sir WILLIAM MCPHERSON.—That is a fair question; and in that regard I wish to give the Minister of Railways a little commendation. I directed attention a few months ago to the manner in which the Minister was treated by members of a deputation which waited on him. On that occasion one of the speakers demanded to know why the Minister of Railways had not done this and that. I suggested that when a member of a trades union talked to a Minister like that he should be ordered out of his office. I see from to-day's newspapers that the Minister of Railways has reminded union representatives that he is running the railways. We were very pleased to read of his rebuke. When the Minister talks like that, there is really hope that we shall have a better state of affairs. No doubt, the person who has been rebuked will say something about it in the Trades Hall, behind closed doors. We do not know just what he will say, but there is no reason why we should

imagine that it will be nice. I think, in fact, that it is likely to be pretty warm. With respect to taxation, I, or some other member on this (the Opposition) side of the House, will do what may be possible to bring about an alteration of the Government's present proposals. There are sections of the community, other than those at present bearing the burden, which are well able to carry an increased weight of taxation. There is no call for the Government to place it on the shoulders of the people who are trying to build up industries and develop the trade and commerce of this State.

Mr. ALLAN (*Rodney*).—As we have now almost reached the usual time for the suspension of the sitting for dinner, I suggest that I may be allowed to begin my speech when the sitting is resumed.

The ACTING CHAIRMAN (*Mr. Frost*).—I call on the honorable member for Rodney to address the Chair. He will be able to speak for ten minutes before the usual hour for the suspension of the sitting.

Mr. ALLAN.—I do not see any members on the Ministerial side of the House or in the Ministerial corner apparently ready to speak on the Budget. It is not the usual thing to expect a member to begin a speech on such a subject as the Budget when he will be interrupted within a few minutes.

Sir WILLIAM MCPHERSON (*Hawthorn*).—By leave, may I point out that it has been the custom in this House, when an ex-Premier, or the Leader of a party, or, indeed, any member is about to make an important statement on the Budget, and the time is within a few minutes of the suspension of the sitting, to permit that member to begin after the sitting has been resumed. I think that the Acting Chairman might well exercise reasonable judgment and good sense in the circumstances.

Sir ALEXANDER PEACOCK.—Especially seeing that the Premier and all but five members of his party are at present at their dinner.

Mr. ALLAN (*Rodney*).—Naturally, I expected to have the attention of the honorable gentleman who has introduced the Budget on which I am about to comment. It is rather an uncommon circumstance also that there should be

no one present, apparently, who intends to speak from the Government side of the House. The Leader of the Opposition has made a clear exposition of the views of this side of the House. If the whole of the debate on the Budget is to be conducted by members of the Opposition, it may be taken for granted that all the Government supporters, including those in the Ministerial corner, favour the Budget proposals, including those for increased taxation.

Mr. DUNSTAN.—It is wonderful.

Mr. ALLAN.—The honorable member may think it is. He has been reported in the Bendigo press to have said at Marong that the State expenditure was heavy, and that there was no doubt that the Government was perfectly justified in balancing the ledger, which would mean increased taxation. Seeing that the whole of the Government's supporters favour increased taxation, I suppose there is not the slightest doubt but that we shall get it.

Mr. TOUTCHER.—I think there should be a quorum present.

A quorum was formed.

Mr. ALLAN (Rodney).—It is obvious that the Government does not intend to make any concessions to this (the Opposition) side of the House. The Treasurer was not present when I rose to speak, although I notice that the quorum bells have called him into the chamber. I was remarking that I naturally expected to see someone rise on the Ministerial side after the Leader of the Opposition had concluded his remarks. However, it appears that I am not to have my request granted, even although I have not yet seen a copy of the financial agreement, which was to have been circulated before the suspension of the sitting.

Mr. HOGAN.—Copies of the agreement will now be circulated. They have only just arrived. The honorable member will have an opportunity to peruse his copy during the dinner adjournment.

(At 6.25 p.m. the sitting was suspended until 7.35 p.m.)

Mr. ALLAN.—The Leader of the Opposition stated last week that it would have been the proper course to have dealt with the financial agreement between the Commonwealth and the States before the Budget was brought

down. I concurred in that statement. Honorable members have seen the financial agreement for the first time this evening, the only previous intimation that we had of its terms being a short statement by the Treasurer in his Budget speech.

Mr. HOGAN.—That is not strictly correct. A memorandum dealing with the agreement was circulated some time ago.

Mr. ALLAN.—I mean the actual legal agreement. We have seen it for the first time to-night. I have had only sufficient time for a hurried glance at it, but reading it in conjunction with the statement made by the Premier when he brought down the Budget, it appears to me that it is certainly a good agreement for the Commonwealth Government, but I am doubtful whether it is a good agreement for this State. It will bring the States together when loans have to be floated, and the States and the Commonwealth will raise loans as one body. That may be an advantage for Australia as a whole, but the fact must not be overlooked that the financial standing of Victoria on the London market is better to-day than that of any other State. As far as I have been able to understand the agreement, it shows that the States will gain some advantage, but one result will be that they will lose the *per capita* grant from the Commonwealth. When the Prime Minister conferred with the States on the financial position at the time when I was Premier, I was one of those State representatives who stated that I would not be satisfied with any financial arrangement between the Commonwealth and States unless the States received a portion of the Customs revenue. I am satisfied that the States will not be placed in a proper position to deal with the many undertakings which come under their jurisdiction unless they receive some portion of the Customs revenue. If only one section of the community is to be taxed for the maintenance of our education system, hospitals, police, and other State activities, I consider that we are heading straight for unification. I have no hesitation in saying that the operation of this agreement will bring about unification in the near future.

Mr. DRAKEFORD.—May it be soon!

Mr. ALLAN.—It is welcome to know that some Ministerialists agree with me. When the Commonwealth Parliament met in Melbourne, deputations from Victoria had easy access to Federal Ministers.

It was felt by many Victorians during that period that this State would suffer no disadvantage if it had no State Parliament. Many people are changing their view on that subject now that the Federal Parliament is meeting at Canberra. Victorians will not see much of Federal Ministers in the future.

Mr. CAIN.—We shall see them at election time.

Mr. ALLAN.—Yes, and only at election time. It is a long way to go from Melbourne to Canberra to interview a Federal Minister, and many Victorians who favoured unification will now hold the view, I think, that there is a necessity for a State Parliament. I do not wish to quote the figures which the Leader of the Opposition quoted, but there are some features of the Budget which require careful scrutiny, particularly the proposal for increased taxation. No Labour Government has ever taken office in any State in Australia without increasing taxation. I say that deliberately.

Mr. DUNSTAN.—What is the difference between increasing taxation and ending the financial year with a deficit?

Mr. HOGAN.—The difference between paying one's debts and not paying them.

Mr. ALLAN.—The honorable member for Korong and Eaglehawk who interjected first ought to know why there was a deficit last year. When the previous Government brought down its proposal for a betting tax he voted against it. If Parliament had approved of that taxation our financial difficulties would have been solved. It is strange that although the members of the present Ministry, and their supporters, with one exception, voted against the totalizer measure some years ago, they are now in favour of it.

Mr. HOGAN.—That is not correct.

Mr. ALLAN.—One or two members of the Labour party may have been included in the pairs when the vote was taken. It must be patent now to every one that the Government intended to introduce increased taxation from the day they took office. The Premier put up a smoke screen to place Victoria in a bad financial light. I do not believe that that action was warranted. He quoted Victoria's trade balance, and showed how the volume of imports exceeded that of exports. Every Minister informed deputations that waited on him and asked for the expendi-

ture of public money, that the Government could not provide money because they had no funds.

Sir WILLIAM MCPHERSON.—Ministers said they were stony-broke.

Mr. ALLAN.—Yes, that was their cry. The object was to create an atmosphere which would influence this House to agree to increased taxation whether it was warranted or not. The Government might have created that atmosphere had this year not been a drought year, but they have not created the atmosphere which they desired to create.

Mr. HOGAN.—Are you declaring the drought off?

Mr. ALLAN.—No; it is true that a few inches of rain have spread millions of pounds over some parts of Australia, but the rain which has fallen during the last two weeks, although good in the eastern portions of Victoria and New South Wales, was not sufficient in the Mallee and northern districts of Victoria and the western division of New South Wales. In those parts there will not be much to show for the rain. I do not intend to attempt to forecast what the coming season's harvest will be, but when I saw it stated in the press last week that an official at the Meteorological Offices had estimated that the yield in Victoria will be 42,000,000 bushels, I felt inclined to tell him to get his head read.

Mr. HOGAN.—Do you adhere to your forecast of 9,000,000 bushels?

Mr. ALLAN.—I made it clear that I am not going to make a forecast, but I am prepared to say that so far as our wheat harvest is concerned, we shall have a lean year. I do not think there is any doubt on that score. The Premier in quoting Victoria's adverse trade balance was not fair to this State, because he omitted to refer to an aspect of our trade which should be taken into consideration. When I visited Western Australia recently, I noted that nearly one-half of the machinery I saw on farms had been manufactured in Victoria. I understand that H. V. McKay Proprietary Limited and other large engineering firms in Victoria sell a great deal of their agricultural machinery in Western Australia. That State also buys large quantities of Victorian canned fruit and butter. When we consider our export trade, we should not restrict ourselves

merely to the exports sent overseas. We should take into consideration our exports to the other States. It is not fair in these circumstances to compare our trade balance overseas with those of other States which do not sell such a large quantity of their products in Australia outside their State boundaries.

Mr. JACKSON.—The trade balance is not our trade with the other States.

Mr. ALLAN.—We have revenue from our exports to other States to balance our imports. When we can sell machinery and produce to Western Australia, for instance, and receive a big cheque for it, it shows that our trade is not in such a bad position as some critics attempt to show. I cannot see that the Budget is any different from previous Budgets, which it follows very closely. I am inclined to the view that the present Budget has been drawn up by the Treasury to a great extent. Probably the Treasurer finds that it is all very well, when one is sitting on the Opposition benches, to talk about millions of pounds, and of spending money. There is no doubt that the position in which Victoria is to-day has been brought about by the Labour party. From the time that I first came into the House, there has never been a Bill in connexion with which the Labour Opposition did not want more money.

Sir ALEXANDER PEACOCK.—And they voted against any form of increased taxation.

Mr. ALLAN.—Yes. The Treasurer goes to the Treasury Department, and thinks that it would be a good thing to have a few more million pounds to spend. He finds, however, that those millions cannot be made available unless the money is taken from the pockets of the people by way of taxation. Then the tune is quite different. The present Treasurer has discovered that, as his predecessors did.

Mr. HOGAN.—I do not remember saying that I wanted millions more to spend.

Mr. ALLAN.—The honorable gentleman might have said hundreds of thousands. At all events, so far as Australia is concerned, a million or two seems to be neither here nor there, in view of the fact that more than £100,000,000 is on loan to Victoria at the present time. I notice that the Budget did not set out the amount borrowed in the State of

Victoria, and the amount borrowed in London. Such figures are very important in a Budget statement. At least, we should know the exact amount borrowed in Victoria. Of our total debts, that amount is very considerable, and is something like £50,000,000 or £60,000,000. The interest on it is being paid to people in Victoria. Naturally we want our credit to be good.

Mr. CAIN.—Most of the money obtained in Victoria comes from the savings which poor people lodge in the State Savings Bank.

Mr. ALLAN.—Well, they receive interest on it.

Mr. HOGAN.—The information for which the honorable member for Rodney asked, and which he says is not in the Budget papers, will be found on pages 30 and 31.

Mr. ALLAN.—It takes a good while to go through all those papers. There are reasons why I desire Victoria's credit to be good. I do not want Victoria to go to America for money, although other States are doing that.

Mr. CAIN.—Then we shall have to stop buying their motor cars.

Mr. ALLAN.—That may be so. It is significant that Canada can borrow money at a much cheaper rate in New York than Australia can. I asked a banker the reason, and he replied, "Your credit is not so good as Canada's." The Honorary Minister (Mr. Cain) inferred by way of interjection that we shall have to borrow money from America if we continue to buy their motor cars. According to the press the United States of America have already said that they have us in the hollow of their hand, but I think that the time is coming when Victoria, if not Australia as a whole, will have to say to them, "If you will not buy goods from us, we cannot—however much we may wish to—buy the motor cars and other luxuries that you supply." The Budget provides for allotment of loan money to the extent of £8,425,000. The last Government has been twitted about spending loan money, although the greater proportion of it has been spent on works that will ultimately be reproductive. I admit that our irrigation and other water schemes are not wholly productive at the present time, but when they are completed and a

drought has to be faced, it will be realized that it was a wise policy to spend money on the storage of water. Borrowing is proceeding, and I have seen no record of economies by the present Government. No statement has been made in this House on that subject. We are passing through a very lean year. Never before have I seen the people of Victoria so anxious to restrict their expenditure and practise economy on their own account. That is the position throughout the State. Leading people in Melbourne will tell honorable members that business is not so good as in the past, and business people in country towns will say that they are doing very little trade. The reason is that the average producer is curtailing his expenses. Therefore, there is an incentive—an atmosphere has been created, so to speak—for the Government to practise economy. It is all very well to say that expenditure can be reduced when every one is buying motor cars and spending freely. There has been an orgy of borrowing, not only by Governments in Australia, but by municipal councils, and even by private individuals. There has been no way to stop that except by increasing the bank interest charges. That has been done. If money is not obtainable, of course, it cannot be spent. The time is coming when we must realize that we shall not be able to get money in London. A loan floated by the Commonwealth in London had to be taken up by the underwriters, and that showed very clearly that the financiers there were saying, in effect, to Australia, "It is time for you to keep within your means more than you have done in the past."

SIR WILLIAM MCPHERSON.—Ninety per cent. of the loan was left on the hands of the underwriters.

MR. ALLAN.—Yes. That indicated plainly their desire to show that we were over-borrowing. When we find people cutting down their expenses, and economizing in every branch of their undertakings, is it not our duty as a Parliament to reduce the expense of governing the State?

MR. CAIN.—I wish that you would refer that to the Commonwealth Treasurer—Dr. Earle Page—a Farmers Union man. He is the greatest spendthrift in Australia.

MR. ALLAN.—He is cutting down expenditure while our State Government is increasing it.

MR. CAIN.—The Commonwealth obtains a great deal through the Customs House.

MR. ALLAN.—I know that. I have previously contended in regard to the financial agreement that Victoria should receive some of the moneys obtained through the Customs. I said that the State should fight to prevent all the Customs revenue being retained by the Commonwealth. But when the agreement is ratified the Commonwealth will be quite clear of the States in that respect. We shall not be able to get money from the Customs or anywhere else. Tasmania found it could not carry on, and Western Australia was in a similar position.

MR. HOGAN.—What do you mean when you say that when the agreement is ratified we shall not be able to get any money?"

MR. ALLAN.—There will be no *per capita* payment. There will be no concessions of any kind from the Commonwealth.

MR. HOGAN.—Good gracious! I think that you had better defer making statements of that kind until you have examined the agreement.

MR. ALLAN.—I have examined it, and I have already stated that it would be all right for a time.

MR. HOGAN.—The agreement is for 58 years.

MR. ALLAN.—Yes. But the position of the State will get worse and worse. We shall receive less money from the Commonwealth. One point touched upon, not only in the Budget, but in the Commonwealth agreement, is that of soldier settlement. We all realize that soldier settlement is in a difficult position, but the only thing done by the Treasurer at the conference was to say to the Commonwealth, "You take over all our liabilities." That would be of no benefit to Victoria, because the people would have to be taxed in order to obtain money to liquidate the liability on soldier settlement. The Customs revenue derived from Victoria is almost as much as that obtained from New South Wales.

MR. DUNSTAN.—People in Victoria pay a great proportion of the money made

available for the roads grant. The Commonwealth imposes a tax on petrol.

Mr. ALLAN.—That is so.

Mr. CAIN.—You accepted less than Victoria's real share under the roads agreement.

Mr. ALLAN.—There are occasions when we have to accept a certain amount when there is no more offering. The Leader of the Opposition said that about £370,000 additional revenue would be received. That is about correct. I notice by the returns of income for the last three months that the increase for that period was, roughly, £100,000. In respect of the agreement, a sum of £690,000 is provided. At any rate, it is stated in the Budget speech that if the agreement is not ratified by the different States £690,000 additional taxation will be required in Victoria. The estimated surplus on the State Coal Mine is £58,000. The Treasurer will have, in round figures, £1,000,000 more to play with than the previous Treasurer had—provided that the agreement with the Commonwealth is ratified. Yet we learn that he has to increase taxation. I cannot say that I feel very much surprised on that point. As I said before, it is just what we would expect.

Mr. HOGAN.—I do not know where you obtained your figures, but they are not correct. They are certainly not official, and they are not those set out in the Budget. Figures relating to revenue are set out on page 11 of the Budget.

Mr. ALLAN.—I am inclined to think that it would be well for the honorable gentleman to contradict my statements later.

Mr. HOGAN.—I want to know where you are getting the figures you are quoting from?

Mr. ALLAN.—I am taking them out of the Budget statement.

Mr. HOGAN.—You are not.

Mr. ALLAN.—I do not know that the Treasurer contradicted the Leader of the Opposition when he took the same figures.

Mr. HOGAN.—The statement of revenue appears on page 11 of the Budget. The increase is set down at £270,000, not £1,000,000 as the honorable member says.

Mr. ALLAN.—I now come to the Government's loan proposals. These are—	
Railways	£2,250,000
Electricity	1,750,000
Water supply	1,500,000
Roads	1,000,000
Soldier and closer settlement (including migration)	1,200,000
Public works	655,000
Forests	70,000
	£8,425,000

The figures indicate that the Government have not in any way cut down loan expenditure. It may not be advisable to cut it down. It is for the Government to say. But in what way do they propose to balance the ledger? Had they agreed to the Allan-Peacock Government's betting turnover tax, there would have been no difficulty. Probably the present Government and their supporters would, when they were in opposition, have agreed to some additional taxation in that direction had they known that they would be so soon in office. I now want to refer to the Government's taxation proposals. The additional taxation is not heavier than I expected. It is just what I did expect. Those people who are least likely to vote for the Labour party are to be taxed. There is to be a penny increase in income tax, and it is estimated that £161,000 will be derived in that way. There is to be an extra tax on companies to bring in £100,000. The Leader of the Opposition says it will bring in £150,000. Then there is to be an increase in the stamp duty on cheques. As a country member, I naturally object to that. It is well known that since income tax schedules have had to be made up, every farmer has carried a cheque book as an alternative to keeping account books. He has a banking account which shows the whole of his expenditure and income. He writes out a cheque for all he spends.

Mr. SLATER.—The average farmer does not spend £1 a year on cheque books, I have prepared hundreds of their income tax returns.

Mr. ALLAN.—The honorable gentleman is referring to farmers in a very small way of business.

Mr. ANGUS.—Even if the cost to the farmer is only £1 per year, why should there be a class tax?

Mr. ALLAN.—As I have just indicated, those people who are unlikely to vote for Labour candidates are to be hit. There are very many butter factories in

the country districts. Payments are made by cheque. The cost of the cheques has to come out of the cost of the butter-fat delivered to the factories. I have looked up one or two lists, and I have no hesitation in saying that every butter factory in the country will be mulcted to the extent of from £30 to £100 per annum in additional taxation in this way. That is a tax on industry. Then take the fruit preserving companies in the northern district. Some of them employ as many as 500 hands. The cost to them will be very considerably more.

Mr. SLATER. — I suppose it will ruin them!

Mr. ALLAN.—It will be a tax on the fruit produced in country districts. We know perfectly well that our fruit cannot compete with fruit from other countries in the London market to-day. Even with the bonus given by the Commonwealth Government, I am told that there is a loss on our fruit of at least 1s. a dozen cans in London. The trouble is that we cannot grow our fruit cheaply enough. What is the reason for that?

Mr. POLLARD.—High wages and short hours?

Mr. ALLAN.—The honorable member is not far out. Short hours and the "go-slow" policy go a long way towards accounting for the fact that we cannot compete against others in the London market. The pace set is that of the slowest horse in the team.

Mr. CAIN.—You are not accusing the Government of going slow, are you?

Mr. ALLAN.—No. But the figures supplied by the Commonwealth Statistician show that wages have very little more value to-day than they had 20 years ago.

Mr. SLATER.—Wages are less effective this year than last year.

Mr. ALLAN.—I am glad that the honorable gentleman admits it. It is very hard to drive that lesson home. Increases of wages, shortening of hours, and the "go-slow" movement are pulling down the value of the £1 note continually.

Mr. POLLARD. — You know that Mr. Lang refused to interfere with the 44-hour week.

Mr. ALLAN. — I was not going to refer to New South Wales, but in view of the honorable member's interjection I

will quote a newspaper clipping that I have here:—

Sydney, Tuesday.—Sir George Fuller, formerly Premier of New South Wales, said on a visit to Goulburn to-day that when he was touring the Wollondilly electorate he discovered a new squad of Mr. Lang's "shock troops." No fewer than 350 labourers had been recently sent to jobs on the Wombeyan Caves-Mittagong road and the Razorback deviation on the main southern road. The men on the Wombeyan Caves-Mittagong road had been rushed there just in time to be placed on the rolls. Before their arrival there had been 30 men on that job, and now there are 175.

Mr. SLATER.—You gerrymandered the electorates last year.

Mr. ALLAN.—Honorable members should not talk about gerrymandering in connexion with New South Wales.

Mr. SLATER.—They could not put over what you put over in this State last year.

Mr. ALLAN.—Just over the river from my electorate they cut the town of Broken Hill in two down the main street. There was no gerrymandering in Victoria to compare with that. I suppose the Ministerial party are waiting for the time when they can get a redistribution of seats Bill through this House. They will, I think, have to wait a long time. When they do get their opportunity, they will be able to do as much gerrymandering as has been done in New South Wales.

Mr. A. HUGHES (*Hampden*).—If we cannot make a better job than your party made of redistribution, it will be a bad one.

Mr. POLLARD.—Does the honorable member for Rodney mean to say that the Judge who was responsible for the redistribution of seats in New South Wales gerrymandered the seats?

Mr. ALLAN.—I know what was done, and I was very pleased to see that the Lang Government were given a knock at the election.

Mr. CAIN.—We were pleased when you were given a knock at the last election in Victoria.

Mr. ALLAN.—And there were many people who were not pleased.

Mr. COTTER.—It took you a long time to get over it.

Mr. ALLAN.—I have never referred to the matter in the House. No man with gentlemanly instincts will refer to a man just because he has happened to get a kick. I never do that kind of thing.

Mr. DUNSTAN.—You were doing it to Mr. Lang just now.

Mr. ALLAN.—I opposed Mr. Lang's policy. The Government of which I was Leader, was accused of gerrymandering, and I have been showing what a Labour Government has done in another State.

The CHAIRMAN (Mr. Solly).—There are too many interjections. I ask honorable members to maintain order.

Mr. ALLAN.—Just one word more in reference to the Lang Government. Certain members of this House joined certain members of the Commonwealth Parliament in New South Wales to help Mr. Lang. Consequently, whatever the policy that the Labour Government carries out here may be, the policy that they are really desirous of carrying out is indicated by the action of members of their party in New South Wales. The proposal to increase the stamp duties on cheques will not have my support. According to the Budget—

A stamp duty will be imposed on the sale or transfer of shares in the stock or funds of any corporation or company at the rate of 6d. for every £10, and on the issue of any share certificates of any such corporation or company at the rate of 6d. for every 100 shares, with a maximum payment of 5s. on any certificate. This tax is estimated to yield annually £20,000, and for this year £13,000.

Fees.—Certain additional fees will be collected in the office of Titles, Registrar-General's Office, County and Supreme Courts, from which the annual amount is estimated to be £53,000, and for this year £36,000.

Mr. ANGUS.—That is something for the struggling settler in the Mallee to pay.

Mr. ALLAN.—The revenue to be received from Mallee lands will be £160,000. There is to be new taxation to the extent of £370,000, and it is expected that £690,000 will be received from the Commonwealth Government. I wish to say very definitely that Victoria is passing through a very difficult year. All our people find it necessary to economize, and I am not going to stand for the increased taxation set out in the Budget. Before I conclude my remarks, I wish to read a newspaper cutting. A little while ago the Minister of Railways wiped out the bonus system in the Railway Department. I was totally opposed to the wiping out of the bonus system. Our Railway Department cannot balance the ledger.

Mr. HAYES.—And never will, under Mr. Clapp.

Mr. ALLAN.—It is not Mr. Clapp's fault. In Mr. Clapp we have the best railway manager in Australia. There is no doubt about that. In wiping

out the bonus system, the Minister of Railways drove a wedge in Mr. Clapp's management. He said, in effect, "I am going to manage the railways, and you can step aside, Mr. Clapp." The newspaper clipping is from the *Argus*. I do not say that the statements contained in it are accurate, but I presume that they are. The *Argus* relates that the Victorian branch of the Australian Railways Union has submitted to the Minister of Railways a large number of requests for alterations in the management of the railway service. That paper says—

At a recent deputation the secretary of the branch (Mr. F. W. Sear) and Mr. Tunnecliffe disagreed concerning certain representations made by the union. A reply forwarded on behalf of Mr. Tunnecliffe covering representations made with regard to the hours worked by a section of the departmental carpenters has again displeased union officials.

On behalf of the union, it was claimed in the *Railway Union Gazette* that a Nationalist Minister could not have sent to the union a "more accomplished piece of casuistry," and he would not have needed the "apologetics that an alleged radical Labour politician required to explain his timidity and the bankruptcy of his Cabinet on the industrial platform."

That is rather rough on the Government. I was wondering whether we had got Jock Garden and a few others here.

Mr. BAILEY.—Are you denouncing the Government for that?

Mr. ALLAN.—No. I am saying that we are getting down to Trades Hall government and away from constitutional government.

Mr. BAILEY.—That article proves just the contrary.

Mr. ALLAN.—There is only one other matter to which I wish to refer. I notice that the Government has appointed a public servant to inquire into the price of bread. Although we have no State flour mill so far, I suppose that we shall get one. Any one should know why bread is dear. The wheat-grower gets 31.5 per cent., the miller 8.2 per cent., and the baker with his delivery 60.3 per cent. There is no need to go to the wheat-grower or the miller to ascertain why bread is dear. We have simply to look around the City of Melbourne for the reason. The inquiry will get the Government nowhere, and it will result in a report similar to that supplied on the last occasion. I have made a plain statement so far as the Budget is concerned. I deeply regret

that taxation is going to be increased in this State.

Mr. CAIN.—Why did you endeavour to increase taxation last year?

Mr. ALLAN.—We proposed a betting tax that would have squared the whole ledger. Ever since I entered this House I have stated that the men who put their money on races as freely as I have seen them at Flemington and Caulfield, should pay something towards keeping the poor of the State and maintaining public institutions. If the members of the present Government will not agree to tax the racing people, it is in a position where it will have to find some way of financing the affairs of the State. I hope that the taxation proposals in the Budget will not be carried. It is not for me to tell Ministers how they should economize. It is their duty to find that out. However, I do not believe that the Government will economize unless the House says that it must.

Mr. DUNSTAN (*Korong and Eaglehawk*).—At this stage I desire to say only a few words on the Budget proposals. I have not had time to consider in detail the financial agreement which has been presented to the House. It was stated plainly by the Treasurer when he delivered his Budget speech that his proposals were based on the assumption that the financial agreement between the State and the Commonwealth would be ratified by this Parliament. I always view Commonwealth dealings with suspicion, because I have recognized from time to time that the Government of the Commonwealth has made an attempt to place a strangle hold on the States. Every move made by the Commonwealth Government in the past has been in the direction of unification. If the people desire unification, let a referendum be taken on that point, but I object to the continual encroachment by the Commonwealth upon State rights and in State affairs. The move made by the Commonwealth Government from time to time is not in the best interests of the States throughout Australia. In Victoria the people have no desire to be governed from Canberra by one Parliament. If they are so governed, it will be a sorry day for them.

Mr. HOGAN.—Hear, hear! I agree with the honorable member.

Mr. DUNSTAN.—There are local matters, such as education and water supply, which are of vital importance to the people of Victoria.

Dr. ARGYLE.—How can the State undertake these things if it cannot control its own finances?

Mr. DUNSTAN.—We should control our own finances. While there are these local affairs to attend to, there is nobody so competent to deal with them as a State Government that has them at its finger tips.

Mr. COTTER.—Mr. Lang, the Premier of New South Wales, was the only one who would not join with the Commonwealth, and he is condemned now.

Mr. DUNSTAN.—I will not join the honorable member in an argument regarding Mr. Lang.

Mr. HOGAN.—The only way in which the financial agreement affects the finances of the State is by means of the Australian Loan Council. That is not a new proposition. It is functioning now, and has been for many years. Victoria has been a member of the Federal Loan Council for many years.

Dr. ARGYLE.—Membership of that Council is voluntary.

Mr. DUNSTAN.—I do not think that under the Federal Loan Council Victoria gets money on better terms than it would otherwise. This State stands well in the eyes of financiers through the world. I believe that the amount of money that Victoria borrows will not have much influence on the interest rates in the country where the money is obtained. This State can attend to her own loan requirements.

Mr. HOGAN.—The honorable member knows that the reason for a compulsory wheat Pool is that there will be only one seller of wheat. Just as the farmers would benefit by having one seller, so the State would benefit by having one borrower.

Mr. DUNSTAN.—There may be something in that contention, but I do not think that it will be fair to the people of Victoria that the Government should have to go cap in hand to the Commonwealth whenever the State requires money. Under the financial agreement we shall find that we shall not be able to get the money necessary for developmental purposes throughout the State. There has

been an inclination from time to time on the part of the Commonwealth Government to make money available for such a purpose as that of road-making. When the honorable member for Rodney was speaking, I pointed out that when the Commonwealth Government made about £20,000,000 available for roads throughout Australia spread over ten years, it immediately increased indirect taxation by imposing a petrol tax, although the people thought that the money would come from surplus revenue. A great deal of money was raised by that means in this State. The Commonwealth has a duty to perform in connexion with soldier settlement, but it has failed to do it.

Mr. ALLAN.—We have no definite promise yet.

Mr. DUNSTAN.—Before the Commonwealth Government makes money available for roads, it should do its duty in connexion with soldier settlement. Had it made money available for that purpose, instead of for a vote-catching device like a road grant, it would have been more creditable. I wish to congratulate the Treasurer on his efforts to bring home to the Commonwealth Government the necessity of making more money available for soldier settlement.

Mr. SLATER.—His was the first and most forcible effort.

Mr. DUNSTAN.—The Treasurer has made a fair and frank statement in the Budget proposals. He has endeavoured to place the position clearly before the people of Victoria. This Government has been in office only three or four months, and the Treasurer was really presenting a statement of the financial position brought about by the previous Government. That statement disclosed a deficit of £641,000 for the year ended the 30th of June last. That was really the fault of the previous Government. The honorable member for Rodney pointed out that there would not have been a deficit had the Government been able to put through the betting tax proposals. I wish to say to him that if a Government cannot put its financial proposals through this House, especially where hundreds of thousands of pounds are involved, it is the duty of the Government not to budget for a deficit, but to resign office and make way for others.

Mr. ALLAN.—You did your best to make us resign.

Mr. DUNSTAN.—I admit that. Had I been successful in my efforts to compel the Allan-Peacock Government to resign, there would not have been the deficit of £641,000 last year, as is now disclosed.

Mr. ALLAN.—If you stick to this Government as you have done, it will be well satisfied.

Mr. DUNSTAN.—During the last few years the revenue of Victoria has gone ahead by leaps and bounds. In 1920, the revenue was £15,700,000, and in 1926-27 it rose to £26,300,000. During the same period the expenditure went ahead to a corresponding degree.

An HONORABLE MEMBER.—What was the increase in population?

Mr. DUNSTAN.—The increase in population was material, but it was not in proportion to the increase in expenditure. That is a certainty, and it is not creditable to past Governments. The Leader of the Opposition referred to a statement which the present Premier made some time ago, that he was not in favour of budgeting for a deficit. The honorable gentleman has declared that many things should be paid for out of revenue which has not been the case hitherto. It is not fair to expect the present Government to provide revenue from taxation to meet the deficits of previous Governments. If this Government remains in power for another twelve months, and there is a deficit, it should not be added to the accumulated deficit, but should be provided for out of additional taxation if necessary. Although I regret it, additional taxation is inevitable. I do not see how it can be avoided. We require money for developmental purposes. There are many parts of this State in which a good deal of money will have to be expended in various ways, and I do not know how the necessary money will be made available unless we have increased taxation. I quite agree with the remarks of one honorable member, who said he was not in favour of increasing the stamp duties on all cheques. I was hopeful that the present Government would deal with this matter in another way than that proposed.

Dr. ARGYLE.—You will vote for the Budget proposals all the same, won't you?

Mr. DUNSTAN.—When the various proposals of the Government are under consideration, the honorable member for Toorak will have no difficulty in ascertaining how I shall vote upon them. I was about to say I hoped the Government would amend its taxation proposals in regard to stamp duties on cheques so that cheques under, say, £2 will bear only a 1d. stamp duty. Cheques for £2 or more could be made to carry a 2d. stamp.

AN HONORABLE MEMBER.—That could not be done.

Mr. DUNSTAN.—That arrangement is in operation with regard to receipts. There are a number of co-operative companies operating throughout Victoria which pay for supplies of cream by cheques for a few shillings. If the stamp duty is increased from 1d. to 2d. the producers will have to bear that increase. There is no doubt that the co-operative companies will pass it on to them.

Mr. MORLEY.—It will mean having two cheque books.

Mr. DUNSTAN.—There need be no difficulty in regard to that. One cheque book could bear a 1d. stamp, and the other a 2d. stamp.

Mr. CUTHBERTSON.—A man could not carry round two cheque books in his pocket.

Mr. DUNSTAN.—That would not worry any person if he could get a reduction in taxation. It seems to me unfair that a cheque for £100, or £1,000, should bear only the same stamp duty as a cheque for 5s.

Dr. ARGYLE.—That is the principle of the betting tax.

Mr. DUNSTAN.—I am not dealing with that just now.

Dr. ARGYLE.—But it is dealt with on the same principle.

Mr. DUNSTAN.—We are going to have another form of tax in regard to betting. I am glad to notice that the Government has included in its Budget proposals the establishment of the totalizator. A measure providing for the totalizator is long overdue.

Mr. MORLEY.—You and I are in agreement in regard to that matter.

Mr. DUNSTAN.—I commend the honorable member who has just interjected for his efforts to bring about the establishment of the totalizator. It is true that he has failed so far, but that is not because of want of effort on his part or of mine. Betting is legalized at the present time, and I think we should provide for a

better form of gambling than we have just now. Charities are starving for want of revenue, and in the totalizator we have a great source of revenue lying untouched. I hope when the totalizator is established it will bring in a large amount of revenue in the interests of suffering humanity in this State.

Mr. ANGUS.—Are you going to wipe out the bookmaker?

Mr. DUNSTAN.—I am not going into details just now. We shall deal with them when the Bill is before us. At the present time Victoria is passing through a bad season. Quite recently a Commonwealth officer estimated the wheat yield of Victoria at 42,000,000 bushels. I agree with the honorable member for Rodney that the gentleman who made that estimate does not know his business. The best we can hope for this season is a moderate harvest. The rains we have had of late have been rather patchy, and are not likely to bring about any substantial increase in our wheat yield. Primary production is the mainstay of this State, but it has not received the encouragement or support from honorable members to which it is entitled. I am sorry all Governments have not devoted more time towards organizing the marketing of produce. There is ample scope just now for the establishment of a compulsory wheat Pool. I do not suggest that it should be established in connexion with the present harvest, but I hope the time is not far distant when all producers will throw their weight towards bringing about an organized system of marketing, thus eliminating the middleman and getting the best prices for their products.

AN HONORABLE MEMBER.—You want a Commonwealth wheat Pool?

Mr. DUNSTAN.—There is no doubt that a Commonwealth wheat Pool would be a greater advantage to growers in this State than a purely State Pool, but if we cannot have a Commonwealth Pool there is no reason why the State should not legislate to establish one for Victoria. At the present time we have a voluntary wheat Pool which is controlled by the Victorian Wheat Growers Corporation. It is not satisfactory to growers in Victoria, because there are large numbers of them who have not been able to take shares in the corporation, as they are not financially strong enough, and owing to that fact they have no vote in the management and disposal of their wheat.

Mr. ANGUS.—What we require is financial assistance by means of an agricultural bank.

Mr. DUNSTAN.—I admit that producers do require assistance from such a bank, and am hoping that we shall have before us at an early date a Bill providing for such an institution. If ever there was a time when producers should be assisted in regard to their financial position it is now. It is almost impossible to borrow money from the associated banks. The honorable member for Rodney pointed out that interest rates have been very considerably increased, and are so high that people cannot afford to borrow, but the rate of interest does not affect the position so much as the fact that banks refuse to make advances to most of the producers throughout the State. Therefore there is all the more reason for the Government to bring forward its proposals for an agricultural bank at the earliest opportunity. I want to say a few words now in regard to the operations of the State Electricity Commission. The Premier stated to-day that it would not be long before the State Electricity Commission would balance its ledger, and turn out to be a payable undertaking.

Mr. HOGAN.—I said definitely that it was able to balance its ledger now. There will be no loss on the operations of the Commission this financial year.

Mr. DUNSTAN.—Probably that is so, but the trouble is that the Commission will be able to balance its ledger because of its autocratic methods. It will have probably a monopoly so far as the supply of current is concerned, and by increasing its prices from time to time it will, no doubt, be able to make the undertaking payable. This undertaking, however, was not started purely for the purpose of making a profit. We were told some years ago that we were going to have cheap power all over the State, and we had visions of the country throbbing with secondary industries because they would be sure to get power at a low rate. We do not, however, see industries being established in Bendigo, Ballarat, and other large country centres.

Mr. POLLARD.—The Commission is very slow in extending its mains to Bendigo.

Mr. DUNSTAN.—There is no doubt about that. We find that people in the country districts desiring to obtain electric current from Yallourn have to pay

considerably more than those who obtain it in the metropolitan area. The right policy for the Commission to take up in the interests of decentralization in this State, and for the building up of secondary industries all over Victoria, is to provide for a flat rate. Current should be supplied to all parts of Victoria at the same rate. Unless that is done there is no possible hope of country districts being able to establish industries, and successfully compete with those in the metropolitan area. I hope when the Premier is bringing forward proposals regarding the establishment of industries throughout the State, that he will stipulate that electricity shall be supplied at a flat rate to encourage the establishment of those industries. At a later stage, when the various proposals of the Government are under consideration, we shall be able to deal with them in detail. I may merely say in conclusion that much as I regret the fact, I see no possible chance for the people of this State to evade additional taxation. It is no use camouflaging the position and saying that we can avoid increased taxation. If we do so we shall finish the next financial year with another huge deficit. That is not sound business. We should not end our financial year with a deficit. The ledger should be made to balance. Unless the taxation proposals of the present Government are agreed to by this House, even if the strictist economy is practised, we shall have a further deficit at the end of the current financial year. We must bear in mind that the Treasurer reckoned on a normal harvest in preparing his Budget proposals. We are not going to have a normal harvest, and looking at the future in the brightest way possible we are sure to have a deficit, unless the House agrees with the taxation proposals of the Government. Members must take all the facts into consideration, and will have to agree to some form of increased taxation.

Mr. JACKSON (*Prahran*).—There is just one little matter to which I wish to direct attention. We have been preaching economy, and it is strange that when we talk economy we always ask the other fellow to economize.

Sir WILLIAM McPHERSON. — We are great talkers about economy.

Mr. JACKSON.—Yes. I think the Government are to be congratulated on

the way in which members on the Opposition side of the House have viewed the Budget proposals. I contrast the attitude taken up by members on this (the Ministerial) side of the House with that which they took up in connexion with the Budget that was submitted last year by the late Government.

Mr. MORLEY.—Your party criticized that Budget and spent weeks in doing it.

Mr. JACKSON.—Yes, but chiefly because we did not agree with the details of the way in which it was proposed that taxation should be placed upon the people. The Leader of the Opposition, in his opening remarks to-day, referred to the economy that was to be practised by the present Government, and referred to the alteration of the buildings where most of the public servants are engaged in their occupations. I notice in the Estimates an item of £10,000 for the alteration of the Titles Office. I think the time has arrived when a comprehensive view should be taken of the whole of our public offices, which are scattered all over Melbourne, north, south, east and west. As a result of their being scattered in that way, enormous expenditure is entailed. The whole of the buildings are out of date, and I think that if we want to practise economy a scheme should be drawn up for the placing of the whole of the public offices in a spot that would be both convenient for this House and accessible to the public. In that way a re-organization could be effected that would tend to economy. I should not like to say that the £10,000 provided for the alteration of the Titles Office will be wasted, but I think that money would be spent to better advantage if it were spent in connexion with a re-organization of the whole of the public offices on the lines I have suggested. The present buildings could be sold, and the whole of the proceeds could be devoted to the building of offices in a proper and efficient way.

Mr. LINTON.—What would you do with the site of the present public offices adjoining the Treasury Gardens? Would you have a stadium there?

Mr. JACKSON.—Those buildings are out of date.

Mr. LINTON.—How would you utilize them to advantage?

Mr. JACKSON.—I suggest that some competent body be appointed to draw up

a scheme for the grouping of the whole of our public offices so that the Public Service may be carried on in the most economical way. Up-to-date offices should be provided, and the whole of the activities should be grouped instead of being scattered all over Melbourne. The present system entails enormous expenditure in overhead charges and upkeep. We are told that economy could be effected by remodelling some of the present buildings, but it is a question whether it is wise to spend £10,000 on altering the present Titles Office, which is a disgrace to Melbourne.

Mr. LINTON.—If you increase efficiency you will get a better return.

Mr. JACKSON.—Absolutely. That is what I want. We shall not effect economies by putting a man off here and a man off there. We must have efficiency, and we cannot have efficiency while the public offices are scattered all round Melbourne. I suggest that instead of £10,000 being spent on alterations to the Titles Office, the whole of our public activities, public offices, and public servants should be subjected to a survey, and a report made to the House. There was an inquiry by Mr. Wallace Ross, and I think the honorable member for Rodney criticized the present Government because it had not put that gentleman's recommendations into operation. Mr. Ross was appointed by the Allan-Peacock Government, and his report was presented to that Government, which took no notice of it.

Mr. ALLAN.—That is not so.

Mr. LINTON.—The report was presented just a few months before the general election.

Mr. JACKSON.—That is so. The Allan-Peacock Government did nothing to give effect to the report, yet the honorable member for Rodney criticizes the present Government which has been in office for only three or four months, for not doing what his own Government should have done. The Allan-Peacock Government for years knew the state of affairs that existed, but did nothing whatever to alter it. It is not fair for members of that Government to twit the present Government, which has been in office only three or four months, for not having done the things which they themselves knew should be done when they appointed Mr. Ross to make an inquiry.

However, I hope the present Government will take the suggestion I have made into consideration. If we are going to have economy and efficiency we must review the whole position. I agree with the Leader of the Opposition that the accommodation of the public servants should be such that it may be possible for those in authority to keep an eye on them. They should also be afforded an opportunity of doing their work under reasonable conditions.

Mr. MURPHY (*Port Melbourne*).—In looking over the Budget, it has struck me that there are a good many avenues that could be utilized by the Government for the purpose of procuring funds to meet its liabilities. I find that our State Accident Insurance Office in the last financial year made a profit of £13,875. Although that office is only getting about one-seventh of the workers' compensation insurance business in this State, during the few years it has been in existence it has carried to its credit account something like £56,000. Apart from the State Accident Insurance office, workers' compensation premiums paid in Victoria amounted last financial year to £346,892. After meeting claims the various insurance companies had left at credit a sum of £167,833. In the State Accident Insurance Office the percentage of expenses to premiums was 12.9, and in the general insurance companies it was over 32. I am one of those who believe that the whole of the workers' compensation insurance business should be taken over by the Government. If that were done, the profits derived would be for the benefit of the whole of the people. During the last financial year the State Accident Insurance Office made a profit of £13,875, while the private companies made a profit of £167,833. In other words, from workers' compensation insurance business there was a total profit of over £180,000, of which the State Accident Insurance Office received only £13,875. I should say it is the duty of any Government functioning in the interests of the people to avail itself of the opportunity that presents itself in this connexion. The State Accident Insurance Office offers cheaper rates than the private insurance companies, and it is a well-known fact that people who are insured with the State Accident Insurance

Office seldom, if ever, have any trouble in getting what is due to them, whereas in connexion with private companies the position is altogether different. In a number of cases the private companies try to get out of their obligations. If an unfortunate individual, who is injured at work, forgets to obtain a doctor's certificate, he may suffer the loss of the money that he should receive. Consequently, I say that whatever Government may be in power in this State should take over the workers' compensation insurance business in its entirety. That would be more satisfactory to the general public, and the profits earned would go to the benefit of the people as a whole. Queensland is, I think, a State that can well be looked to so far as Government institutions are concerned.

Mr. WETTENHALL.—Cattle stations, for instance.

Mr. MURPHY.—The cattle stations of Queensland, like those of every other State, have suffered. The honorable member for Lowan knows that exactly the same results would have accrued in Victoria. He knows that he could not get as much for a bullock to-day as he could have got a few years ago. A few years ago he could have got a much higher price for a bullock than he could get to-day. In Queensland the Government have taken over the whole of the workers' compensation insurance business with great benefit to the community at large. They have also gone in for life and fire insurance. In Queensland the Government have reduced the premium charge, and there is to the credit of their insurance fund £1,750,000. That money benefits the people of Queensland generally. If the Government of this State were to do something similar, the results would be infinitely better than they have been so far. In the last financial year the premiums and other revenue received by the insurance companies amounted to £2,939,495; the payments to insured persons amounted to £1,534,983, and expenses accounted for 41 per cent. of the revenue received. If Governments of this State had only utilized the opportunities presented to them—if they had established enterprises of this kind and gone in, if necessary, for competition with private companies, as the Queensland Government has done—some of the deficits we

have had would have been obliterated. We may compare the work of the public trustee's office in this State with that done in Queensland. In the Melbourne office of the Curator of Estates of Deceased Persons there is a staff of thirteen or fourteen. When I was in Queensland I ascertained that there were 137 employees in the Public Trustee's office. That Department has its own auctioneers and its own solicitors. There is no business having to do with public estates that the Department does not transact for the people. The public go to that office to have their wills drawn, free of charge. Estates of a total value of about £7,000,000 have passed through the hands of the officials in that branch of public service in Queensland. We may compare conditions governing unemployment in this State with those in Queensland. Every year there is a serious recurrence of the unemployment evil; but no Government, until the present Government came into office, has done anything of a serious nature to grapple with unemployment. Doles have been distributed by means of benevolent institutions, and spasmodic efforts have been made to provide work. There are periods in which unemployment is inevitable. Instead of taking steps beforehand to cope with the recurring evil, however, past Governments have done practically nothing. In Queensland, which has not half the population of Victoria, there is an unemployment insurance fund, into which the employer pays 3d. per employee a week. The Government contributes on the same basis, and each employee also pays 3d. a week. During the last twelve months, receipts amounted to about £256,975. Of that total, the workers provided £86,020, the employers £86,020, the State £84,666, and other sources about £268. In Queensland, when a man loses his employment, he and his family need not fall back on benevolent institutions. His wife need not beg the cold bread of charity for her starving children. In my district I have seen sights that make the heart bleed. Our system is altogether wrong. It should be done away with, but we have not learned our lesson. In Queensland, during the last financial year, disbursements from the unemployment insurance fund were:—Sustenance payments, £223,228; administrative and general payments, £25,072; making a

Mr. Murphy.

total distributed, together with expenses, of £248,300. There was left a credit balance of about £8,675, and this, with accruing balances of £44,500, made a total of more than £53,100 to the credit of the fund at the present time.

Mr. LINTON.—Who administers that fund?

Mr. MURPHY.—It is administered by a board of five members—one representing the Government, one the friendly societies, one the Director of Labour, one the workers, and one the employers.

Mr. LINTON.—The administration of the fund is costing approximately 12½ per cent.

Mr. MURPHY.—The reason is that the organization is distributed throughout Queensland.

Mr. CUTHBERTSON.—What is the maximum individual payment?

Mr. MURPHY.—A married man receives £1 a week, and so much in addition for his wife and each child. He is given sustenance for a maximum of fifteen weeks. Day after day, year after year, we see sad sights in the streets of Melbourne. Their like is not to be witnessed in Brisbane. On account of drought and other conditions, this has been perhaps the most severe year experienced in Queensland, but the unemployed do not drift into Brisbane as the unemployed of Victoria concentrate in Melbourne. Sustenance from the unemployment insurance fund is distributed in the country districts of Queensland just as it is in the capital city. This Government should take immediate steps to bring about a similar system in Victoria. It is humane, and there are practically no cases of fraud. I made special inquiries, and was informed that there was not one case of fraud in a thousand disbursements. On the basis of our population, compared with that of Queensland, our annual receipts from such a fund would be between £500,000 and £600,000. What a great amount of good we would be able to do. How greatly would we be able to reduce the unemployment problem. The Queensland Government is now making the contribution rate 4d. a week per employee, instead of 3d.

Mr. LINTON.—Who collects?

Mr. MURPHY.—The system makes the employer responsible for the collection. Each employee has a book in which a

threepenny stamp is placed each week. An employee must work for a certain number of weeks before he may obtain any assistance from the fund. It is incumbent on the Board which administers the fund to keep in touch with all possible avenues for providing employment. If we had such an institution in this State we should be a happier people. We have spent within the past six months a large amount of money to provide work for the unemployed. The Government has done its best to find employment, but what good could we not do for the unemployed, if only the Queensland system were in vogue here and we had between £500,000 and £600,000 as an insurance fund towards which the employee himself had contributed? It is degrading to the Government, and to our institutions, and to individuals in the community, that any man or woman should have to beg for charity. The Queensland Board makes it its business, through its agencies, to secure work for the unemployed.

Mr. MORLEY.—What happens if the unemployed refuse to accept the work?

Mr. MURPHY.—I have not heard of any refusals, so I cannot answer the question. Seventy-two agencies for the payment of sustenance have been established in Queensland; sixteen are in charge of staff officers and 56 are in charge of clerks of courts. These officers distribute the sustenance money. The unions are divided into different groups. There are 44 groups, and 68 per cent. of the sustenance is drawn by the members of eight unions. The sugar industry union draws 14 per cent., the meat employees union 12 per cent., the mining and metal union 10 per cent., pastoral workers 8 per cent., water sewerage workers 6 per cent., railways union 5 per cent., main roads union 5 per cent., and building union 5 per cent. The amount of sustenance that has been paid in Brisbane is £75,412, and the amount paid in the country, £147,816. In Victoria we have prided ourselves during the last few months on the assistance that has been given the unemployed. What, I ask, have we done in comparison with what has been done in Queensland? The Queensland scheme demonstrates what can be done by a Government towards the relief of unemployment. I hope that the Ministry, realizing what has been done in Queensland,

will not remain idle, but will introduce here an insurance scheme similar to that in existence in the northern State. It is the duty of any Government to deal with the problem of unemployment, which is a bad thing for any State. I urge the Government to take a leaf out of the book of the Queensland Labour Government, which has established a systematic scheme for the relief of the unemployed. The results of that scheme have been conclusive.

Mr. MORLEY.—I suppose Mr. Lang's Government would have introduced a similar scheme if he had been returned with a majority on Saturday last?

Mr. MURPHY.—We need not worry about Mr. Lang, because the time will come when he and his party will be in the ascendant again in New South Wales. I am referring to Queensland, where Labour Governments have been in power continuously since 1915. In that State Labour is more strongly entrenched to-day than it has ever been, and the reason for its position is that it has introduced beneficent legislation.

Mr. GREENWOOD (*Nunawading*).—I intend to approach this debate apart from any party consideration. I do this because of the conviction that there are many matters in connexion with our State expenditure which require review with the utmost care. The honorable member for Prahran and the honorable member for Port Melbourne have made definite suggestions for improvements, and it seems to me that in view of the Auditor-General's report and the general financial position of the State the spirit of this debate ought to be largely one of making suggestions to the Government for the overcoming of the financial difficulty. The spirit in which the two honorable members to whom I have referred spoke was in that direction. The honorable member for Prahran suggested that expenditure on the provision of increased accommodation at the Titles Office should not be proceeded with until the accommodation provided for the Public Service had been reviewed, and the question decided whether public money might be saved and more efficient service obtained by the better grouping of Departments. The honorable member for Port Melbourne supplied interesting particulars relating to the Queensland unemployed insurance scheme, and I think that that subject should be fully discussed in this debate. I desire to advance

one suggestion on that matter. It relates to that principle in the Queensland scheme which provides for the payment of sustenance during the period of unemployment. It has occurred to me that it would be better to enlarge on that principle and provide that certain Government works would always be available for the employment of men when they are out of work. In that way the men would not receive a mere sustenance allowance, but would be paid for useful work performed. I understood the honorable member for Port Melbourne to say that the Queensland fund is contributed to in equal proportions by employers, employees and the Government, and that it is applied towards the cost of administration and the provision of sustenance. It seems to me that it would be better, even if the rate of contribution were increased, if such a fund were used for the provision of work in preference to sustenance.

Mr. MURPHY.—The Board of five members makes provision for work for the unemployed.

Mr. GREENWOOD.—My point is that some Government work should always be available so that when unemployment occurs on a large scale a start could be made with the work, and the unemployed engaged on it. If I understand the temperament of the Australian workers, it is that when they are unemployed they want work, and not a dole. My suggestion is that the contributions under an unemployment insurance scheme should be paid into a trust fund, so that work will always be available when serious unemployment occurs.

Mr. MURPHY.—It would be better to do something like that than handle the situation as we do now.

Mr. GREENWOOD.—I agree with that statement. In previous years I have been a constant critic of Governments in regard to the financial position of the State. I am going to repeat what I have said in previous Budget debates. On one occasion when the Budget was under consideration, I voted with the Labour party, which was then in Opposition. What I said then I can say on this occasion. My recollection is that one of the best speeches that I have heard delivered in this House was made by the present Treasurer when he spoke last session as Leader of the Opposition on the then Govern-

ment's Budget. Many of the assertions that he made then he repeated in his policy speech at Ballan this year. He stressed the definite necessity for economy, and pointed out in a most imposing array of figures the drift that has taken place in the finances of the State. He made it clear that the real deficit for last financial year was nearer £2,000,000 than £642,000 when one included the losses on soldier settlement, the State Electricity Commission's undertaking, and the expenditure of loan money on unproductive works. In his policy speech, the honorable gentleman said—

Notwithstanding this serious position, governmental and private squandermania is rampant. But extravagance is no proof of prosperity. The true position is that we are living beyond our income.

I want to be fair to the Treasurer and his Government. The position which they are facing to-day has not been created during the last few months. It is the outcome of the financial policy that has been followed during recent years.

Mr. HOGAN.—I thought that I had done all the mischief.

Mr. GREENWOOD.—The honorable gentleman has done quite enough. The position we have to face to-day is that Parliament is responsible for the present position of the State's finances. It is our duty to study the financial position carefully in an endeavour to obtain an improvement in it. The Treasurer struck the right note when he criticized the previous Government's Budget last session. He struck the right note at Ballan when he referred to the State's financial position. In that speech he may have used a few electioneering stunts, but he was not the only man who did that during the last election campaign. It has always been a matter of regret to me that the Auditor-General's report is not made the subject of a full-dress debate in this House. Every paragraph of that report should be examined carefully by the House. The Auditor-General is an expert officer, and he has the assistance of an expert staff. The practice of recent years has been for Parliament to take practically no notice of the Auditor-General's report.

Mr. HOGAN.—It deserves a better fate than that, because the Auditor-General is a fine officer, and does good work for the State. I agree with the honorable member that the report should be considered more fully by Parliament than it has been during recent years.

Mr. GREENWOOD.—I think that this House should debate the report. I congratulate the Treasurer on having brought down the Budget as early as it was possible for him to do in the circumstances. It is a matter for regret, of course, that this House has not had a full opportunity of discussing the financial agreement between the Commonwealth and the States, and the Auditor-General's report. In his report the Auditor-General made a number of statements to which we should give our most earnest consideration. One was—

The recurring rises in the revenues may be indicative of progress and general prosperity, but as all sources of the expenditure show large increases, it is evident the requirements of the State demand an ever increasing income, a condition that cannot be relied upon to continue indefinitely. The expenditure of revenue and loan moneys last year amounted to £35,963,110, which was an increase of £3,106,276 on the amount expended in the preceding year, and £21,890,130 more than the expenditure in 1917-18.

Honorable members will recollect that in 1917-18 there was what was known as an economy move in Victoria. The honorable member for Allandale was Premier, and if I remember correctly, he had budgeted for about £11,000,000. The economy election was held, and the Government was defeated. The economy party was returned to Parliament with a mandate from the electors to cut down expenses. That was not done, and the expenditure has been rising steadily at an average of between £1,000,000 to £1,500,000 a year without any check. For 1926-27 the expenditure amounted to approximately £27,000,000.

Mr. A. HUGHES (*Hampden*).—Did not the economy Government investigate the position?

Mr. GREENWOOD.—It made one proposal, and on that proposal it was defeated.

Dr. ARGYLE.—Have you taken into consideration the value of money at the two periods you mentioned?

Mr. GREENWOOD.—In making a comparison of the expenditure of ten years ago with that of last year, we have to take into consideration the value of money and also the question of population. But when our interest bill in 1926-27 approached £7,000,000—seven-elevenths of the total expenditure of the State in 1917—considerations relating to the value of money and population

disappeared altogether. Some £30,000,000 of the amount expended in the last ten years has been unproductive. The result is that we shall never get back to a low expenditure in Victoria. On the contrary, it is rapidly increasing. The expenditure of revenue and loan moneys last year amounted to £35,963,110, which was an increase of £3,106,276 on the amount expended in the preceding year. When we take into consideration the figures for the last ten years, we find that the total expenditure out of revenue and loan exceeds the receipts by approximately £80,000,000. The Auditor-General states—

When the receipts and disbursements for the last ten years are totalled they show:—Receipts, £197,934,761; expenditure—revenue, £198,717,898; and loan, £77,726,569—£276,444,467. In this decade the interest payments amounted to £47,956,647, which exceeded the net return from capital investments by the sum of £8,399,855.

That is an important point. The deficiency in the net return from capital investments for the last ten years is actually double what it was in the preceding ten years. The report continues—

The shortage was in excess of the deficiency for the preceding ten years by the amount of £4,361,782. The figures indicate that for some years the interest charges have been considerably in excess of the earning capacity of the works and purposes to which loan moneys have been applied. The deficiency in the net returns for the last ten years would be much more than has been stated if the losses on land settlement were included.

The actual rate of loss is increasing by nearly 100 per cent. per annum. When we take the deficiency, and add to it the losses in respect of land settlement, we begin to realize that we have every reason to make the closest possible examination of finance. In regard to the Railway Department, the Auditor-General remarks—

Another unsatisfactory feature is that, notwithstanding the large increases in railway earnings in normal years, and the additional payments by the Treasury to the credit of the railways, the earnings and credits are not sufficient to pay working expenses and interest, nor is adequate provision made for the protection of wasting capital.

When he refers to "the additional payments by the Treasury to the credit of the railways," he means payments in respect of the reduction in freights authorized by Parliament, and of losses on

non-paying lines. The Auditor-General has pointed out that notwithstanding these additional payments, and that railway earnings have largely increased in normal years, the position is out of hand. We are making no attempt to overcome the difficulty. In summing up the position, he says, in effect, that as long as we are able to proceed as we are doing, with wealth accumulating all the time, we may be able to come out of the situation satisfactorily, but with the slightest set back we shall be up against it. The same criticism has been offered by the Auditor-General in South Australia regarding financial matters there. In fact, in practically every other State in Australia a similar position is arising, and the time has come when we ought to give more consideration to the problem of economy. In his Budget speech the Treasurer stated that certain economies had been effected, but he has not taken the House into his confidence concerning them. If the spirit of economy is to be in evidence throughout the year, then I am somewhat puzzled about the Budget. With the £690,000 expected as the result of the financial agreement with the Commonwealth, and £370,000 proposed to be provided by new taxation, the Treasurer promises that the ledger will be balanced. If he carries out the plan in that way, and the spirit of economy continues to exist, there will be no necessity to resort to further means of taxation. Yet the Treasurer announced—to the utmost surprise of the honorable member for Barwon—that the totalizator would be established. If that Bill is passed probably an additional £1,000,000 will be derived by the Government.

Mr. HOGAN.—We shall not get anything from it this year.

Mr. GREENWOOD.—The honorable gentleman is looking forward to next year.

Mr. HOGAN.—I am. I am also looking to those losses on soldier settlement for which I have not provided this year.

Mr. GREENWOOD.—The honorable gentleman is looking to the Commonwealth in that respect. If in the coming year there is the possibility of increasing the revenue from taxation, to the extent of, say, £1,000,000, there cannot be much in his mind in respect to a definite plan of economy.

Mr. HOGAN.—There is.

Mr. GREENWOOD.—Then there is no need for the proposal to establish the totalizator. I do not want to attempt to judge the Government on this Budget. Any one who has been studying State finance for a period will know that much of the expenditure referred to in the Budget is rendered necessary by legislation. The Treasurer controls some 20 per cent. of the expenditure, and to that extent only can he consider the question of economy. If the financial agreement with the Commonwealth is ratified by this Parliament, the Treasurer will be able to say that he has honoured his election pledge. In his policy speech at Ballan he made no reference at all to the totalizator proposal. He is not balancing his ledger by that means.

Mr. HOGAN.—I did not indicate at Ballan how we would balance the ledger.

Mr. GREENWOOD.—But you will balance it.

Mr. HOGAN.—If you will look at page 18 of the Budget speech you will find that the first paragraph refers to soldier settlement loans. Will you read it?

Mr. GREENWOOD.—It states—

Until the final adjustments can be made with the Commonwealth, the present arrangement of meeting the major part of the administration expenses and interest on soldier settlement loans out of capital moneys cannot be altered. But it is manifest that this cannot be continued any longer than this year.

Then the honorable gentleman is claiming that the totalizator is to meet soldier settlement expenditure.

Mr. HOGAN.—In addition to what we meet this year, we shall next year have to meet a liability on soldier settlement for which the Commonwealth does not make itself responsible. We shall have to do that out of Consolidated Revenue. I contend that we should not be borrowing money to pay interest on other borrowed money.

Mr. GREENWOOD.—I quite agree with the honorable gentleman.

Mr. HOGAN.—We have been doing so. It has been done this year, but it cannot be allowed to continue next year.

Mr. GREENWOOD.—There are certain points to remember. We are not here to increase taxation unnecessarily. We ought to recognize our responsibilities, and effect every possible economy. When we have done that, we can meet the obligations of the State. Reverting to the speech which the honorable gentle-

man made at Ballan, the position seems to be that next year he expects to meet soldier settlement losses with revenue from the totalizator. If he is successful in his negotiations with the Commonwealth he will simply not need to do so. I think that the utmost effort should be made to get the Commonwealth to fully meet its obligations. Under the agreement which will extend over 58 years, the Commonwealth will save some £158,000,000, as compared with what they would have had to pay if the *per capita* arrangement continued. In view of that fact it is asking the Commonwealth to be not generous but just. Under the State Savings Bank Bill the Government is faced with the possibility of a position similar to that which has arisen in connexion with soldier settlement. To my mind the State should never have been anything but an agent so far as soldier settlement is concerned. Whatever obligations were entered into by and on behalf of the soldier settler should have been the responsibility of the Commonwealth. In connexion with the State Savings Bank proposal, and the taking over of soldiers' homes, it will be found that the sentimental responsibility to the soldier will be saddled on to the State Savings Bank instead of the Commonwealth. The soldier should have the right of a direct appeal to the Commonwealth, and the Commonwealth should be able to request the State Savings Bank to carry out certain work, the Commonwealth footing the bill. I put that point to the Treasurer now in case it may be forgotten.

Mr. HOGAN.—We can debate that specifically on the State Savings Bank Bill.

Mr. GREENWOOD.—That is so, but I want the Government to go fully into the matter. The Treasurer, in his speech at Ballan, gave a direct undertaking to the people of Victoria, and I want to tell him quite frankly, that when I saw the letter, which appeared in the press over his signature, I at once got a copy of his Ballan speech to see exactly what his contract with the people of Victoria was. It was stated at the time that the Government could be relied upon not to bring in a totalizator Bill. People were satisfied, in view of the Treasurer's definite pledge, by letter and by his final speech before the election, that if returned to power he would confine himself to the issues in his programme, and would

not raise new issues before another appeal had been made to the people. In his letter dated the 13th of March, and printed in the *Age* and in other newspapers, on the 14th of March, the Treasurer stated that his Ballan speech would constitute the terms of a contract between the electors and his party—

When reforms enacted therein had been consummated, another programme would be prepared and first submitted to the people before any action was taken thereon.

The Treasurer repeated that statement in his final message to the electors with a slight variation in the wording. He stated that the policy speech delivered by him at Ballan was in the terms of a contract between the electors and the Labour party. That would be the programme for the next Parliament, and it would be adhered to. I am sure there is not the slightest intention on the honorable gentleman's part to betray the undertaking that he gave. I am certain of that. Nevertheless, an issue that was not fought out at the last election is to be embodied in legislation. I am quite honest when I say that I am certain the Government and their party have no desire to betray the people in any way. But there is the contract as enunciated by the Treasurer, and it raises the question as to whether the proposal to bring in a totalizator Bill this session should be gone on with.

Mr. HOGAN.—Of course, the honorable member is aware that I indicated clearly in my policy speech that sufficient revenue had to be raised to meet our obligations. I did not specify how that revenue should be raised.

Mr. GREENWOOD. — I recognize that. But the Treasurer has met the expenditure for this year.

Mr. HOGAN.—No, I have not met it. I have only partly met it. I have made no provision for soldier settlement losses this year, and that runs into nearly £1,000,000.

Mr. GREENWOOD.—The position remains that the Treasurer has other means of taxation than this controversial one. The people of Victoria are divided into sections on this issue. It has been a fighting political issue for years.

Mr. HOGAN.—It is a non-party issue.

Mr. GREENWOOD.—I did not say that it was a party issue. I said that it was a fighting political issue. There is one other point I wish to allude to. The

Treasurer will receive a deputation tomorrow in connexion with this issue, and I want him to be prepared to deal with the matter as it is relative to his Ballan speech. That is a perfectly fair request to make.

Mr. MORLEY.—Why tell him what to say. He has brains.

Mr. GREENWOOD.—That is where he is distinct from the honorable member for Barwon.

Mr. MORLEY.—I shall never go to you for brains.

Mr. GREENWOOD.—I can get a good deal of support from the Opposition. I do not think that the fact that the Treasurer made a promise relative to the balancing of the ledger gets him out of the difficulty with regard to the totalizator. The Treasurer must honour the promise that he gave at Ballan, and balance the ledger in some other way. There are other means of doing it. If he adopts this particular way, he will let down people who, at the election, allowed the totalizator issue to stand over.

Mr. MORLEY.—You voted for the betting tax.

Mr. GREENWOOD.—I have done that and many other things.

Mr. MORLEY.—I suppose you are ashamed of it. You are not sincere.

Mr. GREENWOOD.—I recollect my voting for the betting tax.

Mr. MORLEY.—And so do I.

Mr. GREENWOOD.—And the honorable member knows the reason why. Only three members of the Labour party voted for the totalizator measure of 1922.

Mr. MORLEY.—They wanted the totalizator, but in different ways.

Mr. GREENWOOD.—And the honorable member for Barwon wanted it in any old way. With him it is a case of "Give me the tote. I don't care a damn about the nation."

Mr. MORLEY.—You are interested in the nation, I don't think!

Mr. GREENWOOD.—I withdraw that remark. I do feel that the honorable member for Barwon might help me rather than try to hinder me.

Mr. MORLEY.—I am doing what I can to help you. I am giving you good advice.

Mr. GREENWOOD.—When the discussion took place on the totalizator measure, the present Treasurer made his

position clear. He opposed the totalizator for two reasons. Speaking for the punters of the State he said that 10 per cent. was an unfair charge to make by way of collection.

Mr. HOGAN.—I shall have to try to keep it lower than that, then.

Mr. GREENWOOD.—Another of his reasons was that the Government would not own the machine. I do not know whether he has changed his ground—whether he will make the totalizator a Government-owned machine or not. Under the provisions of the Bill brought in by the honorable member for Barwon in 1922, in the case of metropolitan race-courses $4\frac{1}{2}$ per cent. of the amount invested was to go to the clubs, and the remaining $5\frac{1}{2}$ per cent. was to be devoted in equal parts to country roads and charities. In the case of country race-courses 7 per cent. was to go to the clubs, and 3 per cent. was to be divided among country roads and charities. Presumably, the Treasurer is going to reduce the toll from 10 per cent. to some lower figure. If he goes into the matter very closely, he will find that the racing clubs of Victoria cannot meet the obligation of installing this machine at any figure under 7 or $7\frac{1}{2}$ per cent. It will cost £250,000 to start the machine. A royalty has to be paid to the shareholders of the totalizator company, which is expected to pay huge dividends. In addition, the working expenses of the machine have to be provided for. To be fair to the racing clubs, it would be necessary to allow 7 or $7\frac{1}{2}$ per cent. to them.

Mr. MORLEY.—Why go into these details now? Surely they can wait until the Bill is brought forward?

Mr. GREENWOOD.—Why discuss any financial matter before it is before us in the shape of a Bill?

Mr. HOGAN.—The honorable member for Nunawading is within his rights. The totalizator is mentioned in the Budget.

Mr. GREENWOOD.—To be fair to the racing clubs, to give them an adequate return for working expenses, sinking fund, and an amount to cover royalties, it will be necessary for the Government to allow 7 or $7\frac{1}{2}$ per cent.

Mr. MORLEY.—They won't get 5 per cent.

Mr. GREENWOOD.—I wish the honorable member would be quiet.

Mr. MORLEY.—You do not know what you are talking about. What you don't know about "totes" would fill a book.

Mr. GREENWOOD.—The honorable member has filled a book long before to-night.

The ACTING CHAIRMAN (Mr. Frost).—Honorable members should know that interjections are quite disorderly. I ask the honorable member for Nunawading to continue his speech.

Mr. GREENWOOD.—I appeal to the Government, before it makes its final decision to consider this point: it will be unfair to the racing clubs if the actual charge is less than $7\frac{1}{2}$ per cent.

Mr. MORLEY.—I have just said it will not be 5 per cent.

Mr. GREENWOOD.—The honorable member for Barwon is trying deliberately to put me off my remarks. He is quite unfair, and I must appeal for the protection of the Chair.

The ACTING CHAIRMAN (Mr. Frost).—The honorable member for Barwon must cease to interject. He knows that interjections are disorderly.

Mr. MORLEY.—I am sorry.

Mr. GREENWOOD.—If the Government have to cover any amount such as I have indicated, the return to the Government from the totalizator will be reduced considerably. I ask the Government to make its position clear as soon as possible. We should be told what the nature of the Bill to be brought in is. The people have a right to know that at an early date. It should not be sprung upon the people at the last moment. They have a right to ask whether the bookmaker is to be allowed to continue operations or not. If we turn to New South Wales we find three times the number of bookmakers that we have registered in Victoria, and this in spite of the fact that the totalizator is against them up to the hilt. We know that they have sent advice to the bookmakers of Victoria not to oppose the totalizator, as, judging from their experience, they would do more business with the totalizator than they would do without it. In South Australia the unregistered bookmaker is doing profitable business alongside the totalizator. The bookmaker can beat the law every

time. If we allow bookmakers to operate alongside the totalizator, we shall put hundreds of thousands of pounds into the pockets of the wealthy bookmakers. We may make it impossible for the small bookmakers to live. The problem is full of difficulties whichever way we look at it. As this is wrapped up in the scheme of finance, the Premier should take the people into his confidence as soon as he can in regard to his proposal.

Mr. HOGAN.—Permit me to say one thing. I understand that there are fewer bookmakers at Randwick than there are, say, at Moonee Valley.

Mr. GREENWOOD.—That is so, because the small bookmaker goes out. The totalizator takes the small man's bets, and the bookmaker takes the wealthy man's bets. There were nearly 15,000,000 registered tickets issued in New South Wales in addition to those issued by the totalizator. I understand that there are more bookmakers in New South Wales than in Victoria.

Mr. HOGAN.—The honorable member might get the exact figures.

Mr. GREENWOOD.—I understand that the proportion is nearly three to one.

Mr. HOGAN.—It is a matter of Randwick as compared with a Melbourne course.

An HONORABLE MEMBER.—There are more race-courses in New South Wales than in Victoria.

Mr. HOGAN.—New South Wales is, of course, a bigger State than Victoria.

Mr. GREENWOOD.—Any man claiming to be a statesman cannot forget that the most important work resting on his shoulders is to build up humanity. No people who try to do that advocate gambling. No one attempts to justify gambling. I urge the Premier to remember that his responsibility is to protect the community, as was stated by the Chief Secretary to the deputation that waited on him in regard to gambling on tin hares.

Mr. POLLARD.—Do you believe in commercial gambling?

Mr. GREENWOOD.—No. That argument has been used often. If one took the same risks in business as one took on the race-course, it would be a case of gambling. On the race-course a man has to bet on the jockeys and on the horses.

Mr. A. HUGHES (*Hampden*).—Would you prefer the totalizator, or bookmakers' betting, if tin hare racing were introduced?

Mr. GREENWOOD.—I should prefer neither.

Mr. HOGAN.—The Government agrees with you on that matter.

Mr. GREENWOOD.—The vital issue is that if the Government introduces a Totalizator Bill, it will increase gambling. Going back to the matter of general finances, I wish to point out that the Premier, in his policy speech, used figures which reflected strongly on the position of Victoria. He said—

Victoria's external balance-sheet for the period 1918 to 1926 under the Lawson-Peacock and Allan Governments is as follows:—

Overseas imports	...	...	£363,000,000
Overseas exports	...	...	£278,000,000
Excess of imports over exports			£85,000,000

If we go to Queensland, we find that the position has been reversed. In one period we in Victoria imported £32,000,000 more than we exported, while Queensland exported £22,000,000 more than it imported.

AN HONORABLE MEMBER.—Under a Labour Government?

Mr. GREENWOOD.—Yes. It would appear, at first glance, that that demonstrates that the wealth of Queensland was greater than that of Victoria, but it is not so. It is what is done with the imports that counts. Victoria is the manufacturing centre of Australia. Out of the excess of £85,000,000 worth of imports a considerable amount was re-exported from Victoria to Western Australia, Queensland, Tasmania, South Australia, and New South Wales.

Mr. DRAKEFORD.—Can you prove that statement about the £85,000,000?

Mr. GREENWOOD.—I will give figures that support it. If Victoria were a self-contained State and exported goods worth £80,000,000 and imported £106,000,000 worth it would be emptying out its money. Its bank deposits would go down. When we review the position we find that the Victorian savings have been going up all the time. In one year our export trade equalled £106 per head, while in Queensland it was £93 per head. In a given period the growth of factories has been equal to 20 per cent. in Victoria, and only 2 per cent. in Queensland. In four years an increase of 22

per cent. took place in the number of employees in Victoria, but the increase in Queensland was only 5½ per cent. The amount paid in wages in Victorian factories was greater than that paid in those in Queensland. In rural production we find there have been increases in Victoria and decreases in Queensland. In Victoria we are accumulating wealth at a greater rate than they are in Queensland. It is not merely the imports and the exports that count. Honorable members will realize that the Premier's figures break down. I shall reserve other remarks for the individual items, but I shall be prepared to support the Government in a movement for general economy. We are not out to increase borrowing. This Government is repeating the history of past Governments. Its expenditure has increased. We have no evidence of any economy, but, if its policy is to be one of rigid economy, I shall be prepared to go all the way with the Government. That is Parliament's obligation to the people of Victoria. We realize that our net indebtedness has been increased by £66,000,000 in the last ten years. In private businesses, stocks have had to be written down 30 per cent. or 40 per cent. as against the war prices. The same thing will happen in regard to the State. Various items stand on the balance-sheet, but they are not actually worth the money set down against them. The Government should create a Public Service Efficiency Board to report in a similar way to that in which the Railway Betterment Board makes reports to the Railways Commissioners. The suggestions made by the honorable member for Port Melbourne and the honorable member for Prahran should be taken into consideration. Mr. Wallace Ross was engaged by the previous Government to go through the Service, and he made suggestions. Parliament hesitates to take action in regard to them, although they are no doubt based on solid grounds. There is room for economy. The members of the Government have to face their work in Parliament, and to visit various parts of the State. They need some link to bring them information, and that would be supplied by a Public Service Efficiency Board through whose reports definite reforms could be achieved.

Progress was reported.

The House adjourned at 10.12 p.m.

LEGISLATIVE COUNCIL.

Wednesday, October 12, 1927.

The PRESIDENT (Sir Frank Clarke) took the chair at 4.52 p.m., and read the prayer.

PETROL PUMPS BILL.

The debate (adjourned from October 4), on the motion of the Hon. W. J. Beckett (Minister of Forests) for the second reading of this Bill was resumed.

The Hon. H. I. COHEN.—One feature of this Bill commends itself to me. It has been said that in the past no statutory authority existed for the erection of petrol pumps in the streets, and that fact has been used by the municipalities as a lever to exact a fee for insurance from the owners of the pumps. Nevertheless, we find in this Bill that a provision is proposed to be inserted, making it obligatory upon owners of petrol pumps to insure against any liability which may be incurred to the public in respect of their pumps. The view has been taken that as there was no statutory authority for the erection of the pumps such insurance was necessary. I understand that the view of the municipalities was that because there was no right to erect petrol pumps in the streets, as exists in the cases of electric light poles, postal pillar boxes, and other obstructions of that kind, the mere placing of the pumps on the streets constituted in theory a nuisance, and any accident which might occur, for instance by contact with one of the pumps, would involve liability and damages. It appears to me that after the enactment of this measure, there will be no liability of the nature I have suggested, and the only liability that may arise will be from some other source, such as a leakage of petrol, which is so remote that it may be safely said that no other liability will arise. It may be a wise step to bring petrol pumps under proper control, in view of the contingency that I have explained. But I do not think that advantage should be taken of it to enable municipalities to exact large fees from owners of petrol pumps, who are supplying what is really a public service. The ordinary garage proprietor is not, of course, obliged to provide petrol pumps. He may store petrol in his garage in the ordinary way as a private motor owner may do, taking the same element of risk

as the private owner. If the garage proprietor takes it on himself to oblige his customers, and the public generally, by erecting petrol pumps on the footpath, I see no reason why he should be penalized for having adopted the most progressive, safe, modern and satisfactory method of supplying petrol.

The Hon. A. BELL.—But he occupies useful ground belonging to the municipality.

The Hon. H. I. COHEN.—How much of the street does his pump occupy? If he is serving the public, should not the municipalities welcome his enterprise? It must not be forgotten that the garage proprietors who provide petrol pumps pay municipal rates. If their pumps serve to enhance the value of their properties the municipalities receive an advantage in an indirect way through the payment of higher rates. I suppose that, other things being equal, the man who has had petrol pumps installed does attract a certain amount of business, although I understand that the profit which is made from the sale of petrol by garage proprietors is not very large. I do not think that the garage proprietors take any objection to the payment of the actual out-of-pocket expenses which the councils may incur in the administration of this legislation, but they do not wish its introduction to be made the medium for the exaction by the municipalities of high fees for the licensing of petrol pumps. Under this measure councils will have power to charge licence fees up to £10 10s. per pump. I think that such a charge as that will be very heavy on a man who is supplying a public want. As I came to Parliament House this afternoon I passed one garage, in front of which I saw six petrol pumps. If the municipal council in which that garage is situated adopted the maximum charge permitted by this Bill, the proprietor would be penalized to the extent of £63 per annum for the licensing of his petrol pumps. I do not suppose that that man obtains any more profit from the sale of six kinds of motor spirit than from the sale of one kind.

The Hon. R. WILLIAMS.—Were those petrol pumps on the footpath?

The Hon. H. I. COHEN.—Yes. There were six of them in a row. I think it was a service station.

The Hon. M. MCGREGOR.—Councils in the province I represent charge a

licence-fee for one pump, and a reduced fee for additional pumps erected by the same owner. I think that that practice will be adopted generally by the municipalities.

The Hon. H. I. COHEN.—It may be. I have had some figures relating to the practice in some municipalities supplied to me, but they are not sufficiently exhaustive to show what practice is adopted in every municipality in the State. If there are six petrol pumps in a row in front of a garage, it is not to be supposed that the six pumps will constitute a greater hindrance to traffic than two pumps. One garage proprietor informed me that his premises had a frontage of 270 feet. The council of the municipality in which the garage is situated allowed him, originally, only two petrol pumps. Subsequently, he was allowed to place on the footpath a third pump for the purpose of supplying "Benzol," which, I understand, is an Australian product. He says he could do with six petrol pumps, but that he is not permitted in that particular municipality to have six. In point of fact, if he did have six it would not cause a greater obstruction, because only two motor cars can be served at one time along the frontage where the pumps are. Whether there were two or six pumps, there would be no greater obstruction from that source.

The Hon. A. BELL.—Then what is the good of having six?

The Hon. H. I. COHEN.—The garage proprietor would be able to supply various kinds of petrol. Where the pumps are limited to two, it usually turns out that they supply the "Shell" brand and the "Plume" brand. The C.O.R. and other brands are excluded. The desire is to serve all preferences in this regard so as to get the custom. The danger in all these cases is this: Under this particular measure the suggestion is that the minimum charge shall be £2 2s. and the maximum £10 10s. As we know, the maximum tends to become the minimum, and any municipality could justify its charge of the maximum amount by saying, "Here is the Act which authorizes us to make this charge. We will make it accordingly. Take it or leave it just as you like." The proprietors of the petrol pumps would have Hobson's choice.

They would either have to allow a monopoly to go to their competitors, or pay the £10 10s. demanded. I have here a list of fees which I am told are at present charged for pumps. I will read the charges which relate to various parts of the State, and which are indicative of the bases upon which various municipalities charge. To take country places first, at Mildura there is a uniform charge of £2 2s. At Warrnambool there is a charge of £2 12s. 6d. which includes insurance of the council against third party risks. At Ballarat they insist that the pumps must be of Australian manufacture, and the charge is £5 5s.

The Hon. A. BELL.—That is what we try to do.

The Hon. H. I. COHEN.—That is what the Ballarat council tries to do. Of course, it has no power to insist upon anything. It is doubtful whether the charges made in the past have been properly levied. However, they have been levied and paid. Now that the matter is to be put on a proper basis, it is to be hoped that it will be done in a way fair and reasonable to all parties concerned. The garage proprietors have no objection to paying a fee of £1 1s., which ought to be sufficient for administration costs. When we come to the clause which deals with the right of a municipality to proclaim what spirit shall be used and what pumps shall be used, the House will, I think, have a good deal to say, because there should be perfect freedom of trade in these matters. We all hope that Australian pumps may be enabled to hold their own with the imported pumps. But I am told that in one case where a proprietor had purchased Australian pumps, when he wanted to replace certain parts he found that the manufacturer had gone out of business, with the result that he had to scrap all his pumps. There must be something in the nature of continuity of trade if the Australian manufacturers hope to hold the market.

The Hon. A. BELL.—That might occur in any part of the world.

The Hon. H. I. COHEN.—It might occur in any part of the world. But in the case of old established firms, which have a world-wide market, there is far greater likelihood of being able to replace old parts. In Colac the charge is £5 5s.; in Geelong £5 5s., in Bairnsdale £3 3s., and in Wangaratta £1 1s. Why there should be these differences, I do not know.

In Wangaratta they are satisfied to exact £1 ls.

The Hon. H. F. RICHARDSON.—There are more motor cars going through the town.

The Hon. H. I. COHEN.—That does not matter. The obligations of the municipality are no greater whether there are a large number of motor cars going through a town or a small number of motor cars going through. The pretext for making a charge, I apprehend, is the cost of supervision, which can only in the beginning be properly made by the municipality.

The Hon. H. F. RICHARDSON.—The proprietors of petrol pumps are occupying public property and should pay according to the advantages they get.

The Hon. H. I. COHEN.—Mr. Richardson says the proprietors of the petrol pumps are occupying public property. I suppose that, in a sense, they are. But the municipalities get rates from these people, and the rates are, I take it, fairly high. It is not the province of a municipality to charge exorbitantly for any service it is called upon to render. In Melbourne the charges vary from £4 4s. to £10 10s. according to site. That does not seem to me to be right in principle. The cost of administration is a fair charge. But why should the municipalities regard the footpath as something they have a right to let out, and to say, "You shall pay more because you give service to the public in one street than you will be asked to pay if you give service to the public in another street?"

The Hon. W. J. BECKETT.—The charge follows rent values.

The Hon. H. I. COHEN.—But I cannot see why it should follow rent values.

The Hon. W. J. BECKETT.—The same principle applies with respect to the rent for fruit stalls.

The Hon. H. I. COHEN.—That is quite another matter. The fruit salesman sets up a business from which he is making his living. The amount of petrol which is sold through these machines is quite small. It could not possibly constitute a man's living. He could not fill the machines fast enough to enable him to make a decent living. He is simply serving the interests of the public, and because he does so in a particular street he may be charged two and a half times as much as he would be charged if he served the public in another street. As

a matter of fact, a motorist would, I presume, prefer to get his petrol in a by-street rather than in a busy street. I will take a further example from the metropolis. In Brighton there are several charges—£3 3s., £5 5s., and £10 10s. The charges vary according to the brand of pump and the brand of spirit. That, again, seems to be quite wrong in principle. Why should a municipality dictate to a man as to the sort of pump he should have and the sort of spirit he should supply. As I said before, we all hope that Australian spirit and Australian pumps will commend themselves to the proprietors and to the public generally. But why should the municipalities charge varying rates and practically dictate to a business man how he shall carry on his business?

The Hon. E. L. KIERNAN.—Why should they not encourage the consumption of local spirit if they want to?

The Hon. H. I. COHEN.—Because it is no part of their business to do so. Politics ought to be entirely excluded from municipal life.

The Hon. E. L. KIERNAN.—It is not a question of politics but of business.

The Hon. H. I. COHEN.—In one municipality there may be so many protectionists, in another so many free-traders. Why should the charges vary according to the personnel of the council? A case might arise where persons upon a council would be interested in a particular form of spirit or in a particular form of pump. No councillor should be placed in a position where it might be to his interests to dictate what sort of pump should be used or what sort of spirit should be used. In Essendon, it is quite definitely laid down in respect of Australian equipment that the charge shall be only £5 5s., and that where there is imported equipment the charge shall be £10 10s. In Malvern there is a uniform charge of £4 4s., and in Box Hill £5 5s. In St. Kilda the charge is £3 3s. In Brunswick there is a charge of £4 4s. if Australian spirit is sold, and pumps of Australian manufacture only can be installed. The charge is £5 5s. in respect of a pump selling imported spirit. In Fitzroy the charge is a uniform one of £3 3s. Now it is suggested that it would be better to have a uniform charge, a fair charge to cover cost of administration throughout all the municipalities. That is what we ought

to aim at getting under this particular measure. One clause of the Bill provides that a municipal engineer shall decide the specifications of pumps to be erected. Under present conditions all pumps erected are, I understand, passed and accepted by the Fire Underwriters' Association, and the suggestion was made that it should not be left to individual municipal engineers to provide specifications, but that there should be some uniformity in these matters, and the standard adopted by the Fire Underwriters' Association should be accepted. Otherwise, we can conceive that difficulties will arise. Every council engineer is not a know-all. He has not complete knowledge in regard to all matters connected with engineering. He may be all astray, and may demand the carrying out of specifications impossible, or unnecessary, to fulfil. There ought to be no difficulty in creating a standard for that purpose. I should like a section of the English Act to be incorporated in the Bill. Under the English Act any person aggrieved may appeal to the Minister of Transport in order that he may get his grievance remedied. The English section reads as follows:—

Any person aggrieved by the refusal or withdrawal of a licence, or dissatisfied with the conditions prescribed for a licence or a consent to the same, may appeal to the Minister of Transport, and if the Minister is of opinion, after due inquiry, that the licence should be granted or continued, or that the conditions prescribed are unreasonable, he may require the licence to be granted or continued, and the conditions to be varied as he thinks fit.

Very large powers have been given to municipalities under this measure. Each and every one of them is authorized to draw up its own set of conditions, and it may very well happen that unreasonable conditions will be drawn up by some municipalities. We have to assume that a great number of them will act fairly. But others may not act fairly. They may impose conditions that are unfair and unreasonable. In these circumstances there ought to be a right of appeal to the Minister. Otherwise a uniform set of conditions, which would apply to all municipalities, should receive the endorsement of the Minister before coming into force. I can see difficulty in having a uniform set of conditions which might be applicable equally in a country town and in the metropolis. It may be wise, indeed, to leave the municipalities to make their

Hon. H. I. Cohen.

own regulations. At any rate, there ought to be the right of appeal, so that if a municipal council is unreasonable the Minister may set things straight. I am told that in one country town—it happens to be in the province of which Mr. McGregor is a representative—the local authorities will not permit petrol pumps to be set up in the streets. It has been suggested—I do not know whether there is any foundation for it—that this prohibition is designed to assist a person on the council. In any case, I do not know what warrant there is for a municipal council refusing to allow the installation on the street of a service which is for the benefit of the public. There is one peculiar clause of the Bill which I have found difficult to follow, and I may say that I am not the only person who has failed to make head or tail of it. Clause 10 reads—

Any person who (whether by himself or any agent or servant) uses, or causes, or permits to be used for supplying petrol to a petrol pump any tank other than—

(a) a portable wheel tank of a capacity not exceeding 50 gallons; or

(b) a fixed underground tank—constructed and kept in repair in accordance with the regulations shall be guilty of an offence against this Act.

It has been suggested to me—and I agree with the proposal—that the clause would be better understood by those who read it if it set forth that—

Any person who (whether by himself or any agent or servant) withdraws petrol excepting by means of an approved petrol pump from any tank . . . shall be guilty of an offence against this Act.

The Hon. G. L. GOUDIE.—This clause deals with the supply of petrol to the tank, and not with the taking of petrol from the tank.

The Hon. H. I. COHEN.—May we take it for certain that that is so?

The Hon. M. MCGREGOR.—Its purpose is to prevent a person from filling his petrol pump from kerosene tins. A man ought not to be allowed to do that, nor should a pump be permitted to be installed where it cannot be supplied from the petrol wagon.

The Hon. H. I. COHEN.—Persons engaged in the trade have interpreted the clause in quite a different way. Its language is extremely cumbersome, so that it is difficult to follow its intention. If the clause has reference to the with-

drawal of petrol from the pump or to the supply of petrol to the pump, why should it not say so simply and directly? One word would be quite sufficient. For myself, I have always aimed at simplicity of language in an Act of Parliament. I am certain that in this regard we have been guilty of a number of abortions in this House.

The Hon. M. MCGREGOR.—Who is responsible for that?

The Hon. H. I. COHEN.—I do not know, but the effect may have been to bring about a miscarriage of justice. In clause 3, which has to do with the power of municipal councils to grant licences, there is some limitation in regard to the number of pumps which may be licensed. That ought not to be permitted.

The Hon. H. H. SMITH.—Numbers of municipalities are seeking to encourage the installation of service stations.

The Hon. H. I. COHEN.—Such stations may have an unlimited number of pumps, of course, because the pumps are installed on private land. But a service station cannot be set up in every case.

The Hon. M. MCGREGOR.—I think that the purpose of clause 3 is to encourage their establishment.

The Hon. H. I. COHEN.—It may do so. There should be perfect freedom of opportunity on the part of persons carrying on a business, other than a service station, to install petrol pumps in the streets. I have been given to understand that there is an aggregation of not less than 3,000 pumps; and, if it so happened that the proposed maximum licence-fee should become the minimum, there would be involved the levying of a charge amounting to more than £30,000 per annum on the motoring public in the City of Melbourne. I am not a member of the motoring public, but I think that motorists have paid ungrudgingly the large sums demanded of them by way of taxation in various forms. And they do not object to doing so as long as the money obtained from them is wisely spent. However, they ought not to be made the medium of further exactions. They contend that if this charge is to be levied it should be fair and reasonable, and that Parliament should fix both the maximum and the minimum for all municipalities. Under clause 8 a muni-

cipality is to be given power to cause petrol pumps which, in its opinion, constitute an obstruction or a danger to be removed. It has been suggested that, if that power is conferred, there should be allowed to the owner of a pump which is objected to reasonable time within which he would be enabled to make necessary arrangements for the substitution of some other pump, or for the carrying on of his business in some other manner.

The Hon. H. H. SMITH.—Would not your proposed new clause meet such cases?

The Hon. H. I. COHEN.—I suppose that it would, and I hope that the House will see fit to include the clause in the Bill. There are other matters arising out of the clauses in detail to which I propose to draw attention in Committee. For the present, I have indicated the major points. By interjection, when the Minister was moving the second reading of the Bill, I directed his attention to the fact that this measure makes the 31st of December the date on which new licences shall be taken out. I am still of opinion that that is a very unsuitable date.

The Hon. G. M. DAVIS.—Would it not be a good idea to make the date coincide with the end of the financial year of the municipalities?

The Hon. H. I. COHEN.—That would be satisfactory to all parties, perhaps. The matter is one on which I expect the Minister to be reasonable. I shall leave any further suggestions which I may have in mind to the Committee stage.

The Hon. H. H. SMITH.—I am of the opinion that this Bill is necessary. It is so drawn, however, as to suggest that the Government has made the mistake of not giving sufficient consideration to the views of the trade. From my long association with the motoring industry, I feel that I am in a position to make some comments which may be of value. While I was a member of the Melbourne City Council there was a feeling of some hostility to the proposal for the establishment of petrol pumps in the streets. I think that I was responsible for persuading the council to permit the first street pump to be installed. That was set up in Carlton. Subsequently I was able to show, by making comparisons with conditions in other parts of the world, how much safer were kerb petrol pumps.

than was the system of emptying tins of petrol into motor cars in garages. More recently, the Melbourne City Council has endeavoured to encourage the inauguration of service stations, and for very many months past it has not issued a licence for a street pump. The council does not wish to have petrol pumps on the city streets. I think that the Bill is wrong in its principles with respect to the payment of licence-fees for pumps. Recently, in conversation with a resident of South Melbourne, I was informed that the local council generally charges a fee of £3 3s. per pump. This man has four pumps. From one, the output is 500 gallons a week; from another, 250 gallons; from the third, 150 gallons; and from the fourth, 100 gallons. He has to keep those four pumps filled with various brands of petrol to meet the preferences of his customers. I intend to propose, in Committee, that the charges for petrol pumps shall be on the basis of the quantity supplied. It would be an easy matter to keep a check of the quantity of spirit furnished from each pump.

The Hon. H. I. COHEN.—A flat rate would be better.

The Hon. H. H. SMITH.—I do not consider that it would be. The owner would pay a varying sum for each pump, according to its service. Either that system of payment must be imposed or the charge must be limited. It is not fair to provide for a maximum licence-fee of ten guineas. The motorist pays a tremendous sum in taxation and in various other ways. The municipalities should not be permitted to charge beyond a reasonable fee. I think that some councils are unreasonable. In England a licence costs never more than £1 1s. The councils have to carry out certain inspections, and they have to see that the pathways are right. If there should be any accidents they might be held liable. I cannot agree with the unofficial Leader that there should be no insurance fee, because the insurance charge is very small. It is only £1 for a risk of £500, and for each extra pump the charge is only 10s.

The Hon. H. I. COHEN.—Do you know of any accident having occurred in connexion with a petrol pump?

The Hon. H. H. SMITH.—There have been accidents, I understand.

The Hon. G. M. DAVIS.—There was one at Yarram.

The Hon. H. I. COHEN.—In what circumstances? It would be interesting to know.

The Hon. H. H. SMITH.—The unofficial Leader has said that the pumps should be inspected. An engineer in the country might not understand all there is to know about the different kinds of petrol pumps. I think the unofficial Leader suggested that the inspections should be made either under the direction of the underwriters or the Public Works Department.

The Hon. A. BELL.—A petrol pump is a very simple matter.

The Hon. G. M. DAVIS.—The pumps are generally inspected by the shire engineers.

The Hon. H. H. SMITH.—We could easily amend the Bill to provide that a petrol pump shall be deemed an instrument under the Weights and Measures Act. In many cases short measure has been given, and there has been a lot of shandy-gaffing. I think that in nearly every case where water has been found in petrol that has been sold, it has found its way into the underground tank accidentally. There has probably been some leakage. I believe, however, that there has been a tremendous amount of shandy-gaffing.

The Hon. H. I. COHEN.—What is shandy-gaffing?

The Hon. H. H. SMITH.—There is good petrol and there is inferior petrol. It has been found that inferior petrol has been mixed with good petrol. One of the companies has found this evil so rampant that every time it fills up a tank it seals it so that it cannot be tampered with.

The Hon. H. I. COHEN.—Do you suggest that the traders put in inferior petrol or superior petrol?

The Hon. H. H. SMITH.—Generally inferior petrol. In some cases they have been caught red-handed. A firm in New South Wales brought the matter of short measure under my notice, and I wrote to the Weights and Measures Office of the Melbourne City Council about the various kinds of petrol pumps that are used. We should either amend the Bill so as to provide that a petrol pump shall be deemed an instrument under the Weights and Measures Act, or we should have a definite assurance that a Bill to

amend that Act will be introduced. We should protect motor car users against short measure and shandy-gaffing.

The Hon. H. I. COHEN.—You think the people ought to get the good oil by Act of Parliament?

The Hon. H. H. SMITH.—Yes. As I have said, I wrote to the Weights and Measures Office of the Melbourne City Council on this subject, and in reply received the following communication:—

Referring to your inquiry addressed to you from . . . I am pleased this Weights and Measures question has been brought further under your notice, especially considering the many deputations to previous Chief Secretaries for an amended Weights and Measures Act.

This Government was not blamed, but previous Governments were. The Minister of Forests will be pleased on that account.

I am fully aware of the activities in the Weights and Measures Departments of Queensland, having worked under the Weights and Measures Act of Queensland and Great Britain. They have power to approve or disapprove of any petrol pump whose construction or operation would facilitate the perpetration of fraud, and can also prosecute for short weight or measure. The Victorian Weights and Measures Act does not enable us to prosecute for short measure. On the authority of K.C. in England a petrol pump is a measuring instrument, and not a measure as defined in our Act. The British Board of Trade has since rectified this, and approved types of petrol pumps are now only in use. In short, any maker, good or bad, may place on the market any petrol pump without consulting or without approval of any Weights and Measures Department in Victoria. Certain councils insist upon certain types only when permission is being requested to erect a petrol pump on the kerb stone. This, however, is apart from any Weights and Measures Department. In Victoria each municipality, except where a number of municipalities form a Union, work entirely separate, making by-laws as thought fit, without a thought of uniformity. We have no regulations in Victoria. I could only advise . . . to build up a reputation on a good pump. We are willing to examine same if requested to do so, and to assist your inquiries in any possible way.

Yours faithfully,

EARL SPARES.

Chief Inspector Weights and Measures, City Council, Melbourne.

That shows the necessity of making provision so that the public will not be got at by means of short measure or shandy-gaffing. I think it would answer the purpose if in Committee we carried an amendment to make petrol pumps instruments under the Weights and Measures Act. I do not know how the unofficial Leader views that suggestion.

The Hon. J. H. DISNEY.—Don't you think the companies take every precaution against shandy-gaffing?

The Hon. H. H. SMITH.—Some of them have had to do so, but we do not know what new companies may come into existence. I think that it is right that while the Bill is under consideration we should take steps to protect the public in regard to the matters I have mentioned. In all walks of life we cannot protect the consumers too much.

The Hon. J. H. DISNEY.—If you got an inferior spirit from one company you would not have that company's spirit again.

The Hon. H. H. SMITH.—Shandy-gaffing and the giving of short measure are always going on. It must be remembered that there are an imperial gallon and a standard gallon. I remember that when I first started business I had a contract with the Railway Department. I had to supply a certain number of gallons to the railways storekeeper, and one day I received notice that what I had supplied was a certain number of gallons short. I found that the American company which was supplying me had sent me standard gallons instead of imperial gallons. I think that seven imperial gallons go to eight standard gallons. When I explained the matter to the company it made matters right. Seeing that other States have taken action to protect persons who buy petrol out of pumps against short measure, I think that while this Bill is under consideration we should take similar action.

The Hon. G. M. DAVIS.—Are imperial gallons or standard gallons supplied at present?

The Hon. H. H. SMITH.—I understand that it has been insisted that every pump that is installed shall supply petrol by the imperial gallon. The tanks of many cars, however, are marked as holding a certain number of gallons, and, in the case of an American car, that may mean standard gallons. A cute vendor, seeing such a tank marked "eight gallons," might know that that meant standard gallons. He could fill the tank with seven imperial gallons and charge for eight gallons.

The Hon. G. L. GOUDIE.—Does a tin of petrol contain four imperial gallons?

The Hon. H. H. SMITH.—That is so in nearly every case now. At one time some tins contained only four standard

gallons, but I understand that all the tins of American petrol that come here at the present time contain four imperial gallons. I was glad the unofficial Leader referred to the question of appeals, because it was my intention to do so. Two men who used to be customers of mine—they are very good men, too—received notice from a council to take their petrol pumps out. There is a co-operative company in the same town that has a pump, though it is not on the street. I have been informed, though I can hardly believe it, that four of the councillors are shareholders in the co-operative concern. I have no proof that that is the case. The reason given for the order for the removal of the pumps was that a council had no right to sanction pumps being placed in the streets. Even if that were so, the council could have said to the owners of the pumps "We shall cancel your licences unless you give us a guarantee that we shall not be responsible for any damages." The difficulty could have been got over in that way. In Mildura, where a fee of two guineas was charged, a direction was given that there were to be no more pumps in the streets. The garage people said that they would not remove the pumps. The council at a subsequent meeting annulled its previous decision, with the result that pumps are now allowed to be on the streets.

The Hon. W. J. BECKETT.—Is that the shire of Mildura or the town of Mildura? The town hall and the shire hall are alongside each other.

The Hon. H. H. SMITH.—I understand that this occurred in the town itself, and not in the shire. The honorable gentleman has given me information which I did not previously have. The unofficial Leader referred to a man who had a petrol pump in a town in Gippsland. I know the man very well. He is one of the straightest men you could deal with. He is a God-fearing man, and as soon as the council said he was not to carry on his pump he removed it. He said that he was not going to act against the law, and if the council made a law, whether it was right or not, he was going to abide by it. The other man in the town who owned a petrol pump acted in an entirely different way. He carried on his business. I believe proceedings were taken against him, and he was fined either 5s. or £5, I do not know which. I understand he has commenced

proceedings against the local council to have the question determined whether it has any right to prevent him having a pump. Honorable members have spoken about the varying qualities of petrol. A statement was made by a member of the Commonwealth Parliament that on every gallon of oil the Commonwealth Oil Refineries sold there was a loss of 1s. 6d. That is an extraordinary statement, but, so far as I know, it has never been denied. Honorable members may know that oil is brought here in a crude state and refined. If it is true that there is this loss, something will have to be done to overcome the difficulty.

The Hon. M. MCGREGOR.—Do not follow up these anti-Australian statements.

The Hon. H. H. SMITH.—I do not want to, but I hope the statement is not true. We certainly do not want crude oil brought here and refined if such extraordinary losses are entailed. I think we ought to be able to provide for a uniform licence-fee for petrol pumps. The Melbourne City Council regulates its charge according to the streets in which the pumps are established. Honorable members will realize that a man who is not in a very busy street will not sell nearly so much petrol as a man who is. I thought it wise that members should be made aware of the fact that no matter whether a man takes 5 or 5,000 gallons a week, the allowance is only 3d. a gallon. I have heard it said that some people do not make much by selling petrol from pumps, but a man gets a certain amount of advertisement if one is in front of his garage. That, however, is not the way to look at the matter. At the same time, I think we should allow the imposition of a reasonable licence-fee, because we cannot have service stations at every corner. I am glad to see that it is proposed that petrol pumps shall be subject to inspection. At the present time the Melbourne City Council will not give permission for any more pumps to be installed. It is urged that the streets are already too crowded, and they want to encourage the establishment of service stations. Honorable members must not forget that these petrol pumps involve a certain amount of expense. When a motorist comes along, the owner of the pump has to send a boy or a man or go himself to attend to the customer's requirements. There are other

matters I want to discuss, but I think I had better wait until the Bill is in Committee.

The Hon. H. HITCHCOCK.—I am rather at a disadvantage in speaking on this motion, because I did not hear the first part of the debate. I want to express approval generally of the Bill, because the Geelong municipal council has had practical experience in regard to petrol pumps. Practically all the provisions set out in the Bill have been in operation in that city. I do not know if honorable members are aware that in America they have oil pumps by the side of petrol pumps, and I was wondering whether it would be advisable while we are legislating in regard to the control of petrol pumps to make provision also regarding the use of pumps for oil. There are several details which will, no doubt, be discussed in Committee, but I may mention one or two of them now. Clause 5 provides that licences are to expire on the 31st of December in each year. This means that licences granted under this Bill when it becomes law will have to be renewed on the 1st of January. That is in the middle of the busy season for garage proprietors, and it may be very inconvenient for licences to be renewed then. I suggest that the date should be either the 30th of June or some other date away from the holiday season. During the Christmas and New Year holidays the men running garages are working day and night, and I think most municipal offices are closed. The municipal offices in Geelong are closed for ten days at that particular time, and, if we fix the 31st of December as the date for the expiry of the licences, it will mean that traders will have to carry on without licences for a few days, at any rate. Then I think we should provide that there should be no advertisement on a street petrol pump except one disclosing the brand of the particular petrol sold from it. If we do not legislate against advertisements, it will mean that some traders will be able to take advantage of the "Bowers" for advertising purposes. It is proposed that the fees shall range from £2 2s. to £10 10s. I think the latter amount is too much. In Geelong the charge is £5. I understand the question has been raised whether municipal councils have the right to levy a charge for permission to establish "Bowers." If the Bill is passed into law it will clinch

the matter and there will be no difficulty on this point in future. It has been suggested that no licence-fee should be demanded, but I think it is a fair thing that if a firm uses ground belonging to a municipal council it should pay for the privilege, and I am in favour of imposing a fee. Municipal councils do not get the opportunity of collecting much money in this particular way, and in a large city the fees from "Bowers" may amount to a fair sum. It must be recollected that nearly all the money which is obtained from these fees will be spent on improving the roads and the city generally. As a petrol pump costs a big sum of money, a small licence fee should be sufficient. I do not know any owner of a garage who would quibble at a small fee. I intend to support the Bill.

The motion was agreed to.

The Bill was read a second time and committed.

Clause 1 was agreed to.

Clause 2—(Interpretation).

The Hon. H. H. SMITH.—In this clause it is provided that the term "petrol pump" means any pump for supplying motor spirit. I shall be glad if the Minister will agree to the addition of the words, "A petrol pump may be deemed an instrument coming under the Weights and Measures Act."

The Hon. G. L. GOUDIE.—Would it not be better to provide that pumps must be tested before being erected?

The Hon. H. H. SMITH.—We can deal with that aspect of the matter later. We want to provide that the petrol which is supplied is not only of the quantity ordered, but of the right mixture. I want to protect the consumer, and I should like consideration of the clause postponed until I can more effectively deal with what I propose.

Sir FRANK CLARKE.—Do not Commonwealth regulations in regard to the purity of petrol cover what you propose?

The Hon. H. H. SMITH.—I am told they do not.

Sir FRANK CLARKE.—Are you confused between the right measure and the right quality?

An HONORABLE MEMBER.—What about shandy-gaff?

The Hon. H. H. SMITH.—Shandy-gaff is a mixture of different grades.

Sir FRANK CLARKE.—That is a matter for the Commonwealth.

The Hon. W. J. BECKETT (Minister of Forests).—I should like to point out to Mr. Smith that the clause is merely an interpretation clause. It must be recognized that most measures are generally the opinions of one or two men. It is extremely difficult to get a consensus of opinion on a measure. Therefore, I think that any Minister would welcome suggestions to strengthen a measure. But I do object—I do not say this offensively—to any honorable member, in the patronizing tone adopted by one honorable member last night in connexion with the Bill, saying that he and others assisted to improve a measure of which I was in charge. That particular measure—the Poisons Bill—had 46 clauses, and only one amendment was carried against my will. For every other part of the Bill I was responsible.

The Hon. H. H. SMITH.—I think that I made suggestions in regard to the use of cyanide of potassium.

The Hon. W. J. BECKETT.—I welcome suggestions, but I do not want any inference that I have neglected my duty as a Minister. Suggestions made by Mr. Smith related to matters that I had already considered, and I had given instructions concerning the printing of the amendments before he mentioned them. However, in regard to the suggestion that was made a few moments ago by the honorable member, I hardly think the matter could be dealt with in the interpretation clause. As a matter of fact, I do not think that an amendment such as he has indicated is altogether necessary. In the first place, Mr. Smith said that in connexion with this and other measures we had paid no consideration to the traders. We are naturally more concerned with the consumers. The honorable member made a serious reflection upon the traders, because he said that they were guilty of fraudulent practices. I think that we should show more consideration to traders by not making suggestions of that nature. I desire to point out to him that the object of the Bill is to allow the licensing of petrol pumps. If any amendment is required in the direction he suggested, it will have to be incorporated in an amending Weights and Measures Bill; it would not be germane to the Bill now being discussed. The draftsman pointed out that it would be inappropriate to introduce such a provision in this Bill. I

may say that an amending weights and measures Bill will be introduced at the earliest opportunity, and the Minister in charge of it will welcome Mr. Smith's suggestion.

The Hon. W. TYNER.—Will the Bill be introduced this session?

The Hon. W. J. BECKETT.—If possible.

The Hon. H. H. SMITH.—If the traders were consulted concerning Bills that the Ministry introduces, I am sure a good deal of time would be saved. The debate on them would be considerably less, and we should not have to make so many alterations. I thought that if a petrol pump were deemed an instrument under the Weights and Measures Act, disadvantages of the kind I have already outlined might be removed. However, the Minister has given me an assurance that he will introduce an amending weights and measures Bill, and I accept that assurance. The practices I mentioned have been prevalent lately, and I wish to protect the public.

The Hon. Dr. HARRIS.—I think that the definition of the term "petrol pump" is very wide. According to the clause it means "any pump for supplying motor spirit." It might be a pint pump, an ounce pump, or a 5-gallon pump. There is no reference to the measure. As we are in a British community it would be a good thing to provide that a petrol pump means any pump for supplying motor spirit of an imperial gallon measure, or a multiple of it. I think that we ought to protect ourselves against what Mr. Smith has described. He says that there are standard gallon measures, and imperial gallon measures. It would be easy to import into Australia pumps that would be of the standard gallon variety. If that were done and they were erected, the general public would not get what they thought they were buying, namely, an imperial gallon. In connexion with other liquids, protection is afforded in this regard. I am connected with the wine trade, and I know that it has to provide the correct quantity of wine.

The Hon. H. H. SMITH.—Then you have the same difficulty in that trade.

The Hon. Dr. HARRIS.—An imperial gallon has to be provided, and all wine measures, casks, &c., are correctly measured. We have to sell by weight, divided by specific gravity, so as to give the speci-

fied quantity. That could not be done with a motor car. One drives up to a petrol pump, and says to the man in charge, "I want 4 gallons of spirit." One gets that, but one is not certain whether the pump is giving 4 imperial gallons. The definition of the term "petrol pump" should provide that such pumps shall give an imperial gallon or a multiple of it. I think the Minister should accept that suggestion in connexion with the definition.

The Hon. W. J. BECKETT (Minister of Forests).—I should like to point out to Dr. Harris that provision is made in the Bill to cover what he requires. Paragraph (b) of sub-clause (2) of clause 7—a clause which declares that the provisions of section 11 of the Local Government Act 1921 shall extend and apply to the making of certain regulations—extends those provisions in respect of—

Prescribing the classes or types of or the specifications for petrol pumps which may be used for supplying motor spirit.

Dr. Harris's suggestion could be included, and it could be prescribed that a petrol pump should measure an imperial gallon or multiple of it. The provisions of section 11 of the Local Government Act relate to an Order in Council, and there is not the slightest doubt that the suggestions thrown out by Dr. Harris will be given effect to. I think it should be prescribed by regulation that the pumps should supply an imperial gallon.

The Hon. M. MCGREGOR.—Has the Minister taken into consideration the point raised by Mr. Hitchcock in reference to oil. I think that it was a very good point. Could the definition not provide that a petrol pump should mean "any pump for supplying motor spirit or oil"? Mr. Hitchcock could tell the Minister that that is done in other countries.

The Hon. W. J. BECKETT (Minister of Forests).—I would point out that it would be impossible to include that in the Bill. The Committee was asked to deal specifically with a Bill relating to petrol pumps, and any amendment foreign to that could not be accepted. The title of the Bill is "A Bill relating to petrol pumps." If it had to include other types of pumps, it would have to be sent to the Committee with a direction from the House.

The clause was agreed to.

Clause 3—(Power of municipal councils to grant licences).

The Hon. H. I. COHEN.—I should like the Minister to indicate at this stage whether an amendment which I intend to propose would be acceptable to him. If he indicates that it would be, a great deal of unnecessary discussion on the clause will be saved. It has been suggested that there should be no right in a municipality to limit the number of pumps which a man may install. Some municipalities go to the extent of debarring the installation of street pumps altogether. I believe that there was an idea that one man should be permitted to install only two pumps, and I am told that that really means that only two classes of spirit are kept, namely, "Shell" and "Plume"; all others are excluded. I suggest that if we were to insert a clause of the kind I am about to propose, it would overcome a great number of difficulties. I suggest that a provision should be inserted on the lines of a section in the English Act, which the Bill to a certain extent faithfully copies. I think that we should have a clause reading along the following lines:—

Any person aggrieved by the refusal or withdrawal of a licence, or dissatisfied with the conditions prescribed for a licence or a consent to the same, may appeal to the Minister administering this Act, and if the Minister is of opinion, after due inquiry, that the licensee should be granted or continued, and that the conditions prescribed are unreasonable, he may require the licence to be granted or continued, and the conditions to be varied, as he thinks fit.

The Hon. H. H. SMITH.—Would the Minister be the Minister of Public Works?

The Hon. H. I. COHEN.—We could define that in the clause. He would be the Minister in charge of the Department administering the Act. I think that we should give the Minister control over all the by-laws, so that they could be brought into some sort of uniformity, and persons would know exactly what they had to do. He would see, then, that no unreasonable provision was laid down.

AN HONORABLE MEMBER.—Why should he not have control?

The Hon. H. I. COHEN.—If we are going to take that stand, we might as well eliminate clause 6, which provides that the council of any municipality, with the approval of the Governor in Council, may make by-laws. Perhaps it is unnecessary to say anything further about by-laws, because that point is covered.

Under clause 6, and various other clauses, the municipalities may lay down conditions when granting a man a licence. Under clause 3, the municipal councils may refuse to allow a man to have a licence, or else may allow him one or two licences. They may make what are, in the circumstances, unreasonable charges. Why should two towns, where the conditions, to all intents and purposes, are the same, make varying charges, ranging from £2 2s. to £10 10s? If it is a fair thing to make a certain charge in one town, it should be a fair thing in another one.

The Hon. A. E. CHANDLER.—The by-streets may be different. Why should not the municipalities determine what they consider should be a by-street or a main street?

The Hon. H. J. COHEN.—I shall suggest that there should be a flat rate. It is merely a question of administering the Act, of registering the licence from year to year, and of seeing that the pump is a good and proper one. I do not see any reason for differentiation.

The Hon. A. E. CHANDLER.—One man may sell a few gallons of petrol, and another a large quantity.

The Hon. H. J. COHEN.—That does not make any difference. The purpose is to keep an eye on the public safety. The measure is framed to enable municipalities to extract as much revenue as they can. We should approach the measure only from the point of view of the public safety. If we do that, I think that there will be no difficulty in arriving at a reasonable Bill. I think we should adopt the English section, which allows a person aggrieved to appeal. Perhaps the Minister in charge of the Bill will tell us why there has been a departure from the English Act. I think the people concerned would be more satisfied with the working of this measure, and would accept it more readily if they had the right of appeal in cases where they thought they had reason for feeling aggrieved. It could be laid down by the Governor in Council that the right of appeal should be given, subject to the depositing of a certain sum, so that there would be no appeal that was without any merit. I hope that the Minister will see his way to provide for the right of appeal.

Sir FRANK CLARKE.—I should like to support the request made by the unofficial Leader. I should also like to give two examples to show that the suggested course is not opposed to the municipalities generally, but is designed to protect the motoring public, and the garage proprietors, against any municipality that does not exhibit the common sense of the average council. There is one municipality in the metropolis of Melbourne that, it is said, has been talked over by the representatives of the "Plume" motor spirit and the "Shell" motor spirit. Whether that is so or not, and whether that municipality is fully informed of what it is doing, it has issued a regulation directing that no garage proprietor shall build more than two "Bowers" outside his establishment. It has been pointed out that Commonwealth Oil Refineries Ltd. is fighting a very desperate battle against the powerful American combines that are striving desperately to choke it. The Broken Hill Proprietary Company Limited is also engaging in a desperate battle to make "Benzol" popular. In the municipality in which the rule has been introduced not to allow one garage proprietor more than two "Bowers," there is no garage that offers the local spirit. The average motorist uses "Shell" or "Plume" motor spirit. It would be a reasonable thing to give the Minister power on appeal to disallow a by-law of that kind. The other instance that I wish to cite also shows the danger there is of a municipality acting contrary to the common opinion of the other municipalities. This municipality has announced that, in its opinion, all "Bowers" that have been built on the kerb should be removed, and that nothing but service stations should be permitted. A service station is a place that provides merely petrol, oil, and various accessories that a motorist is likely to buy. It does not sell cars, or repair them. The owner sets up "Bowers," not on the public kerb, but on a recess on his own land. What would happen if the municipalities were allowed to introduce a by-law that no "Bowers" shall be allowed on the kerb, and that only service stations shall be permitted? That would mean that a garage that was trying to attract trade by means of "Bowers" would have to close. People pull up at those establishments,

and say, "By the way, I want a tyre or a set of chains." The reason garages have "Bowers" is to attract trade. If a garage has not one, the motorists go to the next garage. A by-law on the lines I have indicated would mean that every garage that undertakes the repairing of cars will have to take down its "Bowers," and lose the sale of various articles, which is really the reason for the erection of the "Bowers." Those are two examples of municipalities that have not acted in a common-sense manner, and ought to be checked. The only way that I know of checking them is to give the Minister appellate jurisdiction.

(At 6.24 p.m. the sitting was suspended until 7.51 p.m.)

The Hon. Dr. HARRIS.—I support the remarks of the President and the unofficial Leader in regard to clause 3. The shire councils should be protected against themselves. I know of a case in which a shire council refused for petty reasons to allow a business man to install a petrol pump. Some years previously, a quarrel had occurred between the council and this man over a building which abutted on a footpath, and the council got the worst of it. The council got even with him later by refusing him a licence for a petrol pump. That instance, or one similar to it, might be multiplied a dozen or fifteen times throughout the State. I think that it is necessary that an applicant for a petrol pump should have the right of appeal to the Governor in Council if his application is refused by a council. When petrol pumps were first introduced into Victoria, the two large oil companies—the Standard Oil Company of America and the British Imperial Oil Company Limited—obtained a supply of pumps for installation in different towns of the State. Some councils have adopted the practice of limiting the number of pumps which an individual may install, and one effect has been that the Commonwealth Oil Refineries Limited and the Broken Hill Company Proprietary Limited have not been able to obtain the sale of their spirit by means of petrol pumps in some towns, because garage proprietors have not been allowed to install pumps in addition to those already in use. I am a great believer in "C.O.R." spirit. I use it in my car, and I think it is better than the "Shell" or

"Plume" brands. I think the clause should be widened in such a way that a garage proprietor should be allowed to install sufficient pumps to supply the needs of his customers. I understand that is the wish of the trade.

The Hon. H. H. SMITH.—It would not be wise to licence too many pumps in a busy street.

The Hon. Dr. HARRIS.—I desire to impress on the Committee the necessity of taking a wide view of this clause, so that garage proprietors will have the opportunity of installing sufficient pumps to supply the various brands of motor spirit which the public requires. I understand that the British Imperial Oil Company Limited, and the company which supplies "Plume" spirit, insert a condition in their contracts that only their spirit shall be supplied from certain pumps. Provision should be made in this Bill to allow any kind of spirit to be supplied from any pump, or garage proprietors should be allowed to erect a sufficient number of pumps to supply the different brands of spirits demanded by the public.

The Hon. A. BELL.—Clause 3 refers only to pumps placed, or to be placed, on any footpath under the control of the council. The councils are elected by the ratepayers, and I take it that the councils will not tolerate any injustice to garage proprietors.

The Hon. M. MCGREGOR.—I favour the amendment which the President has suggested. Reference has been made to a country municipality that did not act fairly in regard to the installation of petrol pumps. I think that council showed a lack of vision. There is no doubt that, in the first instance, the council granted permission to two men to install petrol pumps on the footpath. At a later stage the council was informed by its legal adviser that it would be responsible for any damage that resulted from the placing of the pumps on the footpath. Apparently, it gave notice to the two men to remove the pumps in order to protect itself. When petrol pumps were first introduced, many of the country councils found themselves in a similar position to that council. When permission to install petrol pumps was refused, it was only done on the assumption that the councils would not be able to protect themselves

against liability if an accident occurred, because the pumps had been placed on the footpath. The Municipal Association then took the matter up, and advised the councils of the manner in which they could protect themselves. I think I am stating a fact when I say that the council of which I have been a member for twenty years, was one of the first in which the Commonwealth Oil Refineries Limited was allowed to install a petrol pump. My own council purchased a motor lorry, and obtained the spirit required to run it from various garages in the town. I said that we ought to insist upon the use of "C.O.R." spirit, because it was of Australian manufacture. We obtained that spirit by the case, and it was used. I am glad to say that recently a "C.O.R." pump has been installed in a garage outside which pumps for the supply of various kinds of spirit have been erected on the footpath. I hope that many other municipal councils will insist on having their motor vehicles run on Australian spirit. The statement made in this House that there was a loss on "C.O.R." spirit of 1s. 6d. a gallon is ridiculous, seeing that the price of petrol is only 2s. a gallon.

The Hon. Dr. HARRIS.—Licences for pumps should not be limited. It may be necessary to widen the clause. In that case I hope the Minister will agree to a postponement of the clause.

The Hon. H. F. RICHARDSON.—Clause 3 is really the most important provision of the Bill. It gives municipalities the power to licence pumps, a power they have not had hitherto. In the past, municipal councils have taken a certain amount of risk by granting licences.

The Hon. G. M. DAVIS.—Will this clause remove the risk?

The Hon. H. F. RICHARDSON.—Yes. It will give the council of any municipality power to grant licences. A circular has been distributed by garage proprietors, in which attention is directed to this clause. The statement is made—

In this connexion, we would suggest that the present limitation of the number of pumps to two, or at most, three, be removed.

I do not know where the limitation comes in. However, they state—

This restricts the garage to the sale of two or three grades of spirit, when four or more may be in demand by the public. The restriction of the number of pumps means restriction

of trade to the garage man, thereby entailing loss of revenue.

I take it that the clause allows the council of any municipality to register a petrol pump, but does not limit the council to one pump. The council may, in its wisdom, decide that there shall be one, two, three, or half a dozen pumps. The organization of garage proprietors appear to think there is a limitation to two, or at most, three, pumps.

The Hon. H. I. COHEN.—They think there might be such a limitation.

The Hon. H. F. RICHARDSON.—It is left entirely to the municipality to say how many pumps shall be licensed in front of any business premises. My colleague on the Municipal Association, Mr. McGregor, says he accepts the proposed amendment of the unofficial Leader. I am not strongly in favour of the amendment. I think the effect would be to take certain rights out of the hands of the municipal councils. One man would be given the right to refuse a licence.

The Hon. H. I. COHEN.—The amendment I suggest would overcome the objection you have mentioned.

The Hon. H. F. RICHARDSON.—I did not raise the objection. In my opinion, the council of any municipality is the best judge as to whether there shall be one pump or half a dozen pumps, or as to whether the location of the pumps is suitable. We know that in many cases applications are received for the erection of pumps on unsuitable sites. If pumps were erected at some places where people want them to be placed, they would be a danger to the public. It should not be left to the Minister of Public Works to decide. The matter is one for the municipalities to determine. Public rights are involved. It is no use saying that no provision should be made for the protection of councils, or of the public. The public must be protected, and the proper people to protect the public are the councillors, who understand the local requirements of their districts.

The Hon. G. M. DAVIS.—I rather support the amendment suggested by the unofficial Leader. I appreciate Mr. Richardson's point of view, but it would be only under extraordinary circumstances that an appeal would be made to the Minister. There are councillors who do not realize the importance of petrol pumps being erected on the footpath for the benefit of the travelling public. There

are, occasionally, councils or councillors that take exception to the erection of pumps on footpaths. The objection may be raised that, in a particular locality, a row of petrol pumps would constitute an eyesore. The difficulty might be got over by allowing the garage proprietor, who erects a "Bowser" on the footpath, to sell any kind of petrol. That might be made a condition when he is given permission to erect the "Bowser" on the footpath. There was a considerable amount of argument at a meeting of the Gippsland Shires and Boroughs Association recently, in regard to this very matter. Some speakers were of opinion that permission should not be given for the use of pumps on footpaths, on the ground that pumps were eyesores. Others thought that councils were running a considerable risk in putting the pumps on footpaths. However, the Bill will have the effect of relieving councils of responsibility in the matter. I should like to know whether councils will be absolved from liability in the event of accidents.

The Hon. W. J. BECKETT.—Provision is made for insurance to cover a third party risk.

The Hon. G. M. DAVIS.—Would the councils have power to issue licences for the erection of petrol pumps on a footpath subject to the owner of a garage using any kind of petrol that he might desire to use?

The Hon. H. HITCHCOCK.—The pumps do not belong to the garage proprietor.

The Hon. G. M. DAVIS.—Some do. We all know that while petrol pumps are to be found on the footpath, there are usually other pumps inside the garage, where other spirit can be obtained. There may be a "Shell" pump and a "Plume" pump in front of the garage, and a "C.O.R." pump inside the garage. It is rather an eyesore when three or four pumps are erected in a row in front of a garage in a main street. There are councillors who object to an eyesore of that kind, and who may not agree to more than one or two pumps being erected. I think the right of appeal to the Minister administering the Act should be given. The amendment suggested would meet the wishes of members to that extent. It would apply only under special circumstances. The councils would not feel that their rights were being over-ridden.

The Hon. F. W. BRAUN.—If the effect of this Bill is going to be the taking away of any power from the hands of the municipalities I shall oppose it. I heartily agree with what Mr. Richardson has said with regard to municipalities retaining their control of the streets and footpaths, and that they should have the right to say whether or not petrol pumps shall be installed. When first petrol pumps came into vogue they were erected on the streets of Ballarat in such numbers that they appeared to grow like mushrooms, springing up in the night, and still more of them are being provided. At some places they are actually rather dangerous. Their levers jut right out on to the footpath. If these pumps may be installed without the authority of the municipal council, they can become both a nuisance and a danger.

The Hon. H. H. SMITH.—But they cannot be installed without the authority of the council.

The Hon. F. W. BRAUN.—If a person who desires to install a pump is refused permission, it is now proposed that he may appeal to the Minister.

The Hon. H. H. SMITH.—If the council is unreasonable.

The Hon. F. W. BRAUN.—But municipal councils are never unreasonable. They are doing their work well, and should be allowed to continue to do so.

The Hon. H. I. COHEN.—Very strong evidence has been provided that, hitherto, certain municipal councils have not been altogether reasonable.

The Hon. F. W. BRAUN.—There may have been an isolated case, where a certain point of view was insisted upon.

The Hon. T. BEGGS.—Ballarat refused permission to install an imported pump.

The Hon. F. W. BRAUN.—Ballarat is loyal.

The Hon. T. BEGGS.—Matters of that kind are in the hands of the Commonwealth, and are not the concern of the municipalities.

The Hon. A. BELL.—We are making pumps at Ballarat for ourselves now, and they are the equal of anything in the world.

The Hon. F. W. BRAUN.—I repeat that if any power is sought to be taken out of the hands of the municipal councils, I shall object, and there will be strong objections from all over the country.

The Hon. H. H. SMITH.—At one time all the petrol pumps belonged to the

owners of garages. Few garage proprietors now own the pumps which they use, because the various petrol supplying companies have entered upon a policy of providing pumps at the rate of 10s. a year. That is so low a charge, or rent, that it does not pay a garage proprietor to set up his own "Bowser," which costs a great deal of money. It was because the "C.O.R." people found that their rivals were providing pumps for the exclusive supply of their own brands of petrol that they had to follow suit. Cases have been quoted of harshness on the part of one or two municipalities. I do not want to take away any of their rights, but they should be fair. In England, the sum of about £14,000,000 per annum has been spent on roads since the war. The Minister of Transport had so many cases brought under his notice wherein municipal authorities refused to permit the installation of petrol pumps, that he took steps to provide that concerns engaged in the installation of the pumps might appeal to him if they were refused permission. Since then, I understand, there has been practically no trouble.

The Hon. F. W. BRAUN.—Did you anticipate this discussion when you were in England, so that you equipped yourself with this information? You seem to have inquired into everything.

The Hon. H. H. SMITH.—I am of an inquiring turn of mind. I had half a day with the Minister of Transport, so I obtained my information direct. If Mr. Braun does not like to listen to me, I am sure that there are other members of this House who do.

The Hon. H. HITCHCOCK.—I do not think that there is any occasion for the indicated amendment of the unofficial Leader. Members of municipal councils are quite capable of deciding for themselves questions such as those having to do with the erection of petrol pumps. Just imagine, in the event of a dispute, the reference of the matter to the Minister. He would not be able to express an opinion without having made an inspection. Fancy him travelling 100 miles, or 200 or 300 miles, to decide whether a "Bowser" should be erected, or should be installed in a certain position. Surely the members of municipal councils are required to consider more important matters than that, and are quite capable of giving a

decision on the matter of the erection of a petrol pump. They are called on to decide considerably more important municipal problems, and the erection of a "Bowser" in a thoroughfare is surely not a matter for an appeal over the heads of the municipalities concerned to a Minister of the Crown. I trust that the amendment will not be moved.

The Hon. E. L. KIERNAN.—I oppose the proposed amendment. The matter of the erection of a kerb petrol pump is one purely for the municipality concerned. It should not be lost sight of that by refusing permission to install a pump the council would be losing revenue, by way of a licence fee. It may be taken for granted that a council would not withhold its permission unless it had weighty reasons for doing so. When "Bowsers" were first being installed some of the municipalities did offer objections. They thought that the pumps should be of Australian manufacture. We know that the companies engaged in the supply of petrol waged competitive war among themselves and, in the course of their campaign, decided to import a great number of pumps and supply them to garage proprietors at a very low cost. If power is given to the Minister to over-ride the decision of a council, it will simply mean that in the war between the petrol supply companies the latter will be continually running to the Minister, over the heads of the municipal councillors, to have their particular pumps erected all over the country. Their sole purpose will be to provide the greatest number of sources for the supply of their product to motorists. If there is a pump in one locality, which is supplying an exclusive brand of petrol, the rival companies will immediately demand the right to erect their own pumps alongside it. Thus, there will be more of these pumps than the demands of the locality require. Thoroughfares will be needlessly obstructed. It should be a matter purely for the municipal councils to judge how many, or what kind, of pumps should be installed. Surely their discretion may be relied on.

The Hon. W. J. BECKETT (Minister of Forests).—Clause 3 is the kernel of the Bill. Those clauses which follow are mainly machinery clauses. The Bill does not lay down any new principle so far

as the municipalities are concerned. Its intention is merely to legalize the present position with respect to the installation of petrol pumps on streets and footpaths. To-day, these machines for the supply of petrol are almost universal. They do actually obstruct the thoroughfares. The control of streets and footpaths is a municipal function; and, as has been already pointed out, the councils now permit these obstructions to be erected, and they make a charge for them. No action can be taken in regard to these obstructions, unless the municipality itself asks the police to step in. It is rightly considered that the irregular position should be legalized, and that the municipalities should have an undoubted right to charge for the facility of providing a petrol supply at the kerb. That is practically the object of the Bill. I accept the amendment which has been foreshadowed by the unofficial Leader, because it will carry out the intentions of the Bill. The cases which have been referred to by the President add considerable force to the arguments that have been advanced in favour of the Bill. Mention has been made of one municipal council which discriminated against a certain petrol supplying company, by providing for a maximum of two pumps. Two companies took advantage of this provision, and a third was prohibited from providing a pump to supply its own brand of petrol. It is well that we should legislate to provide against contingencies. The amendment suggested would not interfere with the principle or intentions of the Bill. It would provide a remedy for possible injustice. Therefore, I ask the Committee to agree to clause 3 as it stands, and accept the amendment of the unofficial Leader when it has been moved.

The Hon. H. I. COHEN.—I have had another opportunity to examine the Bill, and the amendment which I have indicated that I intended to move. I believe, now, that I can simplify the latter, so that it will appeal to all members, and will not unduly interfere with the rights of municipalities. Clause 3 provides for the granting of licences, and clause 5, for the renewal, cancellation or transfer of licences. I propose to limit my amendment to those two clauses. Clause 6 has relation to the making of by-laws with

regard to various matters, including the conditions to be contained in a licence. I suggest that, inasmuch as those by-laws must have the approval of the Governor in Council, that provision would be sufficient of itself. There would be no necessity to give any right of appeal in cases arising under clause 6. Clause 7 has relation to regulations made by the Governor in Council, and, of course, it would be impossible to deal with those by way of appeal. Clause 8 has regard to cases where petrol pumps cause obstruction or danger. In those cases, I do not suggest there should be any appeal to the Minister, because there may be cases in which it may be necessary to act quickly, and it would, perhaps, not be proper that the matter should be delayed for any length of time, pending an appeal to the Minister. The position could be simplified by the insertion of a new clause on the following lines—

Any person aggrieved by a refusal to grant or renew or transfer a licence, or by the cancellation of a licence, may appeal to the Minister administering this Act, and if the Minister is of opinion, after due inquiry, that the licence should be granted, or renewed, or transferred, or should not be cancelled he may require the licence to be granted or renewed, or transferred, or continued, as he thinks fit.

That is a very simple clause, and I think it would satisfy everybody. We cannot provide in an Act of Parliament for every possible case that may arise, and it may be that the refusal to grant, the refusal to renew, or the refusal to transfer a licence may be coupled with great hardship to an individual. He ought to have the right to appeal to somebody.

The Hon. H. ИТЧНСОСК.—From whom would the Minister inquire?

The Hon. H. I. COHEN.—The Minister has power to make due inquiries. We cannot very well lay down in an Act of Parliament from whom the Minister shall inquire.

The Hon. H. ИТЧНСОСК.—Would he ignore the council?

The Hon. H. I. COHEN.—I suppose he would. I should say the very first thing he would do would be to ask the council to state its case. He would exercise a judicial discretion after hearing both sides, and would determine what was right and proper in the circumstances. It is only those of us who have been Ministers—there are a goodly number of us

here—who know the numberless matters which come under the purview of the Minister in connexion with various Acts, particularly the Local Government Act.

The Hon. H. HITCHCOCK.—Don't you think the council would know more about the matter than the Minister?

The Hon. H. I. COHEN.—Not necessarily. In the generality of cases, no doubt, justice will be done, and amply done, but there may be cases in which an injustice may be done, and it is in those cases that the right of appeal should be allowed. The provision I suggest might not come into operation once in five years, but it should be there, and if it is there, people will be satisfied.

The Hon. F. W. BRAWN.—If it does not come into operation once in five years, it will not be wanted at all.

The Hon. H. I. COHEN.—It may be wanted twice in a month. The fact that the provision was in the Act might act as a curb on the municipalities, which might otherwise act unfairly.

The Hon. E. L. KIERNAN.—It would give the oil companies a chance of getting past the municipalities.

The Hon. H. I. COHEN.—It would not do anything of the kind. They could not get past the municipalities. Why does the honorable member suppose, for one moment, that the Minister is going to hold a brief for the oil companies? I should imagine quite the contrary, if anything.

The Hon. E. L. KIERNAN.—This only concerns oil companies. It does not concern the individuals.

The Hon. H. I. COHEN.—What I am suggesting does concern the individuals who own the petrol pumps.

The Hon. E. L. KIERNAN.—They are owned by the companies.

The Hon. H. I. COHEN.—Not all of them. The man who applies for a licence, although he may have an oil company at the back of him, is an individual who owns a garage. If he thinks himself aggrieved, he should be able to appeal to the Minister.

The Hon. E. L. KIERNAN.—Practically every pump is now put in by an oil company.

The Hon. H. I. COHEN.—The honorable member may speak with special knowledge. I do not know that what he

states to be the case is the case. In fact, information I have received from people in the trade is quite the contrary. They state that the pumps are put in at their own expense.

The Hon. H. HITCHCOCK.—I should not think 5 per cent. of them are put in at the expense of the traders. They are worth from £200 to £300 each.

The Hon. H. I. COHEN.—It is the individual garage man who is most concerned. He may say, "I want five, six, or seven petrol pumps opposite my premises." The municipality may say, "We will not grant you licences for more than two, and we will only allow you to have those provided that you sell a particular brand of spirit, or put in a particular brand of pump." In such cases, I think there should be a right of appeal.

The Hon. A. E. CHANDLER.—I do not think any municipality has ever done that.

The Hon. H. I. COHEN.—That has been done, and I have cited cases of that kind.

The Hon. A. E. CHANDLER.—In one case, the municipality allowed a man only two pumps; but it did not say that any particular brand of spirit should be sold from those pumps.

The Hon. H. I. COHEN.—I am informed that, in the case of the municipality of Brighton, the fee varies, according to the brand of pump and the brand of spirit, from £3 3s. to £10 10s. In Essendon, the fee varies from £5 5s. to £10 10s., according as the equipment is Australian or imported. In Brunswick, only pumps of Australian manufacture can be installed, and if a pump sells Australian spirit the fee is £4 4s., whereas if it sells imported spirit the fee is £5 5s. However, I am not having regard to that so much as to the fact that a municipal council may say to a man, "You shall install only one pump." The man ought to be at liberty to go to the Minister, and say, "It is unfair that I should be allowed only one pump when my competitor next door is allowed four." The municipality would then have an opportunity of stating its case. It might state a very good case, and give very good reasons for its decision in the matter.

The Hon. M. SALTAU.—Surely the judgment of twelve men would be more correct than the judgment of one man.

The Hon. H. I. COHEN.—Would the honorable member say that in the case of a judge and a jury?

The Hon. M. SALTAU.—I would say it in the case of the average municipal council.

The Hon. G. L. GOUDIE.—A municipality might be put to considerable expense by having to come to Melbourne to defend its case.

The Hon. H. I. COHEN.—There would not be any expense at all. The council could state its case in a letter.

The Hon. E. L. KIERNAN.—An oil company would say to a council, "If you are not prepared to grant a licence, we will go over your head, and appeal to the Minister."

The Hon. H. I. COHEN.—The company would not have any *locus standi* in the matter. The municipality would know the applicant, and the applicant only. It might be that a company was bearing the expense, but the municipal council would not know any company. It would know the individual, and would have to do justice to the individual.

The Hon. E. L. KIERNAN.—The companies say to individuals, "If you sell our petrol, we will put in a pump for you, and charge you a nominal rent."

The Hon. H. I. COHEN.—No doubt that does happen, but as between the municipality and the garage proprietor the council would not know any company. It might refuse to grant a licence because it did not think the applicant was a person worthy of it.

The Hon. H. HITCHCOCK.—A council could not do that.

The Hon. H. I. COHEN.—As the Bill stands, a council could do that. It would have perfect liberty to refuse a licence in any case. An applicant might say, "I do not see any reason why I should have been refused a licence."

The Hon. H. HITCHCOCK.—The council would have to give very good reasons for refusing it.

The Hon. H. I. COHEN.—It need not give any reason whatever.

The Hon. E. L. KIERNAN.—The oil companies prefer to supply the public through petrol pumps.

The Hon. H. I. COHEN.—We are not concerned with the reason for the establishment of the petrol pumps, but what we are concerned about is that cases of hardship may arise, and an individual who is refused a licence altogether, or is allowed only a limited number of pumps, may desire to state his case to the Minister, leaving it to the Minister to inquire—as he certainly would do—from the municipal council the reason for its refusal. Having heard both sides, the Minister would give his judgment in the matter. I think this is a matter in which we can trust the Minister, as we trust him over and over again in connexion with local government matters.

The Hon. A. E. CHANDLER.—We can trust our councillors.

The Hon. H. I. COHEN.—The honorable member, who is an old municipal councillor, knows perfectly well that appeals in relation to by-laws come before the Minister over and over again in the course of the year. That is because twelve good and true men, of the type suggested by Mr. Saltau, have gone off the track, although they have been endeavouring to the best of their ability and with perfect honesty to do justice in particular cases.

The Hon. A. E. CHANDLER.—It is because they have been badly advised by their solicitors.

The Hon. H. I. COHEN.—It may be that, through bad advice, they will do an injustice to an individual. Their lawyer may give them bad advice, and they may refuse to grant, renew, or transfer a licence.

The Hon. A. E. CHANDLER.—Lawyers do not come into the matter. Plain common sense is required.

The Hon. H. I. COHEN.—I admit the plainness of some municipal councillors, but I do not say that they have a monopoly of common sense. I am not always wedded to the precedents of English Acts, but in this case we have such a precedent. It is a comparatively recent Act, certainly, but still it was thought fit to be adopted there; and I think a very good case has been made out for its adoption here.

The CHAIRMAN (the Hon. W. H. Edgar).—The honorable member has indicated that he intends to move a new clause.

The Hon. H. I. COHEN.—Yes, it should be inserted after clause 5.

The CHAIRMAN.—The honorable member can propose a new clause after the other clauses have been gone through, and, if carried, it will be inserted in its appropriate place.

The Hon. H. I. COHEN.—I have explained the new clause I intend to move, because I think that with such a provision we can safely pass clauses 3, 4, and 5. Without the safeguard of the new clause, it might be necessary to suggest certain amendments, and I do not want to do that.

The CHAIRMAN.—The understanding is that the new clause will be proposed after the other clauses have been gone through.

The clause was agreed to, as was clause 4.

Clause 5—

Any licence under this Act—

(a) shall continue in operation until the thirty-first day of December next after the granting or renewal thereof and no longer; and

(b) may be renewed cancelled or transferred as provided by or under this Act.

The Hon. W. J. BECKETT (Minister of Forests).—During the second-reading debate, a very useful suggestion was thrown out by Mr. Hitchcock in connexion with the date referred to in the clause. I recognize that if that date were not altered a considerable amount of difficulty might be entailed. I move—

That the words "thirty-first day of December" be omitted and the words "thirtieth day of September" be inserted in lieu thereof.

The amendments were agreed to, and the clause, as amended, was adopted.

Clause 6—(Power of municipal councils to make by-laws).

The Hon. H. H. SMITH.—Paragraph (d) gives the council of any municipality, with the approval of the Governor in Council, power to prescribe fees as follows:—

For the granting or renewal of a licence—of not less than Two pounds two shillings and not more than Ten pounds ten shillings.

I am going to propose that the minimum charge be £1 1s. and the maximum £5 5s. It has already been pointed out that some municipal councils act in an unreasonable way in regard to fees. I want to refer to the position at Colac, Bairnsdale, and

Wangaratta. I suppose those three towns are practically the same size. The municipal council at Colac charges £5 5s., the one at Bairnsdale £3 3s., and the one at Wangaratta £1 1s. In the City of Melbourne the charge ranges from £1 1s. to £10 10s. The charge at Brighton is £10 10s., and the same fee is charged at Essendon. If we allow this clause to pass as it is printed, some of the smaller towns may also want to charge £10 10s. It must be remembered that in the winter time the demand for petrol from these pumps is very limited in some of the smaller towns in the country, and a fee of £1 1s. would be ample. I should like the fee to be based on the petrol consumption, but the feeling of honorable members is against me in that regard. On the other hand, I think honorable members are generally agreed that £10 10s. is too high a charge, and if we make the maximum £5 5s. we will be doing what is fair and reasonable.

The Hon. G. M. DAVIS.—Make the fee from £2 2s. to £5 5s.

The Hon. H. H. SMITH.—I am prepared to agree to that. I move—

That the words "Ten pounds ten shillings" be omitted and the words "Five pounds five shillings" inserted in lieu thereof.

The Hon. W. J. BECKETT (Minister of Forests).—It certainly does seem more reasonable to provide for the fees being from £2 2s. to £5 5s. As the Minister in charge of this Bill, I may say that the idea is to legalize the use of petrol pumps. A number of municipalities have been charging up to £10 10s. for permission to install a "Bowser." This Bill affirms the right of municipal councils to impose fees, and they will raise a considerable amount of revenue in that way. I differ from Mr. Smith in certain statements he has made regarding the profit made out of "Bowsers." We must recognize that the licence to be issued under this Bill gives people the right to trade in a public street. If that right is not worth 1s. a week, then it is not worth anything. One cannot place a basket for the purposes of trade on a street for a licence of 1s. per week. If a man sells only 170 gallons of petrol from a petrol pump, he will get the full amount of the fee. I may inform Mr. Smith that a fair number of garages sell 500 gallons of petrol from one "Bowser" on a Sunday afternoon. I know of one particular garage which has three "Bowsers," which sold 1,500 gal-

lons on a Sunday afternoon. The proprietor made £18 15s. profit on the sale of this petrol in one afternoon, and it is not unreasonable to ask him to pay £5 5s. for his licence.

The Hon. H. H. SMITH.—Very few of them sell as much as that on a Sunday afternoon.

The Hon. W. J. BECKETT.—I am only pointing out what has actually taken place, and I do not think it would be unfair to provide for a licence fee of £5 5s. I am satisfied that in the larger centres of population owners of garages will cheerfully pay £5 5s. for the right to install a "Bowser." I can quite understand that in many districts "Bowsers" are really only a small public utility. Last Sunday I was at Werriwa, a small town in the far distant Mallee. There seemed to be only about half a dozen houses in the township. One man, however, has installed a "Bowser" because he runs a motor vehicle, which is practically the only means of communication with other places on five days in the week. Even in that case, it is well worth the while of the owner of the motor vehicle to pay £3 3s. for that particular facility. Even taking that extreme case, the licence fee would be cheap at the price. I am prepared to accept the proposal to make the fees range from £2 2s. to £5 5s.

Sir FRANK CLARKE.—I want to get down to the root principle of this matter. The Minister in charge of the Bill has put forward the idea that the payment of the licence fee gives the owner of a garage the right to trade upon a public street. He claims that that right should be paid for; but there is another way of looking at this matter. The Commonwealth Postal Department erects pillar-boxes in the public streets, but municipal councils never dream of charging it a fee for the right to do so.

The Hon. A. BELL.—Municipal councils have no power to claim a fee.

Sir FRANK CLARKE.—It is quite possible some municipalities would do so if they could. They would charge for anything. We see water hydrants erected on the edge of the footpath, and there are fire alarms in various places. It is not suggested that fees should be charged for the erection of these things.

The Hon. G. L. GORME.—They are public utilities.

Sir FRANK CLARKE.—I know that, but in the development of our modern life, with horse traction disappearing very quickly, is not a "Bowser" on the kerb a public utility?

The Hon. A. E. CHANDLER.—A private individual is making a profit out of a "Bowser."

Sir FRANK CLARKE.—I will grant that, but I do not think there are many owners of petrol pumps who are making from £16 to £18 a day. I have had a talk with some of them in my constituency, and their position is very different. They have told me that motorists will pass a garage which is not supplied with a "Bowser," and there are many proprietors of garages who install a "Bowser" because motorists may be induced to get other things besides petrol.

The Hon. W. TYNER.—Some of these "Bowsers" are on private land, and do not have to pay a fee at all.

Sir FRANK CLARKE.—Those are service stations. If one travels along the Toorak-road, or any long road like that, one will see, I suppose, twenty garages, having an average of three "Bowsers." That means that there are 60 "Bowsers" established along a road 3 or 4 miles in length. These are public conveniences. If it were not for these "Bowsers" the proprietors of garages would probably find their trade falling away. Under our modern conditions a "Bowser" on the kerb is a public utility. In the first place, it reduces the cost of petrol by at least 2d. per gallon. Then, again, it reduces the time taken up in filling the tank by at least 50 per cent., possibly, in some cases, 75 per cent. These petrol pumps reduce the fire risk in a garage, and often in the case of the motor car itself. When emptying petrol from a tin there is always the liability of spilling some, and if it happens that the fumes reach some hot point a fire takes place. Hundreds of motor cars have been destroyed by pouring petrol into the tank from tins. All these things go to show that it is not so much a question of the right to trade upon a public street, as the provision of facilities suitable for our modern methods of transport. The fees which will be charged for the right to install a petrol pump will have to come out of the pockets of motorists. I want honorable members to recollect that probably 30 or 40 per cent. of the motor vehicles

requiring petrol are used for the purpose of carting produce and other goods from place to place. It must not be thought for a moment that motor vehicles requiring petrol are used only for the rich man's pleasure. They are now part of the modern transport system, which is extending all over Australia, as well as other parts of the world. There seems to be a good deal of indifference as to what things cost in these days. We are piling up costs here, there and everywhere, and we do not stop to think that if we put up the cost of petrol the motor lorries which are used for the conveyance of goods from one place to another will have to charge more per ton because of that increased cost. Many people do not stop to think that the garage proprietors are having a very difficult time just now. I think it is within the knowledge of nearly every member of this House that there is very little profit in the motor trade for the small man. Great corporations like General Motors (Australia) Proprietary Limited may possibly be making a profit, but wherever you go in this State you find the same tale from the small man. It is very difficult for him to make a decent living at the present time. Honorable members will see that if the proprietor of a motor garage has six "Bowzers," he may, under the Bill as it is printed, have to pay 60 guineas a year. That is a very severe tax.

The Hon. G. M. DAVIS.—The Minister has accepted the amendment reducing the amount to £5 5s.

Sir FRANK CLARKE.—But the Bill provides for a maximum fee of £10 10s.

An HONORABLE MEMBER.—There should be a flat rate.

Sir FRANK CLARKE.—I would be prepared to agree to a flat rate of £2 2s., but I do not think it is fair that municipal councils should be given the opportunity of exploiting this new method of raising revenue.

The Hon. F. W. BRAWN.—These petrol pumps take up some space on the foot-path.

Sir FRANK CLARKE.—The pumps are usually erected on the kerb, and do not occupy more than about six inches of space.

The Hon. F. W. BRAWN.—I think they occupy about 15 inches.

Sir FRANK CLARKE.—Has the honorable member ever been inconvenienced by a "Bowser"?

The Hon. F. W. BRAWN.—Yes, I ran up against the handle of one some time ago.

Sir FRANK CLARKE.—The honorable member must have been without his glasses. For every pedestrian which a "Bowser" inconveniences, 20 or 30 motorists are afforded great convenience, and motoring is our normal method of transport. I would urge a small flat rate, just for the sake of cheapening the cost of running a motor car. I am sure that if it were possible for us to cut down the price of petrol by 6d. a gallon, we should gladly do so. In fact, we should strain every nerve in that direction. Here we have a proposal which inevitably **must increase** the price of petrol by a fraction, because the fees will be passed on to the buyer of petrol.

The Hon. W. J. BECKETT.—But the fees are already being charged.

Sir FRANK CLARKE.—Illegally.

The Hon. W. J. BECKETT.—That will not affect the price of petrol.

Sir FRANK CLARKE.—Does the honorable gentleman want to know the genesis of the Bill? I was told, and I recount it subject to correction. The Ministry said to the municipalities that it quite agreed that they ought to receive a validating Bill. It then said to the garage proprietors and the Motor Users Association that, of course, their point of view would be considered also. The Ministry then prepared the Bill, and showed it to the municipalities, from whom it accepted amendments. The Ministry forgot to show the Bill to the Motor Users Association or the garage proprietors. The first time the Motor Users Association and the garage proprietors saw the Bill was a fortnight ago, when I took some of the copies that were distributed in this House down to them. They expressed great astonishment, and said that they had expected to be consulted. If it is thought by honorable members that no protest is forthcoming, that is the reason. Only the municipalities have been consulted. The petrol pump is a public utility these days, and it ought not to be regarded by municipalities merely as a gorgeous source of revenue. They ought to charge fees sufficient to cover the cost of inspection, and rejoice in the fact that

they are able to provide the public with facilities. A flat rate sufficient to cover the cost of inspection should be provided.

The Hon. E. L. KIERNAN.—Do you think that it ought to be a flat rate, irrespective of the value of the site used?

Sir FRANK CLARKE.—I cannot accept the idea that the garage proprietors are trading upon the streets. They are providing a public utility.

The Hon. E. L. KIERNAN.—Would you charge the same price in a busy street in Melbourne as you would in a country town?

Sir FRANK CLARKE.—I think that anybody could afford £2 2s. I would sooner see the fee reduced to £1 1s., but I realize there is no chance of that.

The Hon. W. J. BECKETT (Minister of Forests).—I should like to correct a misapprehension which possibly exists in the minds of honorable members in regard to the statement made by the President. As far as my knowledge, as Minister in charge of the Bill, goes, it was not submitted to the municipalities. It was not submitted to any section of the community. As I previously indicated, the intention was merely to confirm the action which the municipalities had already taken. I had the proof copies of the Bill as soon as they were printed, and I revised them. No outside person had any knowledge of its contents until I moved the second reading of the measure in this House.

The Hon. H. F. RICHARDSON.—I confirm the statement made by the Minister. The Bill was not submitted to the municipalities or the Municipal Association. A request was made to the Government that it should introduce a Bill to legalize the action of municipalities—taken, as was thought, illegally—in licensing petrol pumps erected on the public footway. Let me say that I shall support an amendment that a fee of not less than £2 2s., and not more than £5 5s., shall be allowed to be charged by municipal councils. There is another aspect of this matter. It has been pointed out that petrol pumps are public utilities, and nothing has been said concerning what municipalities have to do. Shire councils are maintaining roads for motorists, and are taxing their ratepayers for that purpose. The commercial vehicle users are not paying a fair charge.

There is no denying the fact that a number of these commercial vehicles are competing against our State-owned railways, and the owners are not paying a fraction of the taxation levied in respect of similar vehicles in other parts of the world. It has been said that municipalities are endeavouring to obtain revenue from motorists. What difference will a fee ranging from £2 2s. to £5 5s. for a petrol pump make to the individual motorist? It has been said that there ought to be a flat rate. The Minister has stated that huge revenues are being derived by some of the owners of petrol pumps, and that they have to pay only the same fee as the man who is selling a few gallons a week. Is there any sense in the proposal that there should be a flat rate? There are some people who are making large revenues out of public rights. I admit that certain roads in the State are under the control of the Country Roads Board, but footpaths are not under its control. I am speaking, not only as a representative of the electors but of municipalities, and I say that the charge that is proposed is not very excessive. I do not know that it will affect any of the municipalities in the South-Western Province, because the charges have been made only in the thickly populated metropolitan areas. I do not want it thought that municipalities have no right to make a charge when they give to certain persons the privilege of erecting petrol pumps on footpaths that are used by the public. Stallholders in the metropolitan area selling fruit and other commodities have to pay fees, and for good sites they pay more than for poorer ones. The President cannot suggest that a postal pillar-box erected in a street can be compared in any way with a petrol pump. A certain amount of danger is involved to people using the footpath by the presence of a petrol pump. Time after time it has been pointed out that some one has thrown a lighted match away near a pump when petrol was being taken out of it. That is why the municipalities want some form of insurance; they might be liable in the case of an accident. This Bill was brought in at the request of the Municipal Association. Municipalities have taken the risk of imposing fees, and they require legislative sanction.

The **CHAIRMAN** (the Hon. W. H. Edgar).—The Minister has agreed to accept a reduction of the maximum fee to £5 5s.

The Hon. H. I. COHEN.—I have had placed in my hands a Bill called the Roadside Petrol Pumps Bill, which was introduced into the English Parliament, and has since, I believe, become law. It is a model of simplicity, and I wish that our Act were modelled upon it. In the first place the English measure sets out the object of the legislation, and that provides an answer to one of the questions that have been asked by an honorable member to-night. The object of the Bill is to enable highway authorities to permit the erection of petrol supply pumps on the edge of the roadway, as has been done in the case of lamp posts, watering cart stand pipes, and telegraph poles. Prior to this legislation apparently there was no statutory right in the municipalities to permit this to be done. Statutory right has now been given, and it is proposed in our own Bill to give a similar right. I contend that having such statutory right is an answer to the suggestion that there is any liability for a nuisance created by the erection of these petrol pumps. Various other installations have been referred to, but hitherto no one has referred to the case of the erection of lamp posts. Lamp posts, as we know, are erected in some cases, at any rate, by gas companies for their own purposes, and these have been permitted in the past without objection, although the purpose of their erection was to bring money to the coffers of the gas companies.

The Hon. M. SALTAU.—To light the streets.

The Hon. H. I. COHEN.—Of course.

The Hon. W. J. BECKETT.—They were paid for by the municipality.

The Hon. H. I. COHEN.—Sometimes—not in all cases. It is a matter of contract in each case. Of course, in the case of Fitzroy, the position may be different from that in other municipalities, because Fitzroy is such a progressive municipality. It looks as though we in this country are suffering from a kind of megalomania. In England the following provision has been thought quite sufficient. It is—

The highway authority may charge a fee not exceeding £1 for the grant of a licence under this Act.

Can any one point out to me any difference between the conditions which obtain here and those which obtain in England?

The Hon. H. F. RICHARDSON.—Yes; there are several. England has many more millions of population than we have; on the other hand, it has not anything like the length of roads that we have.

The Hon. H. I. COHEN.—According to the argument used, a larger fee ought to be charged in England. As there are so many millions of people, a petrol pump would constitute a source of greater profit.

The Hon. H. F. RICHARDSON.—Taxation on motorists in England is heavier than it is here.

The Hon. H. I. COHEN.—If that is so, they have been excessively liberal in this case. They have made the maximum £1.

Sir FRANK CLARKE.—The charge is made by a highway authority in England, but by highwaymen here!

The Hon. H. I. COHEN.—I thought there was no answer, but the President has supplied one. There is a distinction without a difference.

The Hon. A. BELL.—It is not very complimentary to the councils.

The Hon. H. I. COHEN.—I challenge honorable members to suggest any difference that exists between the English conditions and those obtaining here. In England the matter has been put on a proper legal basis. It was recognized that some work would have to be done in licensing the petrol pumps, and it was thought in England that £1 was sufficient for the maximum charge. The opportunity is being taken here to exploit the public.

The Hon. H. HITCHCOCK.—The "Bow-sers" are not placed in the cities or towns in England, but are erected along the roadways. You will not see a "Bowser" in a city in Great Britain.

The Hon. H. I. COHEN.—I accept the honorable member's statement.

The Hon. H. HITCHCOCK.—That knocks out your argument.

The Hon. H. I. COHEN.—Wherever the work of licensing the petrol pump is done, it is the same thing. The Minister has pointed out that a particular "Bowser" is able to earn £18 on a Sunday. Honorable members have forgotten that such a large sum is made, not because the "Bowser" is on the

footpath, but because of the location of the garage. The man who runs the garage either has to pay a good deal of rent, or else he has paid a high sum to purchase the site. If we exclude petrol pumps from the footpaths, we shall drive them inside the buildings. The result will be not only a denial of facilities to the public, but a greater congestion of traffic.

The Hon. A. E. CHANDLER.—Many pumps are inside the buildings now.

The Hon. H. I. COHEN.—That may be. If we make the charge too high, we shall drive more of them inside.

The Hon. E. L. KIERNAN.—What charge do you suggest?

The Hon. H. I. COHEN.—An all-round charge of £2 2s. That is more than is charged in England. Honorable members can adduce no argument from the fact that large sums of money are made out of the use of petrol pumps. That money is made because of the fact that the public must have motor spirit, and if they cannot get it from pumps outside a garage they will go inside the building. This Government is setting out to economize. I find that there was a charge of 2d. made for each copy of the English Bill before it became an Act. I suppose that members of Parliament were excepted from that payment. If our Government adopted the idea of charging for copies of Bills it would create a new source of revenue.

The Hon. G. M. DAVIS.—I should like an assurance from the Minister that, in the event of the Bill being enacted, it will absolve a council against liability for accidents caused by the presence in streets of petrol pumps. It is proposed that the petrol pumps should be licensed by the councils. Does that licence carry any liability in regard to accidents?

The Hon. H. I. COHEN.—I suggest that, in the absence of negligence, the councils have no liability.

The Hon. G. M. DAVIS.—Does the Bill absolve them?

The Hon. H. I. COHEN.—I think it does.

The Hon. G. M. DAVIS.—Must the councils continue to insure against possible accidents?

The Hon. W. J. BECKETT (Minister of Public Health).—In reply to Mr. Davis, I should like to point out that there is provision in the Bill in regard to the question he has raised. Clause 6

sets out the power of a municipality to make regulations with respect to— insurance by licensees against liabilities which may be incurred by them in respect of petrol pumps.

When the by-laws are drawn up, they will, no doubt, contain a provision that will compel the licensee to insure so as to absolve the municipalities from any liability.

The Hon. G. M. DAVIS.—What is the amount of the insurance fee?

The Hon. W. J. BECKETT.—I have a minute, dated the 27th of September, from the Town Clerk of South Melbourne on that point. He says—

The following resolution was passed at the last meeting of this council, viz. :—

PETROL STAND INSURANCE.

It is recommended that a policy be executed with the Royal Insurance Company, indemnifying the council against loss or damages occasioned by the erection of these pumps in streets of the city, to an amount of £500 per pump, at a premium of £1 1s. per pump, such premium to be paid by council and charged to grantees of licences in addition to annual fees, and, further, that agreements be amended to take effect for the financial year commencing on 1st October next accordingly.

That shows that that council recognized that it might or might not have some liability. It therefore insured itself and charged the premium to the person causing the obstruction. At the present time the insurance fees are being paid willingly by the municipality.

The Hon. H. I. COHEN.—There is nothing in the English Act about insurance.

The Hon. W. J. BECKETT.—In the case of a most remote shire, the licensee would have to sell only 200 gallons in order to get back the whole fee. It would be a very poor country place where the fee would be regarded as exorbitant. Practically the only means of communication in some parts is the motor vehicle, and all the petrol sold in the one township would go through the one "Bowser."

The amendments were agreed to.

Sir FRANK CLARKE.—I should like to move an amendment to this clause. I move—

That at the end of sub-paragraph (i) of paragraph (d) the following words be inserted :— "Provided that not more than one such fee shall be paid by one person or firm in any one place, notwithstanding that the person or firm operates two or more pumps in that place."

I ask that a chance should be afforded to people who wish to operate four or more pumps so that they may sell "C.O.R."

motor spirit and the Broken Hill Proprietary Company's "Benzol" from stands in the street. If a charge of £5 5s. is made in respect of each "Bowler" the garage proprietors will cut the number of "Bowlers" to only two, and these will hold "Shell" and "Plume" spirit.

The Hon. G. M. DAVIS.—How would it do to charge £5 5s. for the first "Bowler," £4 4s. for the next, and £3 3s. for the next, and so on?

Sir FRANK CLARKE.—That is rather complicated. Do honorable members not think that it is a fair thing to charge no more than the one fee of £5 5s.? I plead on the score that our own Commonwealth Oil Refineries Limited be given a chance. If twenty or fifteen guineas are involved, it means there will be very little chance for the local products.

The Hon. H. I. COHEN.—In supporting what the President has said, I wish to mention that I have had another look at the English Bill, and I find that all that is necessary is one licence. That licence enables a man to erect as many pumps and pipes as he chooses.

An HONORABLE MEMBER.—Mr. Smith saw no "Bowlers" in the cities in England.

The Hon. H. I. COHEN.—Perhaps the reason Mr. Smith did not see any was that the municipalities would not take the risk of putting them up when they had no right to do so. By the Bill that was passed this year they have the right to sanction the erection of petrol pumps, and we shall find they will go ahead tremendously.

The Hon. A. M. ZWAR.—There are "Bowlers" in the City of London.

The Hon. H. I. COHEN.—I do not know how many there are in London, but the English Bill provides that a man may erect as many "Bowlers" as he likes on the payment of one fee.

The Hon. H. HITCHCOCK.—The unofficial Leader appears to be harping on the argument that this legislation will deal with a set of conditions parallel with those existing in England. The cases to which he is referring in England are those of businesses which provide petrol pumps in connexion with their operations. In England one sees "Bowlers" placed at convenient spots on most of the roads. One will find them in front of houses, in pretty gardens, and at road

corners. They are provided solely for the convenience of the travelling public. Those "Bowlers" cannot be compared with the type of petrol pump which is dealt with by this Bill. The latter will be established by garage proprietors as part of their business, and will be placed on the footpath in front of the garage.

The Hon. W. J. BECKETT (Minister of Forests).—Any garage proprietor who requires two, three, or four petrol pumps will be a man doing a large amount of business. In small country towns, one pump at each garage is usually sufficient to satisfy requirements. In those cases in which licences have been issued for two, three, or four pumps, they have been required for garages situated in populous centres where a large business is done.

The Hon. G. M. DAVIS.—A number of pumps may be required at a country garage when customers want two or three different brands of motor spirit.

The Hon. W. J. BECKETT.—In that case the council will be able to charge the minimum fee. Municipal councils, as a rule, are keenly desirous of retaining the favour of the ratepayers, and garage proprietors pay a fair amount of rate money into the councils' coffers. The amendments which have been suggested up to the present have been in the direction of taking legitimate revenue from the municipalities. Year by year additional obligations which are foreign to the municipalities and the Local Government Act are thrust on the councils, and in many cases they are deprived of legitimate revenue. Now that the maximum fee has been reduced from £10 10s. to £5 5s., and councils will have the option of charging any fee between £2 2s. and £5 5s., I do not think any further amendment is necessary.

The Hon. F. W. BRAWN.—This amendment would certainly be in the interests of the man in a big way of business. Suppose one man establishes six pumps. He will have to pay only one fee, the same as the man with only one pump will have to pay. I think that the amendment is absurd.

Sir FRANK CLARKE.—Does not the garage proprietor who establishes a number of pumps provide a big public convenience?

The Hon. F. W. BRAUN.—He has not the public convenience so much in mind as his own business. He establishes them for business reasons. If only one fee had to be paid, a man might establish 50 pumps and pay no more than the struggling garage proprietor who can afford to install only one.

The Hon. H. F. RICHARDSON.—I cannot agree to support the amendment. I think the matter should be left in the hands of the councils. In the small country towns the councils will act reasonably and in a businesslike way. If one man desires to establish five pumps, they may charge him £5 5s., while the licence-fee for one pump may be fixed at £2 2s.

Sir FRANK CLARKE.—Do you suggest that under this clause the council could impose a sliding scale of fees?

The Hon. H. F. RICHARDSON.—Yes. I think the councils will act reasonably.

The Hon. M. MCGREGOR.—In Trafalgar, the local council charges a fee of £2 2s. for one pump and £3 3s. for two or more pumps. One garage has five pumps, another has two, and the remainder have one each. I am satisfied that councils will consider the desirability of encouraging garage proprietors to install petrol pumps, and will not, therefore, charge exorbitant licence-fees.

The Hon. A. BELL.—After having heard the destructive criticism that has been levelled against municipal councils, I feel honoured at having belonged to one for so many years. In Ballarat, the council charges a licence-fee of £2 2s. for each petrol pump. I think that is a fair charge, because the footpath has to be broken up to enable the pump to be erected. I should say that there are 50 or 60 "Bowlers" established in Ballarat. I know that one garage in Sturt-street has six pumps, and there are a number of service stations. I think that honorable members should trust the common sense of the municipal councils in this matter. They ought to have the right to charge a fee in order to enable them to exercise supervision over the pumps, because there is a certain amount of risk from spilt petrol which might cause a fire near a "Bowser." This Bill will only legalize what councils have been doing in the past, and, if the measure is found to be faulty, it

can be amended later. I do not think that a licence-fee of £2 2s. for each pump is excessive.

The amendment was negatived, and the clause, as amended, was agreed to, as were clauses 7, 8, and 9.

Clause 10—(Tanks for supply of petrol to petrol pumps).

Sir FRANK CLARKE.—I should like the Minister to explain one point on this clause. It states, *inter alia*—

Any person who (whether by himself or any agent or servant) uses, or causes, or permits to be used for supplying petrol to a petrol pump any tank other than—

(a) a portable wheel tank of a capacity not exceeding fifty gallons

shall be guilty of an offence against this measure. Will the provision prohibit the use of the large 1,000-gallon wagons that one sees passing through the streets and filling the underground tanks from which the "Bowlers" obtain their supply? I think that the words "not exceeding fifty gallons" have been inadvertently inserted in the clause. I consider that it is an obvious mistake, because those large wagons to which I have referred are certainly portable wheel tanks, but their capacity exceeds 50 gallons.

The Hon. W. J. BECKETT (Minister of Forests).—I have consulted my notes on this clause. From inquiries that have been made it has been ascertained that a fixed underground tank is the safest method of storing petrol. For that reason provision has been made accordingly, the intention being to provide, as far as possible, the necessary safeguards against fire or accidents resulting therefrom. It stands to reason that if an underground tank is filled by inadequate appliances great danger may result. A garage proprietor may have a quantity of petrol in stock in tins and empty the petrol from the tins into the "Bowser" or well. By that means fumes would be created, which would form an explosive mixture, and be exceedingly dangerous. It is not the object of the clause to prevent the present system of distribution. The clause relates to any person who uses, or causes or permits to be used for supplying petrol to a petrol pump, any tank other than a portable wheel tank of a capacity not exceeding 50 gallons.

Sir FRANK CLARKE.—Can he use a 1,000-gallon wheel tank?

The Hon. W. J. BECKETT. — The matter is one I will look into.

The Hon. H. H. SMITH.—Clause 10 relates to a portable wheel tank of a capacity not exceeding 50 gallons. Many companies, instead of using 1,000-gallon tanks, convey petrol in cans. The petrol is put into a small pump, and afterwards conveyed to a larger pump. Several companies operating in Melbourne have not got great portable tanks. They open tins, and run the petrol through funnels. That is dangerous.

The Hon. W. J. BECKETT (Minister of Forests).—I have given further consideration to the clause. I ask honorable members to read carefully the following words:—

Any person who (whether by himself or any agent or servant) uses or causes or permits to be used for supplying petrol to a petrol pump any tank other than—

- (a) a portable wheel tank of a capacity not exceeding 50 gallons; or
- (b) a fixed underground tank—

A petrol pump can be supplied with petrol from an underground tank. In many cases there is no tank, and the supply can then be made by the agency of a portable wheel tank of a capacity not exceeding 50 gallons. The clause relates, not to the supplying of petrol to the tank, but of supplying petrol to the pump, and alternative methods are provided. One is by a fixed underground tank, the purpose of which is to obviate danger from fire, and then in small country places, where there would be no necessity to construct an underground tank, petrol can be supplied to the "Bowser" from a tank on wheels, but the portable tank must not exceed a capacity of 50 gallons.

Sir FRANK CLARKE.—The Minister's explanation is perfectly clear. But I still hold that, though the intention of the clause is as he has stated, it does, unintentionally, include the great tanks that run about the streets. A 1,000-gallon tank pulls up at the nearest "Bowser," takes out its pipe, and fills the tank that is underneath the "Bowser."

The Hon. W. J. BECKETT (Minister of Forests).—The clause is concerned only with the supply of petrol to the pump, not with the supply of petrol to the tank.

The Hon. H. I. COHEN.—But does the pump hold anything apart from the tank?

The Hon. W. J. BECKETT.—Until operated, it holds nothing. It is only

when the pump is put into operation that the petrol comes up and is visible.

The Hon. G. L. GOUDIE.—I think that the Minister's explanation is a perfectly clear one. We all know that where petrol pumps have been installed the proprietors have constructed underground tanks. That is done wherever there is a fairly heavy demand for petrol. An ordinary tank holds, I understand, about 300 gallons. Some hold 1,000 gallons or more. In small country districts underground tanks are not constructed. Big drums of petrol, holding about 40 gallons, are used. The object of the clause is to make the capacity of a portable wheel tank not more than 50 gallons.

The Hon. E. L. KIERNAN.—It is a question whether the President's view, that the clause unintentionally covers more than that, is correct.

Sir FRANK CLARKE.—If the Minister's reading of the clause is right, and the clause relates merely to supplying petrol to a pump, and not to the underground tank which is attached to the pump, there is nothing to prevent a man keeping a 100-gallon drum in his store, and from it tipping petrol into his underground tank. He must not tip petrol from it into his pump. But he can take a 100 or 150-gallon drum from his store, and tip the petrol into the underground tank.

The Hon. W. J. BECKETT (Minister of Forests).—The President has evidently not read clause 7, which we have just passed. That clause has relation to section 11 of the Local Government Act 1921. It extends the power of the Governor in Council to make regulations in connexion with petrol pumps, tanks, apparatus, pipes, and appliances in a store.

The Hon. H. I. COHEN.—I do not see the words "in a store."

The Hon. W. J. BECKETT.—I remarked just now to the unofficial Leader that I was surprised that clause 7 went through without inquiry. Clause 7 covers all cases where petrol is stored. Sub-section (1) of section 11 of the Local Government Act 1921 states—

The Governor in Council is empowered to make regulations for the storage of petroleum.

The power is extended under this Bill to include apparatus. Regulations can be

made under this measure to prevent the storage of petrol in a garage. Clause 7 extends the power of the Governor in Council, as provided in the Local Government Act 1921, to all petrol pumps in the service stations, and also to all tanks. A tank containing petrol in a garage can, under this provision, be brought under the regulations. The power under the present Act, as extended by this clause, will cover every possible case where petrol is stored in any quantity, from an ounce upwards, and will also cover all apparatus in connexion with the same.

Sir FRANK CLARKE.—You are proving to me that there is no need for clause 10, as everything required can be done under the Local Government Act.

The Hon. W. J. BECKETT.—Clause 10 deals with another matter. Clause 10 may, or may not, be superfluous. But if apparatus outside the building is not already covered, then it will be covered in that clause. Ample power is given under the Local Government Act 1921 to cover the storage of petrol, and the clause we have just passed covers all apparatus used in connexion with petrol.

The Hon. H. I. COHEN.—Section 11 of the Local Government Act 1921 relates to the storage of petroleum. Clause 10 of this Bill has regard to the removal of petrol from one vessel to another. Therefore, I think clause 10 is not superfluous. But the Minister will persist in misreading clause 7. It has nothing to do with the storage of petrol, but only with the construction and keeping in repair of petrol tanks, apparatus, pipes, and appliances. However, the whole argument appears to be inadvertent to the matter under discussion.

The clause was agreed to, as was clause 11.

The Hon. H. I. COHEN.—I propose the following new clause, to follow clause 5:—

Any person aggrieved by a refusal to grant or transfer or renew a licence, or by the cancellation of a licence, may appeal to the Minister administering this Act, and if the Minister is of opinion, after due inquiry, that the licence should be granted or transferred or renewed, or should not be cancelled, he may require the licence to be granted or transferred or continued, as he thinks fit.

As I have already said all that I consider necessary in support of the clause, I shall now content myself with moving it.

The Hon. H. F. RICHARDSON.—I still feel that the effect of the new clause will be to take power out of the hands of the municipal councils, and I am quite sure that the councils will resent it as I do. It is not proper that the Minister of Public Works, whoever he may be, should have authority to override the decision of a council in such a comparatively trivial matter as the erection of a petrol pump, or the renewal or cancellation or transfer of a licence. The point at which a Minister of the Crown comes into contact with, and may override, the powers of a municipal council is in respect of an important matter such as the proposed amalgamation of municipalities. Surely we are not going to say that a municipality is not equipped to decide a petty question such as the installation of a petrol pump in a thoroughfare.

The Hon. Dr. HARRIS.—I understood that the Minister of Forests had accepted the proposed new clause.

The Hon. W. J. BECKETT.—That is so.

The Hon. Dr. HARRIS.—And that the Committee had indicated its acceptance of it. Then, why this discussion?

The Hon. H. F. RICHARDSON.—The Committee has not accepted it, and honorable members have every right to discuss it.

The Hon. E. L. KIERNAN.—I regret that the Minister has accepted the proposed new clause. The matter involved is purely a municipal one, and there is absolutely no reason why the Minister of Public Works should be imported into it. I intend to vote against the new clause.

The Committee divided on the proposed new clause (the Hon. W. H. Edgar in the chair)—

Ayes	...	...	..	11
Noes	...	...	...	8

Majority for the clause ... 3

AYES.

Mr. Beckett	Dr. Harris
„ Beggs	Mr. McGregor
Sir Frank Clarke	„ Smith.
Mr. Cohen	Tellers:
„ Davis	Mr. White
„ Disney	„ Zwar.

NOES.

Mr. Bell	Mr. Tyner
„ Goudie	
„ Hitchcock	Tellers:
„ Richardson	Mr. Chandler
„ Saltau	„ Kiernan.

The Bill was reported to the House with amendments, and the amendments were adopted.

On the motion of the Hon. W. J. BECKETT (Minister of Forests) the Bill was read a third time.

WAGES ATTACHMENT BILL.

The Hon. J. H. DISNEY (Honorary Minister).—I move—

That this Bill be now read a second time.

The measure is on the same lines as that which was enacted in 1898, and which expired on the 10th of September, 1902. The original Bill, when it was received in this House from another place, was amended to provide that it should remain in force for only three years. The Bill now before the House is similar to the Act of 1898 except that the section limiting its duration has been omitted. There is to be no time limit to its operation. Owing to the changes in the value of money since 1898 the amount of the wages of any person liable to attachment has been increased from £2 to £3 a week, and the amount with respect to which costs and expenses of attachment are payable is increased from £4 to £5 a week. Clause 5 is inserted to make it clear that the Bill is not to affect any existing immunity from attachment, whether under section 190 of the Railways Act 1915, section 44 of the Water Act 1915, or any other law. The definition of "workman" is the same as that contained in the Act which expired, and "wages" is defined in the same way. It is provided that after the commencement of this Act no order shall be made by any court, judge, or justice of the peace for the attachment of wages of any clerk, servant, labourer or workman with one exception, which I shall mention presently. Honorable members will see that the operation of the Act is limited to the persons described. The wages of any of these persons, amounting to less than £3 a week, are to be free from attachment. It does not matter how they are paid, whether weekly, monthly, or daily. The exception referred to is that where the wages are in excess of £3 per week, the amount by which they exceed that sum may be attached. It is further provided that no costs or expenses of such attachment other than the sums paid for court fees, or stamps, shall be chargeable except in cases where the total amount of wages exceeds £5 per week. The amount in the

Act of 1898 was £4 per week. As I have said, the Bill will not affect the provisions of the Railways Act 1915 or the Water Act 1915, in which there are special provisions protecting the wages of the employees concerned. I may mention that the need for such a Bill as this has become much greater during the last few years, more particularly since the cash order system has come into vogue. I see the unofficial Leader smiling, but there are very respectable people conducting cash-order businesses, and, to my mind, the cash-order system, conducted in a proper manner, is very desirable and very helpful. Unfortunately, however, in many cases persons conducting cash-order businesses indulge in very undesirable practices. Let me cite a case in point which was brought under my notice quite recently. The wife of a man who had been in constant work with one firm for many years obtained a cash order for £10 on one of the largest business firms in Melbourne. She did that without the knowledge of her husband. She was unable to keep up the payments, and the firm in question summoned the husband for the amount due. When the summons was taken to the residence the wife received it, and, unknown to the husband, the case came on in court. Had it been defended, I venture to say that an able solicitor would have been able to get the case dismissed. I am only a bush lawyer, but I do not think that the fur coat which the lady purchased with the cash-order could have been considered a necessity. It was a luxury. Whether the husband would have been considered liable if the case had been defended is, of course, open to question.

The Hon. H. F. RICHARDSON.—The Bill would prevent a person employing a solicitor.

The Hon. J. H. DISNEY.—No.

The Hon. H. F. RICHARDSON.—The wages have to exceed £5 a week before costs can be charged.

The Hon. J. H. DISNEY.—It is provided—

No costs or expenses of any such attachment other than sums paid for court fees or stamps shall be chargeable against such person except in cases where the total amount of such wages exceeds the rate of £5 per week.

Up to £5 a week actual out-of-pocket expenses can be charged. The practice has

grown up of women getting cash orders, and other credit, for which their husbands may be held responsible. In the case I have mentioned, a garnishee order was issued unknown to the husband, and his wages were distrained upon. The whole of his wages were taken.

The Hon. G. M. DAVIS.—For one week, or more?

The Hon. J. H. DISNEY.—At the end of one week the whole of his wages were taken, and at the end of the following week they were taken again.

The Hon. G. M. DAVIS.—Another garnishee order would have had to be obtained.

The Hon. J. H. DISNEY.—The man broke up his home and left Melbourne altogether. The wife and children are now being supported by the State.

The Hon. H. I. COHEN.—What became of the fur coat?

The Hon. J. H. DISNEY.—I presume the lady still has it. Her position is much worse that it would have been if she had not got the coat. I do not think any honorable member will say that a workman should not be allowed at least £3 a week out of his wages to carry on with.

The Hon. H. F. RICHARDSON.—A man may be dishonest up to £3 a week?

The Hon. J. H. DISNEY.—Legislation on the lines of this Bill was enacted nearly 30 years ago, and I venture to say this House was considerably more conservative then than it is to-day. At that time, wages up to £2 per week were exempted from attachment, and in those days £2 was considered a fair week's wage. The Bill proposes to go only £1 higher, and that still leaves a good margin for any trader to levy upon in order to obtain the amount that is due to him. Honorable members must take into consideration the facilities which are being given at the present time for housewives, more particularly, to get goods on what are termed "easy payments."

The Hon. H. I. COHEN.—Are you advocating the time-payment system?

The Hon. J. H. DISNEY.—I am not advocating the time-payment system, but, in my opinion, that system, if properly conducted, is a blessing. Many people would not have been able to get homes but for the time-payment system. Some people would be walking about naked, as it were,

if it were not for that system. The trouble is that while there are many honest traders conducting, time-payment and cash-order businesses, there are others, foreigners particularly, who are conducting them on questionable lines. They have canvassers going from door to door.

The Hon. E. L. KIERNAN.—What kind of business are you referring to?

The Hon. J. H. DISNEY.—Cash orders, mostly.

The Hon. E. L. KIERNAN.—Cash-order firms do not have canvassers.

The Hon. J. H. DISNEY.—They have men and women going from door to door trying to induce householders to take up the cash-order system.

The Hon. E. L. KIERNAN.—There are no cash order firms employing canvassers.

The Hon. J. H. DISNEY.—There are several, and I shall prove it.

The Hon. E. L. KIERNAN.—There are not.

The Hon. J. H. DISNEY.—I beg to differ from the honorable member. I appeal to honorable members to see that something is done to protect honest working men. There are any number of ways whereby it is possible for a person to recover any debts owing to him. I honestly believe that there are many men who have been forced into the Insolvency Court—

The Hon. E. L. KIERNAN.—By cash orders?

The Hon. J. H. DISNEY.—Listen to the cash-order and time-payment people singing out! Only to-day, going down Brunswick-street, Fitzroy, I saw a glaring sign on a window, which read, "Jacob Graball, money lender; cash orders a specialty." Just imagine going to such a man for a cash order! I believe that very much domestic unhappiness is brought about by women obtaining goods at prices greater than they can afford to pay. In many cases the husband has such a load put upon him, and gets so tired of it, that he leaves his wife and family, who are thrown as a burden on the State.

The Hon. H. F. RICHARDSON.—Do you think the Bill will prevent all these things?

The Hon. J. H. DISNEY.—I believe it will assist. The amount which it is asked should be exempt from attachment

is so small that I do not think any objection can be taken to the proposal. I do not believe there is any solicitor in Melbourne who cares to handle cases involving garnishee orders, and I say in all sincerity that I am sure there is no Judge, police magistrate, or justice of the peace who cares at any time to issue such orders. At all times they put as many obstacles as they possibly can in the way of the issuing of garnishee orders. The object of the Bill is to protect the wages of any man up to the amount of £3 per week.

The Hon. W. TYNER.—What about protecting the storekeeper?

The Hon. J. H. DISNEY.—The honorable member has had many years' experience in business, and I was in business for many years. You know perfectly well with whom you are dealing, and if you care to take on Tom, Dick, and Harry, with no prospect of being paid, you deserve to lose. I have no feeling in the matter, but I do think some relief should be given whereby the very poorest of the wage-earners will have their wages protected to the extent provided in the Bill.

The Hon. H. I. COHEN.—I may say that I propose to ask for an adjournment, but before doing that I should like to make one remark. I congratulate the Honorary Minister on the drafting of the Bill, which is simplicity itself. No one could make any mistake as to what the Bill means. It is perfectly clear. I thought I recognized some reasons for its passing before the Honorary Minister tried to explain some connexion between cash orders and the measure. I would remind the honorable gentleman that 30 years ago, when the other Bill to which he has referred was introduced, cash orders were not known. I have a perfectly open mind in the matter. There may be very good reasons for the Bill, and I should like to seek them. The Honorary Minister has not helped the House by irrelevant references to cash orders, unfortunate women, and fur coats. I think it is the general desire of honorable members that they should have time for the consideration of the measure. Therefore I move—

That the debate be now adjourned.

The motion for the adjournment of the debate was agreed to, and the debate was adjourned until Tuesday, October 18.

POUNDS BILL.

The House went into Committee for the further consideration of this Bill.

Consideration was resumed of clause 2—(Trespass rates for cattle).

The Hon. W. J. BECKETT (Minister of Forests).—When this Bill was before us last week we were dealing with clause 2, and in consequence of the discussion which took place the Minister of Public Works, who was then in charge of the Bill, submitted an amendment. The amendment was, however, withdrawn, and progress was reported. I understand that this Bill meets with the universal approval of the members of the Committee, and it is necessary that it should be passed as speedily as possible. The clause reads—

In section 9 of and in the second schedule to the principal Act, for the word "Threepence" there shall be substituted the words "Two shillings (where the land trespassed on is in a city, town, or borough), or Threepence (where the land trespassed on is not in a city, town, or borough)."

I move—

That after the word "borough" (line 5), the following words be inserted:—"or in any area which is within the municipal district of any shire and set forth in a by-law made by the Council thereof for the purpose, and declared in such by-law to be a populous or residential area."

The Hon. H. F. RICHARDSON.—When this clause was previously under discussion I wanted to excise all the words after the words "two shillings." That would have provided for a uniform charge of 2s. in all municipalities, and not merely in the cities, towns, and boroughs. Since we last considered this matter I understand that a discussion has taken place between the Secretary of the Municipal Association of Victoria and the Minister of Public Works. The Secretary has forwarded the following letter to me—

88-90 Queen-street, Melbourne.
5th October, 1927.

Re Pounds Bill.

Dear Sir,

I saw the honorable the Minister of Public Works this morning at his request *re* proposed amendment of this Bill.

He suggests an amendment of clause 2 to provide that the trespass fee shall be 2s. in cities, towns, boroughs, and populous areas in shires (the councils to have power to define populous areas by by-law), and 1s. in areas in shires not defined as populous.

I desired that there should be a charge of 2s. for cities, towns, and boroughs, and

for populous areas, in shires, the shire councils to have power to define what is a populous area by by-law. I would rather see a charge of 2s. made uniform throughout the whole of the State. There are some municipalities which would not enforce the charge. The Winchelsea Shire Council, for instance, allows stock to graze on the roads, but other councils are totally opposed to that course. At the present time there is a charge of only 3d. in some localities, and it often happens that the poundkeeper would take a straying animal almost to the pound gates, when the owner comes along, offers the fee of 3d., and the animal has to be immediately released. If the Minister is not prepared to accept the amendment I have suggested, I will have to urge for a fee of 2s. to be imposed all over the State.

The Hon. G. M. DAVIS.—I support the proposal which Mr. Richardson has outlined. I think it would satisfy most of the municipal councils. Populous areas in some shires are not too many, and stock are allowed to graze along the roads. I know as well as other honorable members that it is sometimes pretty difficult to get these straying animals to a pound, and then they are released on payment of a small fee. As soon as the ranger's back is turned the animal is given its liberty again. In many of the Gippsland shires cattle are allowed to graze on the highways on the payment of a small fee.

An HONORABLE MEMBER.—That is very unwise.

The Hon. G. M. DAVIS.—I agree that it is. Straying animals eat up the grass which is on the roadside, and interfere with the rights of those ratepayers who pay for the privilege of allowing their stock to graze on the road. If the amendment suggested by Mr. Richardson is agreed to it will be of great assistance to municipalities in dealing with troublesome stock, which often break fences and destroy crops.

The Hon. W. J. BECKETT (Minister of Forests).—It seems to me that the amendment which I have re-submitted fittingly meets the position and carries out the intention of the Bill. But as Mr. Richardson does not seem willing to accept it I will agree to progress being reported.

Progress was reported.

ADJOURNMENT.

The Hon. W. J. BECKETT (Minister of Forests).—I move—

That the House at its rising adjourn until Tuesday next.

The motion was agreed to.

The House adjourned at 10.40 p.m., until Tuesday, October 18.

LEGISLATIVE ASSEMBLY

Wednesday, October 12, 1927.

The SPEAKER (the Hon. O. R. Snowball) took the chair at 4.10 p.m.

BURWOOD SANITARY DEPOT.

Lieut.-Col. KNOX (*Upper Yarra*) asked Mr. Webber (Honorary Minister), for the Minister of Public Works—

If he will insist on the Melbourne and Metropolitan Board of Works paying adequate compensation to the dairy-farmers whose licences have been cancelled owing to the seepage or probability of seepage from the Burwood sanitary depot?

Mr. WEBBER (Honorary Minister).—The answer is—

Under section 8 of the Health Act 1926 provision is made that the Board shall make compensation to all persons injuriously affected, and, in default of agreement, such compensation shall be determined by arbitration under the Arbitration Act 1915. It will, therefore, be seen that the Minister of Public Works has no jurisdiction in the matter.

SOLDIER SETTLEMENT.

ADVISORY BOARDS.

Mr. LIND (*Gippsland East*) asked the Minister of Lands—

1. If it is the intention of the Government to adopt the recommendation of the Advisory Boards on soldier settlement relating to the dispossession of certain settlers in order to make larger areas available for the remaining settlers?

2. If so, does the Government intend to re-establish on other holdings the settlers who are to be removed from their present holdings?

3. If settlers who are awaiting removal will be compensated for any crops grown by them between the date of their being advised that they will be removed and the date of their actual removal?

Mr. BAILEY (Minister of Lands).—The answers are—

1. Yes.

2. Yes, where the inquiry Boards recommend accordingly.

3. The improvements made and crops grown by settlers between the date of their being advised that they will be removed and the date of their actual removal will be valued and their accounts credited with the amounts.

POLICE DEPARTMENT.

"DIGGERS' BAGATELLE."

For **Mr. LINTON** (*Boroondara*) **Mr. Groves** asked the Chief Secretary (in furtherance of his reply to this House on September 7)—

1. If he has received a report from the Police Department on the operation of saloons for the playing of "Diggers' bagatelle"?

2. If the question of instituting proceedings to determine whether an offence has been committed against the provisions of the Licensing Act has been decided; if so, what is the decision?

3. If the law at present is such that proceedings would not be successful, will he bring in a Bill immediately to make the law operative?

Mr. PRENDERGAST (Chief Secretary).—The answers are—

1. Yes.

2. The matter is now receiving the consideration of the honorable the Attorney-General.

3. This is dependent on the decision reached by the Attorney-General. When that decision is made, further consideration will be given to the matter by the Government.

COMMUNIST TEACHING.

YOUNG COMRADES' CLUBS: COMMUNIST OR SOCIALIST SUNDAY SCHOOLS.

For **Mr. LINTON** (*Boroondara*) **Mr. Groves** asked the Premier—

Is he aware that in certain parts of Australia there exist institutions known as Young Comrades' Clubs or Communist or Socialist Sunday schools; if so, will he, for the welfare of the children of this State, take all steps necessary to suppress the establishment of such clubs or schools in Victoria?

Mr. HOGAN (Premier).—I desire to say, in reply, that I have no knowledge of any Young Comrades' Clubs or Communist or Socialist Sunday schools in this State. There is, therefore, no reason why the Government should take such steps as are suggested by the honorable member.

BRYAN'S SWAMP LEASES.

Mr. GROVES (*Dandenong*) asked the Minister of Lands—

If he will lay on the table of the Library the files of papers relating to the leases of Bryan's Swamp, parish of Pannyabyr?

Mr. BAILEY (Minister of Lands).—The files of papers have been laid on the table of the Library, as requested.

POLICE MAGISTRATES.

ADDITIONAL APPOINTMENTS.

Mr. CUTHBERTSON (*Albert Park*) asked the Attorney-General—

If, in view of the police magistrates now sitting being insufficient in number to deal with cases, owing to the pressure of business and sickness necessitating the withdrawal of the annual leave of absence to the magistrates indefinitely, he will favorably consider the appointment of additional police magistrates?

Mr. SLATER (Attorney-General).—The reply is—

The existing number of magistrates is, in normal circumstances, sufficient to meet all public requirements and to admit of recreation leave of absence being taken. At present, however, two of the magistrates are absent in consequence of illness. One is expected to resume duty on the 17th inst. and the other on 21st idem. Three weeks' leave of absence for recreation purposes is being taken by one magistrate from the 17th and by another from the 5th prox.

With reference to the latter part of the question, asking whether I will favorably consider the appointment of additional police magistrates, I desire to say that the answer is wrapped up in the Government's proposal to amend the Justices Act to enlarge the powers of the Courts of Petty Sessions over matters of tort and contract, and reserving that increased jurisdiction to police magistrates exclusively, because it will involve the determination largely of matters of law. If that Bill amending the Justices Act is enacted, it will be necessary to consider the question of appointing additional police magistrates.

OAKLEIGH MUNICIPAL ELECTION.

POSTAL VOTING.

Mr. REID (*Oakleigh*) asked the Chief Secretary—

If he will lay on the table of the Library the file in connexion with investigations made by the Criminal Investigation Department into alleged breaches of the Act relating to postal voting for the south ward of the Oakleigh council on the 25th August last?

Mr. PRENDERGAST (Chief Secretary).—The answer is—

The police reports in this matter are at present receiving the consideration of the Crown Law authorities, and consequently, at this stage, as the papers are not available, the request of the honorable member cannot be complied with.

I will make the file available as soon as possible.

DEBATE ON THE BUDGET.

The House having gone into Committee of Supply, the debate (adjourned from the previous day) on the Budget, submitted by Mr. Hogan (Treasurer) on September 20, was resumed.

Mr. GLOWREY (*Ouyen*).—I have been somewhat concerned for a number of years by the fact that the Commonwealth Government collects an enormous sum of money by indirect taxation in the States. In order to carry on essential works for the development and prosperity of Victoria, the Government of this State has to rely upon direct taxation. I have gathered together the latest figures procurable with regard to taxation. The direct taxation imposed by the State in 1926-27 was £5,394,000, while indirectly there was taken from the people £21,000,000. When we examine the Commonwealth figures we find that the direct taxation imposed in 1924-25 amounted to £15,000,000, made up of land tax, stamp duties, and income tax, whilst indirect taxation amounted to £37,000,000. Of the £37,000,000, £26,000,000 came that year from Customs and £11,000,000 from excise. Since that period the Customs revenue of the Commonwealth has jumped up considerably, and stands to-day in the vicinity of £43,000,000. As a result of the increased amount from Customs, the Commonwealth Government has been able to give relief from direct taxation, as recently announced, to the extent of 10 per cent. But that is a matter I cannot commend the Commonwealth Government upon. They have given direct relief to those people who are making profits. I do not object to taxing the man who makes profits, but I do object to taxing the man who is not making a profit, and who, in many cases, is carrying on his business at a loss. The relief given by the Commonwealth Government to those who pay direct taxation is given at the expense of other sections of the community, including many persons who are not securing a profit on their labours. The point that concerns us is that we are somewhat hindered in our State activities, because we know that the people are over-taxed. The greater amount of the money taken out of the pockets of the people is taken by the Commonwealth. If the Commonwealth Government were carrying out its functions economically, the people would not be labouring

under the great burdens they are labouring under now, and would be more ready to respond to State taxation that is essential for the carrying out of public works and undertakings. Dealing with the Budget, a good deal has been said about the proposed increase of taxation. I regret very much that the present Government have had to bring forward proposals for increased taxation. I was very hopeful that they would be able to review the expenditure of past Governments, find many leakages, remedy the leakages, and carry on with existing taxation. When the Budget proposals came before us I endeavoured to ascertain what justification there was for the Government's stand. I asked myself the question whether the Government had done all that could reasonably be expected of them, or whether it was possible for greater economies to be effected. I went back over a period of years—the period referred to last night by the honorable member for Nunawading. The honorable member for Nunawading told us that in 1917-18 an Economy Government was elected. The expenditure from revenue in that year was £12,141,080. For 1918-19 it was £12,468,068, or an increase of £327,000. For the year 1919-20 it was £15,228,717, an increase of £2,760,000. The increase in 1920-21 was £3,137,000; in 1921-22, £1,506,000; 1922-23, £1,061,000; 1923-24, £1,510,000; 1924-25, £1,044,000; 1925-26, £1,050,000; and in 1926-27, £2,087,000. This year there will be an additional expenditure to the extent of £130,000. If we look at the matter in that light, it would appear that the present Government has made a better attempt than its predecessors to economize. The increase is not in the same ratio as during the last ten years. But the proposed increase for this year does not represent a true statement of the case, because, when we look at the figures presented by the Treasurer, we find that the Government have deducted £553,000, which they hope the Commonwealth Government will pay to them under the financial agreement. Therefore, if we want to ascertain exactly what the expenditure is to be on the basis of last year's figures, we must add £553,000 to the £130,000.

Mr. WETTENHALL.—Does it strike you as a matter of any importance that the

Railway Department alone has a revenue greater than that of the total revenue of 1917-18? Last year the Railway Department spent over £13,000,000.

Mr. GLOWREY.—The honorable member for Lowan can, if he so desires, inform the House at a later stage as to exactly what has been done in the way of increasing taxation. The statement he has just made, by interjection, does not affect the figures I have quoted. The actual amount of increased expenditure that the Government proposes is £683,000. We want to ascertain whether that amount is justified or not. How is the sum made up? The sum of £197,000 is being spent on education. Past Governments did not deal fairly and equitably with the Education Department. It is somewhat alarming that in one year the Government find it necessary to increase the amount set down for education purposes by so large an amount. That amount is justified only by reason of the fact that Governments in the past delayed advances that were necessary to meet legitimate expenditure on education. The obligations of previous Governments in this matter have been passed on to the present Government. Increased interest accounts for £157,000, pensions for £54,000, Public Works, £108,000; Agriculture, £55,000—the major portion of which is in connexion with the Maffra beet sugar industry. The Chief Secretary's Department accounts for £54,000, £22,000 of which is in relation to the Children's Welfare Department and £22,000 in relation to the Police Department. These items account for £625,000 out of a total of £683,000.

Mr. HOGAN.—You have missed one item, the increase in respect of hospital accommodation.

Mr. GLOWREY.—I have endeavoured to ascertain whether the increases of expenditure are justified. I have taken out only those items that were passed on to the present Government by previous Governments. It was stated last night that the figures submitted to us were practically not the Government's figures at all, but departmental figures.

Mr. HOGAN.—They are not. The departmental figures were a great deal higher than the Government's figures are.

Mr. WETTENHALL.—The honorable member for Ouyen is apologizing for the Government.

Mr. HOGAN.—The Government figures show a reduction on the departmental figures.

Mr. GLOWREY.—What I want to know from the Treasurer and the Government is whether the Government have considered every avenue of economy and are definitely satisfied that more money must be spent. Are they of opinion that economies may still be effected? Is it possible to reduce sums set aside for Departments? I feel that the Government have been in office too short a time to effect all the economies that, doubtless, they desire shall be effected. We want to know just where the Government stand. Are we definitely committed to the various items of expenditure, or do the Government hope to bring about certain economies, and by the institution of new features of administration reduce the costs set out in the Estimates? Will it be possible in this way to provide a greater surplus than has been budgeted for? I am extremely disappointed with the way the Government have dealt with closer settlement and land settlement. We have had a statement from the Treasurer in regard to soldier settlement. He showed us that the soldiers were in arrears to the extent of over £5,000,000, and that past Governments had failed to call upon the general taxpayers to pay a sum of three million and some odd thousand pounds. Now he tells us there was a deficiency on that account of approximately £9,000,000. I thought, in view of that statement, that the Treasurer would have come forward with some proposal whereby the taxpayers would have been made to recognize their responsibility. I was hopeful that there would be a cleaning up of the position and a putting of soldier settlement on a sounder footing. It does appear, however, that the Government is prepared to allow this matter to drift, as other Governments have done.

Mr. HOGAN.—No; we are not doing that.

Mr. GLOWREY.—The Government has made no proposal whatever. It has not called on the general taxpayers to make up the deficiency.

Mr. HOGAN.—We are calling on the Prime Minister of the Commonwealth, who, we say, should be responsible.

Mr. GLOWREY.—The Government is not calling on the Prime Minister for the millions of pounds that the State is to pay in this regard.

Mr. HOGAN.—We are calling on him, anyhow; and the remainder will have to be provided by the taxpayers of Victoria.

Mr. GLOWREY.—If the remainder has to be provided by the taxpayers, I cannot see why the Government should shirk its responsibilities—why it should not play the game with the taxpayer, by telling him that there is an obligation that he should be prepared to meet. I am willing to go along the whole road with the Treasurer in regard to forcing the Commonwealth Government to meet its obligations. The State Governments that made the agreement with the Commonwealth Government have let the people down. They have left to the Commonwealth the field of indirect taxation.

Mr. WETTENHALL.—Do you think that past Governments have left that to the Commonwealth? The people of Australia did that.

Mr. GLOWREY.—I said that the Governments of the States allowed the Commonwealth to retain all indirect taxation with a view of having the field of direct taxation left to the States. They had no right to do so. The function of soldier settlement should have been—as it is—exclusively a Commonwealth matter. Here, apparently, is where the difficulty arose, however. The States were very anxious to preserve State rights. They wanted to maintain control of land settlement; and the Commonwealth was able to drive a pretty hard bargain with the States, under which we are labouring to-day. The only course is for us, as legislators, to get together and try to remedy the evil. The Commonwealth Government is in the happy position of being able to withdraw itself from the field of direct taxation. It can depend entirely for its revenue requirements on the imposition of indirect taxation. The chaotic state into which land settlement has drifted in Victoria is due to the fact that past Treasurers have not had sufficient money, apparently, to take up the subject and deal with it effectively and efficiently. They have simply pursued the policy of “passing it on” to the settler. The settler has been in need, perhaps, of £300 or £500 in order that he might put himself in a sound financial position. When he has approached the Closer Settlement Board and asked for help, it has been re-

fused. Then he has fallen back on the member of Parliament for his district, who has had to be practically a “wood-and-water joey,” approaching the Board and making a special individual appeal. Then the settler has been advanced, perhaps, £50 or £60, which is far from being an adequate sum of money for his requirements. It has been said that many of our soldier settlers are inefficient. That may be so. If it is so in certain instances, it is because they have not had the capital with which to become efficient. Past Governments and many politicians have said that our soldier settlers are not efficient. That may be applicable, I say again, in a few individual cases. The administration, however, has not been satisfactory, and a certain degree of the blame rests there. If the Government is going to be fair, not only to the settlers—civilian settlers as well as soldier settlers—and to the State as a whole, it should face fearlessly the question of land settlement. A total of about £29,000,000 has been advanced on loan under the authority of the Closer Settlement Board; but, if a correct balance-sheet were taken out, it would be found that the £29,000,000 was not worth £19,000,000. We have been told that if the land on which our ex-soldiers have been settled were re-sold, there would be shown a big profit. The Government has liens and securities over the settlers' profits. Yet it is a fact that the soldier settlers failed last year to pay interest due to the extent of £1,072,000. That is an admission that those settlers are not in a satisfactory position. What is wrong? Either the industry in which they are engaged is not profitable, or the settlers are inefficient, or their properties are inefficient. It is essential, in the interests of the settlers and of the State, that the Government should face the issue. I must express profound disappointment that some more concerted effort has not been made to bring about a re-valuation of the closer settlement estates, and that the general taxpayers have not been called upon to meet their admitted obligations. I am not in favour of increased taxation, but I do not favour a policy of carrying on a deficiency and passing the charges in connexion with it on to the taxpayers when they must ultimately pay the original obligation. I maintain that they

should be called on now to meet the obligation.

Mr. LIND.—You do not expect that the Advisory Boards will be able to clean these matters up?

Mr. GLOWREY.—I cannot hold out any hope from that source, because the Boards are not re-valuing the properties. Unless a different view is taken, either by this or any other Government, of the whole subject of settlement, so that matters may be cleaned up, we cannot hope for success. It does not matter whether the settlers are engaged in dairying or in wheat-growing, or in any other form of production; unless their holdings are brought to the highest state of efficiency they cannot succeed.

Mr. LIND.—Is it not a fact that steps are now being taken in the direction of revaluing many of the estates which were subdivided for settlement?

Mr. GLOWREY.—That may be so, but I have heard no public announcement to that effect. It should have been made, I contend, by the Treasurer in the course of his financial statement. If there is to be an immense writing off of the values of the holdings on which the sum of £29,000,000 has been advanced, it is surely so important a matter that it should have been announced.

Mr. HOGAN.—Where the Advisory Boards recommend revaluation, that is being done.

Mr. GLOWREY.—Yes, but by the departmental valuers, and not by independent valuers.

Mr. HOGAN.—If the Advisory Boards recommend revaluation, that is done. We have already written down the value of the Mount Violet Estate, for example, by about £24,600. It was purchased at £9 10s. an acre, and the valuation has been reduced to £8 an acre on the recommendation of an Advisory Board and of the Closer Settlement Board itself.

Mr. GLOWREY.—I am disappointed that the general taxpayers have not been called upon this year to meet an obligation which they have got to carry, and which at present they are not being required to shoulder. Perhaps the Government is fearful of the treatment that its increased taxation proposals may receive in another place. It is essential that any Government should have at its command the money needed to carry on the various

public functions. The Government, therefore, must appeal to another place to sanction its proposals for legitimate taxation. As a new member of this House I have found it difficult to analyse the whole of the details of expenditure, and to decide whether or not economies can be effected. I hope, however, with experience, to be able to contribute something more definite in the realm of constructive criticism. Unless we can arouse the public conscience to revolt against the methods of taxation adopted by the Commonwealth Government, we shall not obtain relief. If we permit the Commonwealth Government to keep up the cost of administering the affairs of this State, owing to the pressure of indirect taxation, we shall not be doing our duty.

Mr. MCKENZIE.—Are you advocating a general insurrection against the Commonwealth Government?

Mr. GLOWREY.—I am against the Commonwealth Government raising excessive revenue and then turning round and, as a measure for getting rid of it, encroaching on the domain of the States.

Mr. WETTENHALL.—What are you going to do about it?

Mr. GLOWREY.—If we satisfy ourselves that increased taxation is necessary to carry on, efficiently and economically, the functions of State government, we should not hesitate to ask another place to agree to increased taxation. Then, when the increased taxation had been imposed, the public would rise in indignation, and it would effect the remedy that this Parliament is not in a position to bring about, so far as the Commonwealth legislature is concerned. I do not wish it to be understood that I favour increased taxation. The urgent need of the State is the practice of economy. In looking at the Budget figures, I find that, of the sum of £683,000 to which I have referred, £625,000 at least is an obligation which has been passed on to the Treasurer by previous Governments. If the Treasurer can show that the balance has also been passed on to his Government, he will have submitted an effective answer to his critics. With respect to the revenue which the Government hopes to receive, I must express doubt. The position is far worse in the country than the Treasurer realizes. The assistance that will have

to be rendered in the north-western area is considerable.

Mr. ANGUS.—The Treasurer passed a Bill providing for £10,000 to meet that.

Mr. GLOWREY.—To what is the honorable member referring?

Mr. ANGUS.—The Fallowing Advances Act.

Mr. GLOWREY.—The honorable member would have been wiser if he had not made that observation. He knows perfectly well that that £10,000 was not voted with the idea of giving relief at all.

Mr. ANGUS.—What was it for—to placate some members?

Mr. GLOWREY.—No; the honorable member knows perfectly well that it was because there were needy settlers in the north-western portion of the State who did not have capital wherewith to adopt the scientific methods of farming that recent experiments have shown to be essential.

Mr. ANGUS.—How could £10,000 meet their requirements?

Mr. GLOWREY.—The sum of £10,000 has more than met that requirement. The honorable member knows that a previous Government, in 1920, voted a sum of £50,000 for that purpose, and only £5,000 of that money was applied for. If the honorable member says that the fallowing advances this year were voted to placate some of the members of this House, I ask him for what reason did a previous Government provide £50,000?

Mr. ANGUS.—I did not say what you have attributed to me.

Mr. WETTENHALL.—Chair! What about these interjections?

The CHAIRMAN (Mr. Solly).—I have repeatedly asked honorable members to cease interjecting, but they do not take any notice of the Chair. Will the honorable member for Ouyen proceed without taking any notice of any interjections that are made?

Mr. GLOWREY.—I shall endeavour to do so. I should say that the measure of relief that the Government will have to give in the north-western portion of the State will be considerable. I do not want to be responsible for asking this House, this Government, or any other Government, to expend money which will not be wisely spent, and I would, therefore, appeal to the Government to view the matter

of relief seriously, and to appoint a sub-Committee of the Cabinet to go through the north-western area. The sub-Committee would view matters for themselves, and could then come forward with some sound comprehensive proposals—proposals that would mean that every penny given by way of relief would be wisely and soundly invested, in a manner that would ensure that the Government would at least get the whole of its money returned. I am very confident that, if the Government does approach this matter in a proper manner, and makes the advances that are essential for the welfare of the north-western portion of the State, it will have every penny it advances repaid over and over again.

Mr. TOUCHER.—You would not confine the advances to one section of the State?

Mr. GLOWREY.—No; but I think I have quite enough to do to speak for those whom I represent. Honorable members will find me ever ready to lend them assistance if they want it in putting forward a case on behalf of their constituents. Now, in regard to the other Chamber, I believe that the time has arrived—

Mr. BROWNBILL.—When it should be abolished.

Mr. GLOWREY.—No. I believe the time has arrived when that Chamber should be elected on a different franchise from that which obtains in respect of it to-day. The incident which took place there recently, when, by rejecting a measure which had been passed by this House, another place deprived a section of our producers of the right to get for their commodity a price based on their cost of production, calls for comment. When men, representing big vested interests and commercial interests, who to-day are applying the price-fixing principle to their own businesses in a far more obnoxious form than that Bill provided for, vote against a measure of that nature, it is time the electors of this State had some opportunity to deal with them. I would appeal to the Government, if it is going to act in the best interests of the State, to bring forward some proposals that will widen the franchise of the electors of another place.

An HONORABLE MEMBER.—Why not abolish it?

Mr. GLOWREY.—I should like to see the other Chamber remain as a House of review, provided that it is a legitimate House of review—not a House consisting of a few selected persons.

Colonel BOURCHIER.—What franchise would you propose?

Mr. GLOWREY.—The same as obtains for this House.

Colonel BOURCHIER.—Then the other House would be useless.

Mr. GLOWREY.—That is for honorable members to say. They could limit the number of its members if they liked, but I should prefer to see it remain as a House of review. If, on account of making its franchise the same as the franchise for this House, the abolition of the Legislative Council could be justified, then the abolition of the Senate, which is elected on the same franchise as the House of Representatives, could be justified. In conclusion, I wish to say that we should like to have some definite assurance from the Government that the Estimates of Expenditure they have brought forward are to represent the maximum expenditure, and that they contemplate being able to thoroughly overhaul the administration of the various Departments and effect economies in them. There is one suggestion that I would make. I come in close contact with the Mallee Lands branch. I am certain that if that branch were situated in the Mallee, instead of being centralized in Melbourne, it could be run more economically than is the case at the present time; and give a far better service to those it is supposed to serve. If a policy of that kind were carried out, the question that was raised last night regarding the provision of additional buildings in Melbourne to accommodate the public servants would not need to be raised. While the suggestion I have made applies to the area I represent, no doubt a similar decentralization movement could be carried out in respect to other areas. Honorable members will find me ever ready to bring about such reforms, and to effect economies.

Dr. ARGYLE (*Toorak*).—It is usual before discussing a Budget speech to find some descriptive title by which the Budget may be known. I think the present Treasurer's Budget is about the eighth I have had the pleasure of listening to.

It has frequently been found desirable to describe the Budget by means of an adjective. It is generally an adjective that begins with the letter "B," and, as honorable members know, there are many adjectives in the English language beginning with the letter "B," some of which are parliamentary and some of which are not; some of which are strong, and some of which are weak. I do not feel called upon to find a very strong adjective on this occasion, but I would suggest that from its character the Budget might be called the "borrowed Budget." It has been borrowed from several sources. Its very foundations were borrowed, as the Treasurer himself said a little while ago, from the Prime Minister. It could not exist if it were not for a hypothetical agreement which is to be made with the Commonwealth. The Budget has also been borrowed, to some extent, from Providence. We have been told not to put our trust in princes or the sons of men, but to put our trust in Providence.

Mr. HOGAN.—It would be more correct to say that the Budget has been "based" on certain things, not "borrowed."

Dr. ARGYLE.—A portion of it has been definitely borrowed. The previous speaker spoke of some hundreds of thousands of pounds that are going to be borrowed from the Commonwealth in order to avoid taxation. That was his statement; it is not mine. The Budget has also been borrowed, to some extent, from the Budgets of past Governments.

Mr. BROWNBILL.—"Inherited" would be a better word.

Dr. ARGYLE.—No; statements have been borrowed almost wholesale from previous Budgets. I notice, too, that some of the ideas in the Budget have been borrowed—even the idea of obtaining 1 per cent. additional interest from the banks in connexion with unexpended money. That idea was borrowed from the late Premier of New South Wales, Mr. Lang, as is shown by the report of the Conference of Premiers with Commonwealth Ministers.

Mr. HOGAN.—I was in negotiation with the associated banks on that question prior to the Conference. I ask the honorable member to accept my assurance that I did not borrow that idea from anybody.

Dr. ARGYLE.—I withdraw the statement about that idea being borrowed.

Mr. CAIN.—The present Treasurer could not borrow much from the late Premier of this State.

Dr. ARGYLE.—I do not know whether the late Premier is a lender or not; I have never tried him. I was very much interested in the contrast between the way in which the Treasurer delivered his Budget speech and the way in which, as Leader of the Opposition, he made his contra-Budget speech last session. I was reminded very much indeed of a well-known scene in *A Midsummer Night's Dream*. A certain number of trades folk in a town got together to produce a play, and one of the characters, known as Bottom the Weaver, was very anxious to play the part of the lion. He said—

I will roar that I will make the duke say,
"Let him roar again, let him roar again."

I remember how the present Treasurer attacked the Budget last session.

Mr. BROWNBILL.—Show us how he tried to roar.

Dr. ARGYLE.—No; I could not imitate him at all. Bottom the Weaver was reminded that if he roared too loudly he might frighten the ladies. I think the Treasurer must have been warned not to roar too loudly this time in case he might frighten the ladies.

An HONORABLE MEMBER.—Who are the ladies?

Dr. ARGYLE.—The ladies in the play will correspond with the constituencies of this House. Bottom, heedful of the warning, said—

I will aggravate my voice so, that I will roar you as gently as any sucking dove; I will roar you as twere any nightingale.

Mr. HOGAN.—I have seen a sucking pig, but not a sucking dove.

Dr. ARGYLE.—Then the honorable gentleman must turn to Shakespeare. The wonderful change in the honorable gentleman's manner, and the wonderful care he took not to frighten any one lest in his politics he might be taken, not for a lion, but for a follower of Mr. Lang, reminded me of the passages which I have quoted. All the things the honorable gentleman said about the last Budget, and to which the Leader of the Opposition referred in his speech last night, were carefully left out on this occasion, and the Treasurer roared as "gently as

any sucking dove." Now, what were the things the present Treasurer said in his speech on the last Budget that differed so materially from the things that he said in his own Budget speech?

Mr. HOGAN.—I did not think that the members of the Opposition were as much impressed by that speech of mine last year as they appear to have been.

Dr. ARGYLE.—I have been reading that speech very carefully. It is very interesting. That speech was, to a large extent, borrowed also. It was borrowed from the *Age*, and it consisted largely of quotations from that newspaper. It also contained the borrowed phrase, "borrow, boom, and burst." By the way, that was not original with the *Age* either.

Mr. HOGAN.—I remember hearing it before, but I have no recollection who said it.

Dr. ARGYLE.—I want to come now to the facts in the Budget. Last year the present Treasurer made a statement that it was for the House to decide whether what he described as the "rotten policy" of the Allan-Peacock Government should be continued. That "rotten policy" in every particular, and in almost every phrase, is in the Budget now under consideration. The Treasurer has described his policy as "honest financing." He described the policy of his predecessor as "crooked financing." He said that the losses on closer settlement—not the arrears—and on the State Electricity Commission's undertaking were not included in the Budget delivered by the honorable member for Allandale. I can almost hear him now roaring out, "Why are they not included?" His words could almost be heard from the Exhibition Building to Spencer-street.

Sir ALEXANDER PEACOCK.—You cannot imitate him.

Dr. ARGYLE.—No; and I do not want to, because I do not want to appear discourteous in attempting to imitate any member. I was only trying to explain his manner. I suppose I could roar like a lion if I tried.

Mr. MCKENZIE.—What about the bull of Bashan. Didn't it roar, too?

Dr. ARGYLE.—I believe it did. The Treasurer told us last year that the references to the losses I have mentioned should be included in the Budget, and he

added that if he were Treasurer, he would consider it his duty to place before the House a full and clear statement of the finances of the State.

Mr. HOGAN.—I have done so.

Dr. ARGYLE.—The honorable gentleman has not. The items I have referred to are not included in the present Budget.

Mr. HOGAN.—A full statement in regard to the State Electricity Commission is in the Budget.

Dr. ARGYLE.—The honorable gentleman is not going to catch me tripping. A reference is made in the Budget statement to those losses, and that was done in the statement submitted by the previous Treasurer.

Mr. HOGAN.—Tell us what was said about the Closer Settlement Board by my predecessor. I have told Parliament what the present position is.

Dr. ARGYLE.—The Auditor-General's report dealing with that matter was in the hands of members weeks before the previous Treasurer delivered his Budget.

Mr. HOGAN.—I invite the honorable member to read from the previous Treasurer's Budget the clear statement about soldier settlement.

Dr. ARGYLE.—There is a statement about closer settlement.

Sir WILLIAM MCPHERSON.—The Treasurer wants to make out that the losses in regard to soldier settlement should be added to the deficit.

Dr. ARGYLE.—Last year we had a definite statement about the losses, not only in the Budget, but in the report of the Auditor-General.

Mr. HOGAN.—Is the honorable member going to quote what was said?

Dr. ARGYLE.—Yes.

Mr. HOGAN.—I thought the honorable member was putting up a smoke screen, or suggesting some sort of anaesthetic.

Dr. ARGYLE.—This is what the previous Treasurer said—

The expenditure on roads requires no defence, while, in regard to soldier settlement, the fulfilment of our obligations is as essential as ever. This was undoubtedly a function of the Commonwealth discharged for the sake of convenience by the States, but the Commonwealth is as reluctant to meet its responsibility in this as in other matters. Our present contribution of £75,000 per annum to meet losses is undoubtedly inadequate. What the total amount of these losses will be can only be guessed.

Mr. HOGAN.—Ha, ha! The honorable member calls that a statement about soldier settlement finance.

Dr. ARGYLE.—There is a reference to the losses, and we had also the Auditor-General's statement in regard to this matter.

Mr. HOGAN.—The honorable member is a jester.

The CHAIRMAN (Mr. Solly).—The Treasurer is out of order in interjecting.

Dr. ARGYLE.—We were asked, not once, but many times, by the present Treasurer, when he was Leader of the Opposition, whether these undertakings were Government undertakings or not. If they were Government undertakings, he wanted to know why it was that the losses were not included in the deficit for the year. I ask the honorable gentleman the same questions now. "Are these undertakings Government undertakings or not?" And if they are, "Why is it that the losses are not included in the deficit for last year, or the prospective deficit." The Treasurer said last night that there would be no loss on the operations of the State Electricity Commission for this year. I remember very well the roars of derision which greeted the appearance of a certain graph which was placed on the walls of the other House by the then honorable member for St. Kilda, who was the responsible Minister for the State Electricity Commission. It was then said that it was anticipated that, if the recommendations of Mr. Sawyer, the American expert, were acted upon, the State Electricity Commission would pay its way in 1923. I think I am right in saying that, in the 1926-27 Budget, it was anticipated the Commission would do even better than that. In other words, it was anticipated that the Commission would be able to balance the ledger during the financial year 1927-28. I am pleased to hear from the Treasurer that that is likely to be the case. I have always believed that the Commission would soon be able to pay its way. We also had very considerable criticism regarding the proposal of the previous Government to increase fares and freights on the railways. That proposal was derided as being a most unlikely method of producing increased revenue for the Railway Department. The fact

is that the revenue of the Department was increased by over £1,000,000. I think there was some criticism on this question from the Leader of the present Country Progressive party. He was the whole of the party at that particular time. The same criticism was levelled at the increase in the cost of refreshments at railway stations. Facts have confounded another critic. The refreshment rooms at railway stations showed a profit of £72,000 last year, notwithstanding that there was a slight increase in the price of sandwiches, regarding which increase some members made a fuss. The use of loan money for non-productive works was the subject of great complaint by the present Treasurer when he was criticizing his predecessor's Budget, but he is also providing for the expenditure of loan money on non-productive works. The previous Government estimated its loan expenditure at £8,750,000. We have often been accused as a Parliament of spending an undue amount of loan money. I maintain that there has been no undue expenditure of loan money in this State, and I commend the Treasurer for proposing to borrow a large sum to be spent during the present financial year. The present proposals contemplate a loan expenditure of £8,485,000. This money is to be spent on railways, electricity, water supply, roads, closer settlement, public works, and forests. The previous Government proposed to spend money on similar undertakings, but there is one significant item left out of the present proposals. Not a penny is provided for immigration, and in that way we get a declaration as to the policy of this Government on that particular question.

Mr. MCKENZIE.—Is not the Commonwealth Government looking after that?

Dr. ARGYLE.—It is looking after its own share of that work.

Mr. MCKENZIE.—It ought to look after all of it.

Dr. ARGYLE.—That is a matter of opinion. As I have pointed out, the present Treasurer proposes to raise by loan £8,485,000. This is practically the same amount as was raised last year.

Mr. HOGAN.—It is a few hundred thousand pounds less.

Dr. ARGYLE.—The present Government proposes to raise £8,425,000 against

£8,750,000 which the previous Government obtained, and, as I pointed out there is nothing for immigration.

Mr. HOGAN.—There is a difference of £300,000.

Dr. ARGYLE.—The Treasurer in his capacity as Leader of the Opposition last year challenged the spending of money on roads and settlement as being unproductive, but practically the same amounts are included in the Budget for this year. I would have been very much surprised if no money had been provided for country roads, and so would other members, as well as their constituents. It was previously stated by the Treasurer and other members of his party that such things as roads and land settlement should be provided for out of revenue. If that course had been adopted, there would be absolute stagnation over the whole State.

Mr. HOGAN.—Is not the expenditure on roads provided for in an Act of Parliament.

Dr. ARGYLE.—I am not finding fault with the expenditure of money on the construction of roads. I am only referring to what the honorable gentleman said when he was in Opposition.

Mr. HOGAN.—The law provides that a certain amount of money should be spent on roads over a period of years.

Dr. ARGYLE.—That law was in existence when the honorable member made his criticism. I am not finding fault with it, and the honorable member knew what was the law when he made his criticism.

Mr. HOGAN.—You want me in five minutes to right all the wrongs your people have been guilty of for twenty years. Bottom the Weaver could not do that.

The CHAIRMAN (Mr. Solly).—I have repeatedly asked honorable members not to interject. Honorable members have elected me to the position of Chairman of Committees, and I presume that they want to obey my ruling. I ask them to cease interjecting, and to allow the honorable member for Toorak to continue his speech without interruption. I may point out to the Honorary Minister (Mr. Cain) that he is out of order in reading a newspaper while the House is in Committee.

Dr. ARGYLE.—The present Treasurer, in his criticism of the Budget

last year, referred to several items in the Public Works schedule. Under the same items he proposes to spend practically the same amount of money as his predecessor did. I should like to ask the Treasurer if there is an Act of Parliament compelling him to spend borrowed money on roads, is there also an Act of Parliament compelling him to spend these sums on public works. If there is, I should like to be told the name of the Act. In the Budget now before us we are told that of the amount of £655,000 allocated to public works, £385,000 will be expended on various classes of school buildings, £48,000 on additions to the public library, £20,000 on hospitals for the insane, £36,000 on the purchase of wire netting, £10,000 on additions to the Titles Office, £20,000 on the University buildings, £12,000 on bridges, £23,000 on advances to fruit-growers owing to damage caused by thrips, and £19,000 on advances to saw-millers to assist in replacing sawmilling plants burnt during the disastrous fires of last year. I take no exception to any single item in that loan schedule, but I do take exception to the criticism levelled against previous Governments who worked on that policy. I am satisfied that it is a sound policy, as long as a proper sinking fund of 2 per cent. is maintained. I received my first introduction into public finance as a member of a local municipal council, and I remember the first thing that impressed me was the way in which it was possible for a district to develop by its roads and in other directions on the principle of the sinking fund working off the liability in practically the lifetime of one generation.

Mr. BROWNBILL.—That was not always done by municipal councils.

Dr. ARGYLE.—It was done in the council to which I belonged. I turn now to the question of water supply, which was dealt with in the Budget. What the Treasurer stated in that regard was the most flagrant example of the borrowing of some one else's ideas, and taking credit for some one else's work. Almost every item in the water supply section might have been taken paragraph by paragraph from the Budget of the previous Treasurer—with one great difference. The present Treasurer told us in his Budget speech what has been done and is being done. Those

works were authorized by previous Governments. The last Treasurer—the honorable member for Allandale—told us what his own Government had authorized, and was doing. If we take what appears in the Budget speech we find that progress is being made with the Hume reservoir, and also that by the completion of the Waranga and Sugarloaf storages it has been possible to completely fill those reservoirs.

Mr. BAILEY.—They are all continuous works.

Dr. ARGYLE.—I know that, but why not say so? The position would have been different if there had been any acknowledgment of the work of the present Government's predecessors, but there was none. The information contained in the Budget this year does not refer to proposals for this year, but very largely to previous proposals. I think that the position relating to water supply is a fine record of progress, not for the last Government only, but for half a dozen Governments that preceded it. I challenge anybody to take exception to the irrigation policy of this State. One of the proudest boasts of Victoria should be in regard to the manner in which it has opened up its waste lands by conserving water.

Mr. MURPHY.—Then what are you worried about?

Dr. ARGYLE.—I am not worrying at all, but I wish to point out that the water supply system is a big burden on the taxpayers of the State. The last Treasurer did draw the attention of the people to that fact, and showed that there was some necessity for economy in this direction. About half a million a year is being taken out of the pockets of the taxpayers to develop the country in this particular direction. I take no exception to it, but I would point out that the present economy Government has not touched upon the matter, and has not suggested that it is necessary to look into it. It is carrying on what its predecessors started. Listen to the note of warning sounded by the last Treasurer—

The estimated loss this year on our water supply policy is £557,000. It is essential that this increasing loss should be stemmed, and the Government will give early consideration to the question of increasing the rates to 5 per cent.

That was not a very popular proposal; it would not have been easy to get this House to sanction it.

Mr. BAILEY.—Do you think that we should increase the rate?

Dr. ARGYLE.—I am not discussing that point. I propose to finish the quotation—

This would improve the position by about £50,000; but Parliament must recognize that, while an active policy entailing loan expenditure of £1,500,000 per annum is being pursued, there must necessarily be large losses owing to the fact that revenue cannot be derived from uncompleted works.

There is the answer to a lot of the criticism that we get, not only in this House, but outside it concerning the reckless borrowing of this State on its water supply policy. How can the Hume reservoir pay anything at present? How can the Sugarloaf project pay anything?

Sir ALEXANDER PEACOCK.—We had the same kind of unfair criticism at the time the electrification of railways was commenced until that work was completed.

Mr. BAILEY.—Who criticized the last Government in regard to its water supply policy?

The CHAIRMAN (Mr. Solly).—I ask the honorable gentleman to cease his interjections.

Mr. BAILEY.—I am asking for information.

The CHAIRMAN.—The honorable gentleman was not. He was interjecting, and that leads to disorder. The honorable member for Allandale seems to be as bad as the rest.

Sir ALEXANDER PEACOCK.—I was answering the Minister of Lands.

Dr. ARGYLE.—The last Treasurer's remarks on water supply losses closed with the following:—

So long as the policy of development is being continued, the taxpayer must have a considerable burden to shoulder.

So long as the people know that, and know why they are paying the money, I do not believe that they will object to contributing a reasonable proportion of the loss that is incurred in connexion with water supply.

Mr. LIND.—The schemes will come out all right.

Dr. ARGYLE.—Yes; they must do so. There has been a lot of loose criticism everywhere in regard to the increase in expenditure. I am not tackling any particular member, nor am I attacking the Treasurer. That honorable gentleman has my sympathy to a certain extent.

Mr. HOGAN.—I wish that you would indicate whom you blame for the criticism concerning water supply.

Dr. ARGYLE.—In the Budget the honorable gentleman made use of the fact that certain essential and important works connected with water supply are being carried out as the result of the culmination of the policy of his predecessors. He gave no credit to those predecessors, and sounds no note of warning that the burden is ever increasing. The honorable gentleman's Government is an economy Government. According to many critics, the last Government was a spendthrift Government. The last Treasurer mentioned economy, whereas the present Treasurer did not.

Mr. HOGAN.—We are practising it.

Dr. ARGYLE.—I want to take a survey of the capital and revenue expenditure over a period of twelve years, and see whether the State is really going on a "boom, borrow, and burst" policy to destruction. I do not believe that it is. I am sufficiently optimistic to believe that the State is as financially sound as ever it was. The time has come, owing to the aftermath of the war and the events that have taken place in consequence thereof, when we should steady up a little bit, and perhaps not do things quite as fast as we have been doing them. We should consolidate what we have, and, as the honorable member for Hawthorn has said, see that we get 20s. of value for every £1 we spend. At present we cannot do that owing to the decreased purchasing power of the sovereign. We can get only 12s. worth, but still that is better than getting only 7s. 6d. worth. I now wish to deal with the increase of expenditure, apart from the railways. In 1913-14 the expenditure was £4,857,000, and in 1924-25 it was £10,537,684. How is this accounted for? A 20 per cent. increase in population is the first point. The increased cost of living and consequent diminishing purchasing power of the £1 are matters that have not been properly taken into consideration. The gross figures as given by one honorable member on this (the Opposition) side of the House, are intensely misleading. There are all sorts of cross entries and revenues received and expenses paid out, with the result that one has not the faintest conception of what the

finances of the State really are. What are the principal causes of the increase in expenditure that has taken place in the twelve years which I have under review? I shall quote from the report of the Economy sub-Committee appointed by the last Government. The quotation is not anybody's opinion. It represents merely official figures. Appendix "D" in that report deals with the expenditure from loan and on account of loan for the twelve years 1913-14 to 1924-25 inclusive. The total expenditure from loan money in 1913 was £3,276,000. The Economy sub-Committee chose that year, because it was prior to the war, and, of course, not affected by the war.

Sir ALEXANDER PEACOCK.—And it was prior to the big drought.

Dr. ARGYLE.—Yes. The figure for 1924-25 was £7,800,000, and to-day the figure is £8,400,000. What were the loans used for? In 1913-14 water supply absorbed a little over £200,000. To-day the amount is £1,471,000. For closer settlement—excluding soldier settlement—the expenditure from loan and on account of loan was £300,000 in 1913-14, and to-day it is £405,000. On discharged soldier settlement, nothing was spent in 1913-14, but the figure to-day is £1,130,000. On account of an electric supply there was no expenditure from loan in 1913-14, whereas to-day the expenditure is £1,790,000. On country roads £18,000 was spent twelve years ago, but £947,000 of borrowed money is needed to-day. These figures show where the State has been going in the direction of development during that period, and I claim that it has been a fine performance. The direction taken was the only one in which a young country must go if it means to get anywhere.

Mr. ALLAN.—Works to-day cost double the money they cost in 1913-14.

Dr. ARGYLE.—Yes, when you take the value of the sovereign into consideration. When we consider the application of revenue we find that in 1913-14 we spent approximately £2,250,000 on social services, whereas now we spend £4,250,000. That means that we have a more efficient education system, more efficient police. Allowing for the 20 per cent. increase in population, we have all those social services which are wrapped up in that term.

Mr. BROWNBILL. — It shows development.

Dr. ARGYLE.—Yes. The redemption and sinking funds twelve years ago accounted for only £150,000, whereas to-day they account for £464,000. The criticism to which I have referred has been made very frequently. The interest on non-revenue producing borrowing, or borrowing of a partial revenue-producing character, leaves a deficit to be charged to the general taxpayer. It amounts to-day to no less a sum than £987,767. That is the shortage between the interest on borrowed money and the revenue received therefrom. In 1924-25, there was £1,000,000 and a little over charged to general revenue, but, in 1917-18, there was only £500,000. That shows that we have on hand big undertakings, such as water works and the State Electricity Commission, which will be self-supporting, though to-day they are more or less a burden on the State. The greatest increases in expenditure have been incurred on works such as water supplies, country roads, and non-paying railway lines. The statement has often been made that the Public Service is grossly overmanned, and that overlapping takes place in all directions. A little investigation will reveal an extraordinary state of things. Twelve years ago, 13,749 people were employed in the Public Service.

Mr. CAIN.—Does that include the Railway Department?

Dr. ARGYLE.—Those figures do not include the Railway Construction Branch, nor the casual employees. To-day there are 16,377 employees in the Public Service, or an increase for the whole State of 2,628 employees in the twelve years. The population has increased during that period by 20 per cent. I shall now refer to the money aspect. In 1913-14, the State paid in salaries £2,000,000, roughly speaking, or £1,999,859, to be precise. In 1924-25, it paid £3,470,000, or an increase of £1,470,289. That seems to be a large increase for twelve years, but something has happened. The cost of everything has increased by nearly 50 per cent., or more. I inquired at the Government Statist's Office, and I was told that to-day the £1 is valued, in purchasing power, at 11s. 10d. in comparison with its purchasing power twelve years ago.

Mr. TOUTCHER.—What would honorable members' reimbursement be worth?

Dr. ARGYLE.—Probably about £275.

Mr. BOND.—Are you in favour of increased salaries for members?

Dr. ARGYLE.—I am not dealing with that point now. I will apply the comparative method to the increased amount of the salaries paid to the civil servants. The increase of £1,500,000 means, on the comparative basis, an increase of only £820,000 for the State, the population of which has advanced by 20 per cent. This Parliament has passed Act after Act, the administration of which has required more officers. Surely honorable members are aware that we cannot pass an Act of Parliament of any magnitude without involving additional expenditure. Those measures cannot be carried out without additional public servants.

Mr. HOGAN.—We can pass any number of Bills without incurring an increase in the number of civil servants.

Dr. ARGYLE.—The majority of the Bills involve expenditure. We cannot administer a growing State without spending money. I maintain that the expenditure in that direction has not been excessive, considering what we have done. Is the State in a bad way financially? I repudiate the statement. I will answer it by the practical test of a sensitive financial barometer. What is the price of Victorian stock in London to-day? Is it below par? Is it worse than that of the Commonwealth? Everybody knows when there is a rumour of a war the wise man looks at consols. If they remain steady, he knows that he can bet his bottom dollar that no war is coming. If they get shaky, then he gets ready for a war. I will conclude my references to this matter by quoting from the report on State finance that was made by the Economy sub-Committee of the late Cabinet. The words seem to be full of weighty matter, and are as follows:—

This account shows the actual burden of State finance on the people of Victoria. The figures are given for 1913-14 and 1924-25, and to compare the two, the difference in the index price figures and the difference in population must be considered. Such a consideration will show that, whereas in 1914, the net charge per head on the 1924-25 parity was £4 5s. 10d., in 1924-25, the charge was £4 6s. Considering that, on the whole, the people are more prosperous—that the services, especially the railways, water supply, roads, are more efficient and do more for the people, that the State activities are largely increased, additional services of all kinds being rendered, the results are remarkable and could not be paralleled in any country in the civilized world to-day.

Mr. HOGAN.—From what are you quoting?

Dr. ARGYLE.—From the Economy sub-Committee's report.

Mr. HOGAN.—You might quote from page 12, as an antidote.

Dr. ARGYLE.—The Treasurer can do that. I approve heartily of the Government's health campaign, particularly against tuberculosis. Anything that I can do to assist it will be done. I congratulate the Government on having such an expert as Dr. Bell Ferguson to direct the inquiries. I had the honour of choosing him from among many candidates. I believe that he will guide the Government wisely. In self-defence, I should like to say that if there was any halt in my tuberculosis policy when I was Minister of Public Health, it was because I did not feel competent to regard myself as an expert when there was one about to come from overseas, and I accordingly thought it wiser to hold my hand until we had the benefit of his advice. If the Government follows that advice, I am sure that much good will be accomplished. The Government is to be congratulated on its policy in regard to child welfare, and also on having the new inspectress, Dr. Vera Scantlebury, who will assist greatly in elaborating a sound policy. When I took office, there was nobody who could give me any information whether the children's welfare centres were functioning well or badly. I am not so pleased with the Government's hospital proposals. They are confined to an increased grant which was necessary, and a proposed grant of £10,000 to the Alfred Hospital. I have been a member of the staff of that institution for nearly twenty years. When I heard this proposal, I remembered that I was present at a deputation that waited on the Treasurer to point out the deplorable financial condition of that hospital. I ask the Treasurer, what is going to be done? The hospital authorities have built a new ward at a cost of £10,000. How will that be maintained? Will there have to be a further dip into the overdraft, or what will happen to the hospital? That ward will probably contain 20 or 30 beds.

Mr. HOGAN.—Eighty beds.

Dr. ARGYLE.—Each bed will cost about £200 per annum, and somebody has to find the necessary maintenance charges. The Government also states that it will add wards to the Caulfield Hospital. I congratulate it on that intention. If any hospital has been a success that at

Caulfield has been. The Melbourne Hospital has managed that hospital, and the State has financed it. I take no exception to the proposed increases for social services, but I regret certain omissions. I know that certain sums are set aside for education, but I miss assistance to the Melbourne University. The sum of £10,000 is set down for technical schools, but there is not sixpence for the University, from which our schools draw their teachers. We cannot continue the education system unless its brain, the University, is nourished. The University is in a deplorable financial position. The Treasurer knows that from the facts that were given to him by a deputation from that institution. I hope that the Government will see its way to place the University on a far better footing. The University is training the men who will be the leaders of thought, and of everything that stands for progress in this community. It is not an academic institution on a hill where people study simply in an abstract way. The University is more than that. It is providing thinking men, from whom will be recruited those who will teach others to develop this State as it should be developed.

Mr. HOGAN.—I think the honorable member is in error. There is money for the University.

Dr. ARGYLE.—There is £20,000 for a building; that does not help the University finances.

Mr. HOGAN.—We provide it with £5,000.

Dr. ARGYLE.—That will not go far. Has the Government added £5,000 to the grant?

Mr. HOGAN.—We are providing £5,000 out of revenue for the University.

Sir ALEXANDER PEACOCK.—That is the balance.

Mr. HOGAN.—You promised £10,000 last year, but you provided only £5,000, and left us to provide £5,000.

Sir WILLIAM MCPHERSON.—The honorable member for Toorak means, has the Government increased the annual grant?

Dr. ARGYLE.—I regret exceedingly that there is no provision in the Budget, nor do I think there was any proposal in the Governor's Speech, for dealing with the feeble-minded of this State. Last session I had the honour of introducing a Bill that dealt with that matter. I do not

expect my political opponents to agree with every detail of that measure, but I think that the time is overdue when the Government should take some action. This is one of the States that has done nothing in the matter. Considering our prosperity, we should do something. Apparently the Government does not propose to do anything in this direction. I do hope, however, that it will realize that this is an urgent matter. It is the duty of the Government to give its attention to these matters. The healthy development of the youth of this State and of future generations is a subject which goes down to the roots of our national welfare. If the Government brings forward important proposals in a non-contentious form, I am sure that it will receive the assistance of the Opposition, but I am afraid that the Opposition will differ fundamentally with Ministerialists when the Government introduces its proposals for increased taxation. I differ most strongly with the Government's view that the time has arrived when a brake should be placed on industry by the imposition of additional taxation. I should prefer to see a tax placed on luxuries.

Mr. POLLARD.—What about putting more taxes on the wealthy?

Dr. ARGYLE.—The wealthy are bearing their fair share of State taxation.

Mr. POLLARD.—What do you mean by luxury?

Dr. ARGYLE.—I shall explain in one sentence. If a man goes to Flemington race-course and loses £100 to the book-makers he is indulging in a luxury. But the Government does not intend to raise additional revenue by taxing luxuries. It proposes to obtain the bulk of the additional revenue it requires by placing another penny in the £1 of income tax on the people who are the mainstay of this community. The largest section of the community which contributes to our taxation consists of those taxpayers who receive incomes between £500 and £800 per annum. They are the middle class people with small incomes, and they are to be hit harder by the Government's taxation proposals than any other section. What will it matter to the wealthy man if he has to place a 2d. stamp on his cheques instead of a 1d. stamp? It will be of little concern to him, but it will be a more serious matter for small

struggling industries such as butter factories and others which draw hundreds of cheques every fortnight. They will feel the brunt of the increased stamp duties. I intend to fight that proposal of the Government for all I am worth. I will fight against any form of increased taxation that, while placing a brake on industry, which is the life-blood of the nation, and a further burden on the body of taxpayers—who now contribute the bulk of our taxation revenue, and are the mainstay of our community—will not impose a tax on those indulgences, foibles, and luxuries which at present escape.

Mr. KENT HUGHES (*Kew*).—As a new member of this House I hesitate before plunging into such a difficult and intricate maze of figures as is represented by the Budget and the papers accompanying it, especially as over the doorway of this maze there is apparently a very tricky sign. When the sign over the Budget maze was viewed from the Opposition benches last session it read, "Pecksniffian hypocrisy." From the Government benches it reads, "The Treasurer is a Stout Fella. His motto is 'Providence and the Commonwealth Government will provide.'" But to the taxpayer who attempts to enter the Budget maze from the front the sign reads, in the words which Dante placed across the entrance to his Inferno, "Abandon hope all ye who enter here." The only way to enter the maze seems to be to shut one's eyes until one is well inside the entrance, and then try to unravel the mystery. In the first place it is obvious that the whole Budget hangs upon the financial agreement between the Commonwealth and the States. The Treasurer stated that he had explained this agreement in two pages and a paragraph of the printed copy of his Budget speech. Surely this is not all that the Premier and Treasurer of Victoria has to say concerning what is the most important act in the constitutional history of Australia since Federation. Honorable members could have expected, I submit, to have received more information concerning the agreement from the source from which they should obtain the information they require, because the Premier was present at the conference between the Prime Minister and the representatives of the States.

The honorable member for Hampden made an interjection during last night's debate on the Budget to the effect that not many of us would be here 58 years hence. I do not think that the honorable member intended to convey the meaning that his interjection implied. It would be egotistical and narrow-minded to adopt such an attitude as that. We are concerned very much with what will occur in 58 years time, because most members are aware, I think, that this Parliament is legislating, not only for the present, but for the future. I trust that honorable members will investigate the agreement very closely from that aspect. For the present Treasurer of Victoria it is an easy solution of the problem—a shifting of his task on to the shoulders of his successors, so that he can avoid using the economy axe himself, and thereby afford permanent relief to the taxpayer. The latter has to pay for the cost of both Federal and State Governments, and he has to meet the extravagances, if any, of both Governments or either Government. Therefore he will obtain no relief through the agreement. It does not matter to the taxpayer whether he has to pay A and B to the Federal Government and C to the State Government, or A to the Federal and B and C to the State. It is only therefore throwing dust in the taxpayers' eyes to say that if the financial agreement is ratified the taxpayers will be better off than they would be if it were not ratified. It is very important for the Government at the present moment that the agreement should be ratified, because in that case it will not have to impose direct taxation or urge the Commonwealth Government to reduce taxation, which course it will have to face if the agreement is not ratified.

Mr. JACKSON.—But the States will receive the *per capita* grant if the agreement is not ratified.

Mr. KENT HUGHES (*Kew*).—I do not intend to be drawn into a discussion on the financial agreement at this stage. The Treasurer has spoken a good deal of the use of the economy axe in the administration of the Public Departments, but so far the axe has descended only on motor cars. The honorable gentleman will have to be careful that Parliament does not sit late too often or the hire of motor cars for

members may put a dent in the economy axe: I say that, because I understand that in the original contracts made by the Government with motor hire companies there was no reference to extra charges for cars engaged after midnight. While the Budget papers are largely a record of last year's accounts, the Estimates for this year contain no hope of relieve. There is no guarantee of reduction in any phase of expenditure. The Treasury and the Lands Department are the only two Departments in which decreases in expenditure are shown, and in both of these Departments the decreases of £129,000 in the Treasury and £37,000 respectively in the Lands Department are less than the amounts debited last year to non-recurring expenditure. One is, therefore, safe in expressing the view that the expenses of the State departments are increasing all round. One general aspect on which I desire to touch is that the State has now delved so deeply into business enterprises that it is high time that business methods, business efficiency, and business accounting were established in the various branches and ramifications of these undertakings. Parliament is the State's board of directors, and the people are the shareholders. The directors should tell the shareholders the truth. The people are entitled to receive a true statement of the State's accounts, and not a statement which hides, by faulty accounting, such important items as depreciation and non-payment to sinking fund. It is shown in the Auditor-General's report and the Premier's Budget speech that the Railway Department's road buses lost £13,000 during the last financial year. It has been shown in this chamber that not only did the Railway motor buses on the Melbourne to Geelong route lose heavily, but the revenue obtained from the "Geelong Flier" and other sections of the railway service between Melbourne and Geelong has decreased since the buses commenced running. An amount of £4,085 was also lost on the working of the Buffalo Chalet by the Railway Department last year. In the case of the railway motor buses interest and depreciation were allowed, but interest only, and no depreciation, was provided for in the case of the Chalet. I endeavoured to obtain a balance-sheet of the railway refreshment rooms, in order

to ascertain how that branch of the service showed a profit of £72,000 last financial year, but without success. I discovered, however, that no charge was made for rent against the service.

Mr. BROWNBILL.—You do not rent your own rooms.

Mr. KENT HUGHES (*Kew*).—No; but if one is running a concern on business lines one allows the proper overhead charges for each department. If the refreshment rooms were let to a private contractor he would have to pay rent. It is only a fair thing that the public should know whether the refreshment rooms would make a profit after a fair charge for rent and overhead expenses had been debited against them. It would make no difference to the Railway Department, so far as the final accounts are concerned, but it would show whether the service is being carried out on a proper business basis. The same argument applies to the printing branch of the Railway Department. I made inquiries into the working of that branch, because I thought I might know more about it than about the running of refreshment services. I was informed that the printing branch showed a big profit, because the printing had cost less than last year. I asked an officer, "What proportion are you allowing for depreciation on machinery?" The reply was, "We do not allow any." I then inquired, "What proportion do you allow for light, power, and rent?" The reply was, "We do not allow any proportion." If provision of that nature is not being made those branches of the Railway Department are not being conducted on business lines, and it cannot be said definitely whether they are paying their way or losing. Probably the bakery and the poultry farm which are conducted by the Department are run on the same lines. A much fuller statement is given in the Budget papers regarding the operations of the State Electricity Commission than is given regarding the workings of certain branches of the Railway Department. I noticed with alarm that the briquetting plant at Yalourn lost £33,000 last year when proper provision was made for interest and depreciation. The newspapers have recently circulated an announcement that a private company, with a quarter of a million capital, intends to commence the manufacture of briquettes at Morwell. If that statement is correct I doubt very much

if the Government enterprise at Yallourn will be able to compete against private enterprise. The Government enterprise will probably have a hard row to hoe.

Mr. HOLLAND.—If they cannot live alongside private enterprise, they ought to close up.

Mr. KENT HUGHES (*Kew*).—I quite agree.

Mr. PRENDERGAST.—They ought to give the men some other jobs.

Mr. KENT HUGHES (*Kew*).—The State Electricity Commission is certainly on a better basis than most other Government enterprises. I hope that it will pay its way this year, as has been prophesied. But I would remind honorable members who are keen on Government enterprises that we have practically no private enterprises with which to compare the prices that are now charged, and seem to be growing rapidly, by that Commission. Before the works at Yallourn were started, private experts stated that electricity could not be supplied at .48d. per unit as the Government experts forecasted, the reason being that big loss would occur through the long transmission line. The mere fact that that prophecy has been fulfilled indicates that we are not getting electricity as cheaply as we should if it were supplied by private enterprise, regulated by the Government. Private monopolies in gas, regulated by the Government, have worked very efficiently in England. It has to be proved that a Government business can be run more efficiently than private enterprise. In these days of big monopolies, it seems to be a case of the Government running private businesses, or private businesses running the Government. I should prefer a happy mean between the two. We may yet solve the problem in that way. Seeing that the last speaker dealt with water supply, I shall content myself with saying that I hope the works which have been progressing for some time will shortly be completed, that the loan expenditure in that respect will stop, and that we shall get a better return from that source. I am not one who begrudges the money spent on developmental works. I do not want to be misunderstood in that respect in any way. But it does give, not only country people, but the people in towns, serious food for reflection when

we find that in many irrigated areas settlers can make a living only by being provided with a bonus on their exports by the Commonwealth Government. We are paying a large amount in interest on water works. There are certain national works on the Murray, which perhaps should not be lumped in the interest charges. We cannot go on paying interest, and the Commonwealth Government cannot pay bonuses, for ever. We must find a more permanent solution of this very difficult and important problem. The problem is important, because it means that if we cannot solve it, tremendous losses will be caused to the settlers, and there will be a reflex loss to the State. There is one other aspect of the Budget that I wish to say a few words upon. In it the statement is made that—

The Government has effected economies in the working of the Departments which will save the State thousands of pounds annually.

Having made that statement, the Treasurer should be more explicit, and state what the economies are which will save the State thousands of pounds annually. There is nothing in the Budget to indicate that the Government are taking cognizance of Mr. Wallace Ross's report on the Public Service. The underlying principle of that report is not, as some people have said, a severe criticism of each and every public servant, but is rather in the nature of criticism to try and free the majority of public servants from the miles of red tape with which they are now bound, in order that they shall be able to give of their best to the State, and receive due rewards therefrom. I think the Government should have intimated whether they intend to carry out any part of that report or not. Talking of pawn-shop methods, the Budget might certainly be called a second-hand replica of previous Budgets. The Treasurer, when Leader of the Opposition, criticized past methods so freely, especially with regard to loan moneys, that one did not expect to find him following so closely in the footsteps of his predecessor. One almost felt, when the Leader of the Opposition and the honorable member for Toorak were talking, that the tall Treasurer must have wished for some of Alice in Wonderland's medicine that would enable him to shrink in size till he would have been beneath the table. Without discussing the merits or demerits of the

points in question, one seems to hear a voice from the past booming across the chamber—

I contend that expenditure last year on the University, tourists' resorts, agricultural colleges, and other works I mentioned should have been defrayed out of revenue.

We find in nearly every instance that the expenditure for the same purposes is being defrayed out of loan money. Again, one hears the bitter denunciation of the "borrow, boom, and burst" critic:

I enter my protest. I hope that honorable members on both sides of the House will give it their consideration. I trust that Parliament will say that non-reproductive works must be carried on out of revenue, and not out of loan money.

Yet we find in the Budget the same policy. The Auditor-General, either in abject despair or out of a spirit of leniency towards the new Government, does not seem to have been as critical this year as he was last year.

Mr. PRENDERGAST.—There is no necessity for it.

Mr. KENT HUGHES (*Kew*).—There is every necessity for it.

Mr. PRENDERGAST. — The Auditor-General got tired of talking to the other fellows.

Mr. KENT HUGHES (*Kew*).—It has been stated that the Budget could not be altered, because it showed the work of the past Government. However, a sufficient warning is given on page 7 of the Auditor-General's report, where he points out that—

In this decade the interest payments amounted to £47,956,647, which exceeded the net return from capital investments by the sum of £3,399,855. The shortage was in excess of the deficiency for the preceding ten years by the amount of £4,361,782. The figures indicate that for some years the interest charges have been considerably in excess of the earning capacity of the works and purposes to which loan moneys have been applied.

I trust that the Government will give some indication as to when this expenditure of loan money is likely to be stopped, and as to when they consider that the interest and revenue received are likely to approximate. The Treasurer, in spite of the warning contained in the Auditor-General's report, and in spite of all that he himself has said in the past, has budgeted for a surplus of £27,000. On what has he based this surplus? He has based it first on the financial agreement which, as I pointed out, is an attempt to

hoodwink the people into believing that they will be taxed less if the Commonwealth pays instead of the States. As a matter of fact, Victoria will have to pay more. That will be proved by figures later on, when the agreement itself is under discussion. The surplus of £27,000 is also based on the railway revenue for a normal year, when every one knows that this is not a normal year. The railway revenue for the first fortnight in September showed a decrease of something like £3,000. September, 1926, was the month in which the increased freights and fares came into operation. The figures so far available do not augur well for the year's railway revenue.

Mr. ALLAN.—We do not know whether the Commonwealth Arbitration Court has yet finished with the railways.

Mr. KENT HUGHES (*Kew*).—We do not know what the Commonwealth Arbitration Court will do. But we cannot blame the Treasurer for anything that the Court may do. The Treasurer states that he has been informed by the Railways Commissioners that the suburban railway receipts are stationary. I would point out that there will be no visit by the Duke and Duchess of York to bump up receipts as was the case last year. I venture to suggest that there will be a further loss on motor buses and motor lorries, owing to the fact that eight lorries are being turned out at the Newport workshops to compete with further private enterprise on the roads. Taking these points of view only, it seems to me that the Treasurer is rather optimistic in his plan to balance the ledger. In order to dress the window, the Treasurer has made much play of the increased sale of dried fruits. The Commonwealth Government also claims credit in that direction. The Treasurer offers dairy-farmers pure-bred bulls on the cash-order system, and talks about an agricultural bank, in connexion with which we understand there are slight difficulties. We have yet to learn from the Treasury Bench what economies are to be introduced. The Treasurer said just now, "Wait and see." If he has the economy policy up his sleeve, why does he not produce it and say, "We are going to put the axe in here and here." The only thing he has told us in the Budget is that he has met with obstacles in every direction. Is the Government attempting to solve the transport problem

in a statesmanlike fashion? We have not seen any sign of it yet. Mention was made earlier in the session of a Minister of Transport. Nothing has been done. Is the Government putting business accountancy and business efficiency into State enterprises? We have seen nothing to make us believe that it is doing so. Is the Government attempting to carry out reforms in the Public Service? Are we to continue borrowing £2,000,000 a year for the railways to create a bigger deficiency? And when is there any likelihood of the amount of loan money being reduced? Turning again to that voice of the guardian of the public rights, issuing from the past, we hear these words—

I do not want to leave a burden for my children to bear when I should bear it myself. The loan allotments for the current financial year should be drastically pruned, and the money for works which are unproductive should be provided out of revenue, and not from loan funds.

If the loan allotments could have been drastically pruned last year they should have been drastically pruned this year.

Mr. HOGAN.—They were.

Mr. KENT HUGHES (*Kew*).—Drastically? The sum of about eight and a quarter millions sterling is what the Treasurer proposes to spend from loan, while about eight and three-quarter millions sterling was borrowed last year.

Mr. HOGAN.—The honorable member is venturing into a field with which he is not familiar. The actual loan expenditure last year was more than £9,000,000. The pruning of the loan expenditure this year was on what was asked by the various Departments.

Sir WILLIAM MCPHERSON.—The Treasurer will find, when he has had a little more experience in the Treasury, that the Departments add about 100 per cent. to what they require.

Mr. KENT HUGHES (*Kew*).—I grant the Treasurer that he has pruned; but I should scarcely call the extent of his pruning drastic. It appears to me, anyhow, that the Treasurer, instead of making the drastic pruning of which he has spoken in the past, so that his children should not be left with a burden to bear, has said, "I cannot face it. You need not pay me, but you can pay the Commonwealth, which will give it back to me. Then I shall not seem to be

so bad a fellow. Don't pay me. I have arranged with the Commonwealth and Providence to provide." There has been an increase of nearly £1,000,000 in expenditure.

Mr. HOGAN.—That statement is incorrect.

Sir WILLIAM MCPHERSON.—I said yesterday that the Treasurer had got £1,000,000 more to spend this year.

Mr. KENT HUGHES (*Kew*).—Then I am willing to alter my way of putting it to conform with that.

Mr. HOGAN.—The particulars are all set out in the Budget, including the details of what was spent last year and what is proposed to be spent this year.

Mr. KENT HUGHES (*Kew*).—The Treasurer is to receive £370,000 extra from taxation, and £160,000 in revenue from Mallee lands, and there will have to be an additional amount of £690,000 brought in if the financial agreement is not ratified. He cannot get away from the fact that there has been a considerable increase in expenditure.

Mr. HOGAN.—The Budget reveals that the actual expenditure last year was £27,019,000, and that the estimated expenditure for this year is £27,150,000.

Mr. KENT HUGHES (*Kew*).—But what does that expenditure exclude? Interest, sinking fund payments, and everything else which the Treasurer hopes the Commonwealth will pay. In asking the Commonwealth to pay, instead of the State, the Treasurer reminds me of a comment by Sir Josiah Stamp, who is an acknowledged authority throughout the world on matters financial. He is engaged in "the fine art of plucking the goose with as little cackling as possible."

Probably the Treasurer prefers to let the Commonwealth do the greater part of the plucking, and supply him with some of the feathers with which to stuff his own pillows in order that he may sleep the more soundly. It may not much matter to the goose whether the plucking is done by the Commonwealth or the State. It will be having the same quantity of feathers removed from it either way. It would be well for the Treasurer to face the facts squarely, and to balance his own ledger, rather than that he should hide himself behind the skirts of the Commonwealth Treasurer and balance his ledger by means which

he himself has described as "Pecksniffian hypocrisy."

(At 6.22 p.m. the sitting was suspended until 7.36 p.m.)

Progress was reported.

HIGHWAYS AND VEHICLES BILL.

The House went into a Committee of the whole to consider certain fees proposed to be charged under the Highways and Vehicles Bill.

Mr. HOGAN (Premier).—I move—

1. That, in lieu of the fees chargeable under the Motor Car Acts, pursuant to paragraphs (b) and (c) of the proviso under the heading—"C. Motor cars other than motor cycles" in the Second Schedule to the Motor Car Act 1915, as re-enacted in the Highways and Vehicles Act 1924 and amended by any Act, the following fees be chargeable under the Motor Car Acts:—

(a) If the motor car is used for carrying passengers for hire and is not licensed as a hackney carriage in accordance with the Motor Omnibus Acts or is used for carrying goods for hire or (except as provided in paragraph (b) hereof) in the course of trade the fee shall be at the following rate:—

(i) if the motor car has less than six wheels and is fitted entirely with pneumatic tires and—

	s. d.
is less than 2 tons in weight unladen—for each power-weight unit ...	3 9

is 2 tons and less than 3 tons in weight unladen—for each power-weight unit ...	4 9
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is 3 tons or exceeds 3 tons in weight unladen—for each power-weight unit...	5 9
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(ii) if the motor car has less than six wheels and is fitted with one or more tires other than pneumatic tires and—

	s. d.
is less than 2 tons in weight unladen—for each power-weight unit ...	5 3

is 2 tons and less than 3 tons in weight unladen—for each power-weight unit ...	6 6
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is 3 tons or exceeds 3 tons in weight unladen—for each power-weight unit...	8 6
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(iii) if the motor car has six wheels or more and is fitted entirely with pneumatic tires and—

	s. d.
is less than 2 tons in weight unladen—for each power-weight unit ...	3 6

is 2 tons and less than 3 tons in weight unladen—for each power-weight unit ...	4 3
---	-----

is 3 tons or exceeds 3 tons in weight unladen—for each power-weight unit...	5 3
---	-----

(iv) if the motor car has six wheels or more and is fitted with one or more tires other than pneumatic tires and—

	s. d.
is less than 2 tons in weight unladen—for each power-weight unit ...	4 6

is 2 tons and less than 3 tons in weight unladen—for each power-weight unit ...	5 6
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is 3 tons or exceeds 3 tons in weight unladen—for each power-weight unit...	6 6
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(b) If the Chief Commissioner of Police is satisfied by statutory declaration or such other evidence as he requires that—

(i) any motor car (being a motor wagon, motor lorry, motor truck, or other motor vehicle of the like nature, or motor tractor) is owned by one or more primary producers; and

(ii) the motor car is not used on any highway except for carrying between the premises of such primary producer or primary producers and the nearest railway to such premises, or such other railway station as in any particular case for the purposes of this paragraph the Country Roads Board approves, goods the produce of the land of such primary producer or producers or necessary for working such land—

the fee shall be at the following rate:—

	s. d.
if the motor car has less than six wheels and is fitted entirely with pneumatic tires—for each power-weight unit ...	3 9

if the motor car has less than six wheels and is fitted with one or more tires other than pneumatic tires—for each power-weight unit ...	5 0
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if the motor car has six wheels or more and is fitted entirely with pneumatic tires—for each power-weight unit ...	3 3
--	-----

if the motor car has six wheels or more and is fitted with one or more tires other than pneumatic tires—for each power-weight unit ...	4 6
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(c) The minimum fee for any motor car other than a motor cycle shall be £3.

For the purposes of the said Second Schedule—

"Primary producer" means any person engaged in agricultural, horticultural, viticultural, dairying, pastoral, or other like pursuits.

2. That the fees payable in respect of the registration or renewal of registration of any

motor car or trailer (marked so as to indicate the ownership thereof) which—

- (i) is the property of the Metropolitan Fire Brigades Board or the Country Fire Brigades Board and is mechanically equipped for and used exclusively for carrying into effect the purposes of the Fire Brigades Acts; or
- (ii) is the property of any municipality and is mechanically equipped for and used exclusively within the municipal district of such municipality for making, maintaining, repairing, cleansing, or watering streets or roads; or
- (iii) is the property of any body of persons corporate or unincorporate (carrying on ambulance services, but not for private profit) and is mechanically equipped for and used exclusively for ambulance services—

shall be the fees which, but for the passing of the Highways and Vehicles Act 1924, would have been payable in respect of the registration or renewal of the registration thereof.

3. If in the period for which the registration or the renewal of the registration of a motor car is in force the motor car is used for any purpose which brings it within any class or kind of motor cars in respect of which on the date of the said registration or renewal a higher fee was payable than the fee actually paid the owner of the motor car shall within seven days from the date on which the motor car is so used—

- (a) give notice thereof to the Chief Commissioner; and
- (b) pay to him in respect of the remainder of the said period the proportionate amount of the difference between the fee actually paid and the said higher fee.

Mr. WETTENHALL (*Lowan*).—I do not like to agree to the motion without hearing some explanation from the Premier.

Mr. HOGAN.—I am going to move the second reading of the Bill immediately.

Mr. WETTENHALL.—Will the carrying of the motion bind us to the acceptance of the fees mentioned in it?

Mr. HOGAN.—No.

Mr. WETTENHALL.—Then I have no objection to the motion, but I did not want to be caught.

The motion was agreed to, and the resolution was reported to the House and adopted.

Mr. HOGAN (*Premier*).—I move—

That this Bill be now read a second time.

This Bill amends Part II. of the Highways and Vehicles Act 1924, and also affects certain sections of the Motor Car Acts. During the operation of the former Act the weaknesses of the legislation passed by Parliament in 1924 have been disclosed, and time has now demonstrated the need for a further amendment

of the law relating to highways and vehicles. The progress of science, and the greater knowledge, gained by experience, of the working of the Acts mentioned has shown the necessity for this Bill. The advent of six-wheeled vehicles, the extended use of trailers, and the injurious effect the heavier type of motor vehicles has upon the roads of the State, have all been contributing factors towards the need for this Bill. It cannot be denied that great damage is done to the roads by the extremely heavy loads now carried over them by the huge motor lorries generally in use for commercial purposes. The speed at which these vehicles travel also contributes materially to the tremendous harm done, and, whilst the construction of concrete roads does to a large extent enable the roads to carry this heavy traffic, the cost of constructing such roads in the State generally is prohibitive, and there is urgent need for Parliament to take steps to safeguard roads constructed with loan or other public money, and compel the owners and users of such vehicles to contribute a more equitable amount towards the repairing and maintenance of these roads. It must be generally recognized that the amount paid in fees by owners of the vehicles alluded to is not commensurate with the damage such vehicles do to the roads they travel over. This Bill proposes, therefore, to increase the fees payable by the heavier class of motor vehicle. Another weakness in the present Acts which this Bill remedies, is the lack of power on the part of the Country Roads Board to police the Acts and take the necessary steps to adequately protect the roads it so well constructs. The Bill also generally tightens up existing legislation, rectifies anomalies, enables the Board to more easily ascertain the weight of loads, gives relief to ambulance organizations and certain local authorities, and differentiates between the producer who carts the products of his farm to a railway station to be conveyed to its ultimate destination by rail and those who forward such goods the whole distance by road.

Lieut.-Col. Knox.—That will penalize all the fruit-growers in the vicinity of the metropolis. Nearly all of them use motor vehicles.

Mr. HOGAN.—The honorable member is a little bit precipitate. What is the

carrying capacity of the motor lorries fruit-growers use?

Lieut.-Col. KNOX.—From 1 to 2 tons.

Mr. HOGAN.—There will be no increase in the fees for vehicles of 2 tons.

Lieut.-Col. KNOX.—I am glad of that.

Mr. HOGAN.—The increases are in regard to the heavier motor vehicles, which use hard tires.

Mr. MORLEY. — On the Geelong-road vehicles are run with a weight of 25 tons, and have trailers.

Mr. HOGAN.—Motor vehicles carrying very heavy weights run along the Ballarat-road, but I do not know that they carry 25 tons. That is certainly a formidable weight for a road to carry. Since its inception up to the 30th of June this year, the Country Roads Board have expended the following amounts on road construction and maintenance:—On main roads—construction, £3,765,651; maintenance, £3,286,140; or a total of £7,051,791. On State highways, £97,812 has been spent on construction and £863,773 on maintenance, whilst a sum of £4,352,329 has been expended on the construction of developmental roads, making a grand total of £12,365,705 for both construction and maintenance work for the period named. Honorable members know that a large amount of loan money is expended by the Country Roads Board, and Parliament would not be doing its duty if it sanctioned the expenditure of loan money on the construction of roads, and then allowed exceedingly heavy motor vehicles to travel over them and smash them to pieces. We would show very little regard for the assets of the State and for the material things we have to show in return for the expenditure of loan money if we allowed roads to be destroyed by heavy motor vehicles.

Mr. CUTHBERTSON.—Should not there be a limit of speed as well as the weight of the load?

Mr. HOGAN.—A speed limit is provided in the Act which was passed in 1924. The weight of the load was also fixed, but the provisions of that Act are not enforced. The honorable member for Barwon knows that as well as anybody else. The Act passed in 1924 provided that no motor vehicle should be allowed to travel on the road if the gross weight exceeded 8 tons. That provision, how-

ever, has been flagrantly violated during the last three years.

Mr. BOND.—Does that weight include the weight of the trailer?

Mr. HOGAN.—No; it applies only to the motor vehicle itself. Honorable members will agree that we should not spend loan money, or any other kind of money, in building roads which if reasonably treated would last ten, twenty, or thirty years, and allow motor vehicles of 14, 15, or 20 tons to run over them, and smash them up in a few months.

Mr. MORLEY.—They did that on the Footscray road. These vehicles smashed up a road in three months which cost thousands of pounds. One offender was prosecuted, and he was fined a few pounds.

Mr. HOGAN.—In many places the roads are smashed up, and the offenders are not prosecuted at all. I have in mind a case which I previously referred to in this House, namely, part of the State highway running from Melbourne through Ballarat towards South Australia.

Mr. EVERARD.—That is one of the privileged highways. There are no privileged highways in my district.

Mr. HOGAN.—The honorable member represents another portion of the State, but I am not going into that particular aspect of the matter.

Mr. EVERARD.—I thought I would remind you that you were privileged people.

Mr. HOGAN.—The Board provided for reconstructing a portion of that road between Ballarat and Warrenheip known as Woodman's Hill. The work of reconstruction was done as well as it was humanly possible to do it. During the time operations were going on the road was closed, and at great inconvenience travellers had to make a considerable detour. Eventually the barriers were removed, and the road thrown open for traffic. Heavy vehicles, with hard tyres, weighing 15 tons and possibly more, commenced to travel over that road, and within a month smashed it to pieces. It had to be again closed and reconstructed with money provided by the Country Roads Board. Honorable members will realize that it is futile to spend money on road construction, and then allow this damage to be done. The people of this State cannot afford such extravagance as is involved in, first of all, spending large sums in making a road, and then having to reconstruct it in a few months because of

the heavy traffic. The same thing has occurred in other parts of the State, and I suppose honorable members have knowledge of instances they could quote.

Mr. ANGUS.—Will this Bill prevent that being done?

Mr. HOGAN.—It is an attempt to do so. It may not be completely effective, but if it is not, further steps will have to be taken to remedy this evil. This Bill is an effort to protect our roads and to ensure that more reasonable payments shall be made by the owners of these motor vehicles to repair the damage they do in travelling over these highways. I will now deal with the various clauses of the Bill. Clause 1 is the short title and construction. Clause 3 repeals the provision made under the principal Act for payment by half-yearly instalments in advance of the registration fee where it amounts to £10 or upwards. Clause 4 provides that the fees payable for the registration, or renewal of registration, of any motor car or trailer, the property of the Metropolitan Fire Brigade Board or the Country Fire Brigades Board, or any motor car the property of any municipality, which is mechanically equipped and used exclusively within the district of that municipality for making, maintaining, repairing, cleansing or watering streets or roads, or motor vehicles used exclusively for ambulance purposes, but not for private profit, shall be those in force before the passing of the Highways and Vehicles Act in 1924.

Mr. KENT HUGHES (*Kew*).—Will the Railway Department have to pay these fees?

Mr. HOGAN.—This Bill does not deal with motor buses. Another Bill will be introduced dealing with them. This measure only provides for amendment of the Highways and Vehicles Act. Honorable members will recollect that in 1924 the Prendergast Government submitted to Parliament a Motor Omnibus Bill, the provisions of which were confined to the metropolitan area. It was not that there was no need to extend it beyond the metropolitan area, but because there was an urgent problem awaiting solution in the metropolis at that time. It was considered advisable to deal with the problem in two parts. It was intended to bring in another Bill to deal with motor omnibuses in the country, but before the Prendergast Government could do that it left office. The

Highways and Vehicles Bill prepared by the Prendergast Government was brought in by the Allan-Peacock Government, and was passed. The Motor Omnibus Bill, which we intended to bring in to control omnibus traffic in the country, was never introduced.

Mr. KENT HUGHES (*Kew*).—Will the Railway Department be affected? It carries goods on motor lorries.

Sir WILLIAM MCPHERSON.—It will have to pay the same fees.

Mr. HOGAN.—Of course, it will. This Bill will be followed later, and before very long, by another Bill dealing with omnibuses in country districts. There is no legislation in regard to this traffic at present. The honorable member for Barwon wonders why proprietors of motor omnibuses can do anything they like in certain parts of the State. They cannot do what they like in the metropolitan area. That is because the Motor Omnibus Act applies to the metropolitan area only. In the principal Act considerable confusion has arisen in the interpretation of the part of paragraph (e) of sub-section 1, of section 17, which provides that the weight on any one axle of a motor car or trailer attached must not exceed six tons. To remove any doubt on this point, it is proposed to repeal this provision. It may be stated that in many instances it has been claimed by the owners and drivers of motor vehicles that they are entitled to carry a load of 6 tons on each axle, although the total weight of the load and of the motor car is restricted to 8 tons. By repealing part of the sub-section referred to—as is proposed in paragraph (a) of clause 5—any apparent anomaly will be removed, and any excuse for argument will also be removed.

Mr. ALLAN.—Are you leaving the total weight at 8 tons?

Mr. HOGAN.—Yes. Paragraph (b) of clause 5 is intended to prohibit the use of a motor car with more than one trailer attached thereto. That deals with the point raised by the honorable member for Barwon.

Mr. MORLEY.—A bigger load is carried on the trailer than on the car.

Mr. HOGAN.—I know that it has been found that some persons, not satisfied with a motor lorry, have wanted one trailer. Having got that trailer they desired to have another, and so on. If that went on, eventually it would be a sort of

train of trailers. I do not know whether the honorable member for Essendon is here, but he might be able to get a job as a driver, and the honorable member for Melbourne could be the guard. The word "trailer" is interpreted to mean any vehicle without motor power of its own, designed solely or principally for the carriage of persons or goods, and drawn behind a motor car.

Mr. GROVES.—Would it not be possible to fix in the Bill the limit of loads to be carried by any trailer?

Mr. HOGAN.—Yes. There is a clause dealing with trailers, and I think it would be quite possible for Parliament to adjust that in any way it was thought desirable to achieve the best result. Clause 6 provides in the case of motor cars carrying passengers, that the weight of sixteen adult passengers is equal to 1 ton. This provision is necessary in view of the fact that no method of calculating the weight of a load in cases of this kind is provided for in existing legislation. Clause 7 deals with the power of officers of the Country Roads Board to prosecute for breaches of certain weight or speed provisions on main roads, &c. At present the Country Roads Board has no power nor authority to prosecute for breaches of the Act as regards weight carried on motor cars or trailers or in relation to the speed of motor cars on highways. This clause is intended to give the Board power to prosecute any persons for contraventions of the Act in these respects on main roads, developmental roads, and State highways. Clause 8 concerns regulations relating to devices for determining axle loads of motor cars or trailers. At present the only method of ascertaining the weight carried on any vehicle on a highway is by measurement of the load, or by taking the vehicle with its load to the nearest weighbridge to be weighed. Sub-clause (1) is intended to extend the powers contained in the Motor Car Act 1915 by providing for the making of regulations for prescribing—

(1) for the use of portable mechanical devices for determining the weights of loads carried on the axles of motor cars or trailers.

(2) The testing of such devices for ascertaining their accuracy and efficiency.

(3) The limit of errors to be allowed in such devices when tested and re-tested.

(4) The use of such devices.

(5) Generally carrying into effect the purposes of this clause.

Mr. MACKRELL.—Are the machines available?

Mr. HOGAN.—Yes. The effect of the clause is that an officer of the Country Roads Board, instead of having to take a motor lorry which he considers is carrying above the prescribed weight to the weighbridge, will be able to carry this device with him, and weigh the vehicle on the spot.

Mr. MACKRELL.—There was one such machine available, but the firm went insolvent.

Mr. WETTENHALL.—Inquiries some years ago elicited the fact that some machines had been shipped for Australia.

Mr. HOGAN.—If we pass the legislation, the people who are charged with the responsibility of administering it will find the device for weighing motor vehicles in the manner set out. Sub-clause (2) of clause 8 provides that the weight carried on any axle of a motor car or trailer, as determined by any prescribed device, shall be prima facie evidence of such weight. Paragraph (b) of clause 9 is intended to increase the fees payable for motor cars weighing 2 tons or over carrying passengers or goods for hire, including the six-wheeled motor car. For the purpose of comparison, a statement will be furnished showing the fees at present chargeable and the proposed increase. It is proposed to make special provision for the use of the six-wheeled motor vehicle, for the reason that this type of vehicle is much less destructive to roads than the ordinary four-wheeled motor car with power exerted on the rear axle, and, in addition, is more economical to run. It is, therefore, proposed that the fees for the registration of these vehicles should be at a lower rate than those for four-wheeled vehicles. The fees for vehicles weighing less than 2 tons are not increased. That deals with the point raised by the honorable member for Upper Yarra concerning fruit-growers who use their small ton-trucks for carting fruit to market. The fees on those are not being increased.

Mr. MORLEY.—If a motor car is not running for hire, and is of 2 tons weight, will it have to pay an extra fee?

Mr. HOGAN.—Does an ordinary motor car weigh more than 2 tons?

Mr. MORLEY.—Mine does.

Mr. HOGAN.—I do not think that the honorable member need worry. If he were to start to carry passengers or merchandise, then the provision would be applicable. The fees are applicable only where a vehicle is run for hire purposes.

Mr. MORLEY.—There is no hope of escaping. One has to weigh his motor car, and the police who take a note of the weight issue the licence based on that weight.

Mr. HOGAN.—That is only for the purpose of ascertaining the power-weight unit. If used for commercial purposes, it will be necessary to comply with the law in respect of the weight of the motor car plus the weight of the load. In the case of motor cars engaged in transporting goods in the course of trade from the premises of the owner, who is engaged in farming or pastoral pursuits, to the railway station, or from the railway station to the premises of the owner, provision is to be made for payment of fees as set out in paragraph (c), such fees being at lower rates than those proposed for motor cars carrying goods or passengers for hire. Paragraph (d) provides that the minimum fee for any motor car other than a motor cycle is £3, as provided under existing legislation. We are not interfering with the fees for motor cars. Sub-clause (1) of clause 10 provides that, if after the registration or renewal thereof the motor car for which the registration fee at a lower rate has been paid is subsequently used for carrying passengers or goods for hire, within seven days, notice must be given to the Chief Commissioner of Police, and the difference between the lower and the higher fee must be paid. Sub-clause (2) provides for a penalty of not more than £50 if the owner of any motor car fails to comply with the provisions of this clause. That is the explanation of the various clauses of the Bill, which I hope will be well received by members of this House and of another place. It is desired to ensure that people who are damaging roads by running very heavy vehicles over them shall pay something substantial towards making good the damage.

Mr. POLLARD.—Do you think that in the city where there is no competition with the railways a heavier load may be allowed?

Mr. HOGAN.—We have not provided for that in the Bill. We gave some consideration to the problem, and found it a very difficult one. Honorable members will be able to debate the question on the second reading and in Committee. Representations were made to the Government concerning it, but there was

considerable difficulty in discriminating. We were of the opinion that as far as concerned the roads which we really intended to protect—the roads in the country districts—

Mr. POLLARD.—And the railways!

Mr. HOGAN.—Yes. I thank the honorable member for the reminder. We consider that it is not desirable that we should allow loads heavier than 8 tons to be carried. That is the law as passed in 1924, and I am of opinion that any ordinary macadamized road is taxed to the full measure of its strength with an 8-ton load.

Mr. GREENWOOD.—Does that include the trailer?

Mr. HOGAN.—The trailer is counted separately.

Mr. MACKRELL.—Are you altering the speed?

Mr. HOGAN.—No. The maximum speed at which a vehicle having hard tires and carrying a load of 8 tons can travel is 12 miles per hour. That was the speed fixed under the Highways and Vehicles Act of 1924.

Mr. GROVES.—Generally no notice is taken of it.

Mr. WETTENHALL.—That is the whole point. How does the honorable gentleman propose to police the legislation?

Mr. HOGAN.—I do not expect any difficulty in that respect.

An HONORABLE MEMBER.—The law is being broken every day.

Mr. HOGAN.—I think that I can assure honorable members that it will not be broken much longer.

Mr. GREENWOOD.—Is it possible to obtain a mechanical contrivance to check the speed?

Mr. HOGAN.—Yes. It should be possible. Two provisions in the existing law have been flagrantly violated in the last few years. I refer to the maximum load of 8 tons and the maximum speed of 12 miles an hour for motor vehicles equipped with hard tires and carrying 8 tons. The Government is taking two steps to enforce that law. We have given the Country Roads Board power in this Bill to prosecute. Though the police have had power during the last three years, they have not prosecuted. The Government, through the Chief Secretary, has asked the Police Department to take action in connexion with this matter, and the Chief Commissioner of Police has accordingly sent instructions to the police stations throughout Victoria. Those

instructions have appeared in the *Police Gazette*.

Mr. ANGUS.—Have the shire officers the right to prosecute?

Mr. HOGAN.—I think that the shire engineers and secretary have that right.

Mr. ANGUS.—Will you provide it if they have not?

Mr. HOGAN.—I have no objection.

Colonel BOURCHIER.—Will the Bill mean an increase in the number of police?

Mr. HOGAN.—No. A great number of offences are committed under the noses of the police. A constable does not need to go 50 feet from the station to get a bag full of offenders.

Mr. GROVES.—The fast travelling is done in the night.

Mr. HOGAN.—The heavy loads are carried in the day time and in night time, and the fast travelling is done by day and night. During the last three years it has been nobody's business to administer the law, and only a few prosecutions have been launched. In future it will be the duty of the police to take action. The Country Roads Board is given power to take action as well. If there is any doubt about the power of the municipal officers to take action, the Government has no objection to give it to them.

Mr. BROWNBILL.—I notice that the fire brigades Boards and municipal councils are referred to. Does the Melbourne and Metropolitan Board of Works come under this power?

Mr. HOGAN.—The honorable member can leave that phase until we get into Committee. I will supply him with the specific information that he wants.

Mr. GREENWOOD.—Can you give any idea of what the tax will amount to?

Mr. HOGAN.—I shall circulate that information. Under the existing Act that was passed in 1924, the maximum fee for each, "power weight unit" for heavy hard tire vehicles is 5s. Under this Bill the maximum fee per "power weight unit" is increased to 8s. 6d. In the course of my speech I intimated that I should circulate a list setting out the fees. I shall get a number of copies printed and shall distribute them when we resume the debate. I think that I have sufficiently explained the Bill at this stage, and I commend it to the favorable consideration of the House.

Sir WILLIAM McPHERSON (*Hawthorn*).—This Bill is a very important

one, and will have wide application. While we are all desirous of protecting the roads, we have to realize that the motor wagons are doing an immense service in the country. They may, up to a point, be injuring the railways, but produce has to be taken from the country centres to Melbourne, and goods have to be carried from Melbourne to the country. I move—

That the debate be now adjourned.

I think the debate should be adjourned for a fortnight.

Mr. HOGAN.—A week.

Sir WILLIAM McPHERSON.—A fortnight will be necessary to enable us to get into touch with the country people.

The SPEAKER (the Hon. O. R. Snowball).—We shall take the motion for the adjournment of the debate independently of the question of the length of the adjournment.

Mr. ANGUS (*Gunbower*).—I should like to know if the information referred to by the Premier will be circulated at once. We want to analyse the information.

Mr. HOGAN.—I shall get it circulated as soon as it is printed. I am not sure that I shall be able to let honorable members have it to-morrow.

Mr. ANGUS.—If it were posted to-morrow, that would do.

Mr. HOGAN.—It will be posted, if that is possible.

The motion for the adjournment of the debate was agreed to.

Sir WILLIAM McPHERSON (*Hawthorn*).—I move—

That the debate be adjourned until Tuesday, October 25.

There is a great deal of information to be obtained. The rates are being increased by about 60 per cent. That is a very big thing.

Mr. HOGAN.—That is on the very heavy vehicles.

Sir WILLIAM McPHERSON.—The increase is from 5s. to 8s. 6d.

Mr. HOGAN.—That would be on an 8-ton vehicle or over, with hard tires.

Sir WILLIAM McPHERSON.—If we were asked to pay 60 per cent. extra on our motor cars, we should call out. It is only fair to adjourn the debate until, say, Tuesday week—that is not quite a fortnight.

Mr. HOGAN.—All right.

Sir William McPherson's motion was agreed to, and the debate was adjourned until Tuesday, October 25.

DEBATE ON THE BUDGET.

The House having gone into Committee of Supply, the debate (adjourned from earlier this day) on the Budget, submitted by Mr. Hogan (Treasurer) on September 20, was resumed.

Mr. McKENZIE (*Wonthaggi*).—I do not propose to deal now with the financial position of the State, which has been well debated this afternoon, but I wish to speak about certain matters of Government policy, as outlined by the Treasurer in his Budget. I am pleased to see the suggestions regarding fruit. The Government proposes to endeavour to find new markets for canned and dried fruits. That is an industry that is capable of considerable expansion. The dried-fruits industry can be extended far beyond its present confines. The policy of finding markets for our products should be fully investigated, particularly in regard to markets in the East. I have been told by commercial men, and I have gathered from the reports of agents, that there is considerable room in which to increase the trade of Victoria in those markets. The fringe of that trade has hardly been touched. If we extend our operations in the Eastern countries, we may find a change in the adverse trade balance which has been commented on. Although the present proposals in regard to country roads are fairly extensive, they are really only tinkering with the question. The transport problem calls for serious and immediate attention from both sides of the House. The Highways and Vehicles Bill just explained by the Premier is necessary. That fact indicates how motor transport is growing. No municipality is doing what it would like to do for the roads. The sum of £1,360,000 is provided on the Estimates for country roads. That includes the Commonwealth contribution. That amount, spread over thousands of miles of road in the State, is a small one. In regard to the question of hospitals, the honorable member for Toorak severely criticized the provision made by the Government for the hospitals. He spoke in a carping spirit, and did not give the Government credit for what it has done. When we consider that the extra grant of £82,000 has been made available out of the limited resources of the Government, we realize

that it has risen to the occasion and fulfilled the promise that the Premier made at Ballan. His programme is progressive. When the Totalizator Bill is agreed to by the House—and I think it will be—the revenue obtained from that source may ease the position and provide more money for the hospitals. When the measure comes before honorable members, I intend to stress the point that a great deal of the revenue derived from the totalizator should be devoted towards the maintenance of the hospitals. A lot of opposition to the proposed measure may break down when the people consider that the introduction of the totalizator may improve the finances of the hospitals. I should like to pay tribute to the work done for the war wrecks at the Caulfield Hospital. I am sure that the Government will see that that institution does not go short. The Government is acting wisely in submitting its health proposals. The venereal disease problem is sometimes spoken of with bated breath in polite society, but too much emphasis cannot be laid on the seriousness of this question in view of the statistics concerning it. I notice that there was a loss on the agricultural high schools of £2,464. I hope that the Government will not allow that loss to interfere with its policy regarding our agricultural high schools. They are an essential branch of our educational system.

Mr. Frost.—They have been a failure.

Mr. McKENZIE.—They are doing a very important work in training the future farmers of this State. I note with pleasure that an additional amount of £197,000 is to be provided towards education, that great auxiliary of our national welfare in which we should take a great interest. I think that the problem of technical education will be solved when the Apprenticeship Bill which is now before Parliament becomes law, and is placed in operation. I should have liked the Government to have made a more liberal grant to the University. I hope that some day we shall have a free University. That is not a dream; it is within the realms of possibility. It is my hope that when the State Agricultural Bank Bill is considered it will commend itself to both Houses, and obtain a speedy passage.

Mr. ALLNUTT.—I hope that it will be an independent bank.

Mr. McKENZIE.—Whether it will be an independent bank or attached to the State Savings Bank is for Parliament to decide. I have an open mind on that subject. Farmers throughout the State are clamouring for the institution of an agricultural bank. Very little cheap money is to be obtained now from the trading banks, and the cheap money which could be made available through the State Agricultural Bank would materially assist primary production. I am somewhat disappointed that no provision has been made on the Estimates for the assistance of the mining industry. It brought untold wealth to the State in past years, and I am one who believes that there will be a revival of mining in the future. I agree with the honorable member for Kew in his severe criticism of the working of our railway system. I am not an accountant, nor do I profess to be one. But I think that it would require a very highly skilled accountant to interpret the Railway Department's balance-sheet and ascertain the actual loss. There is no doubt that a large amount of money has been lost on the working of our railways. Regarding the balance-sheet from one angle, I consider that the railways lost £50,000 last year. The trouble is that the balance-sheet is made out in such an intricate form—perhaps in order to puzzle honorable members and the public—that we do not know how our railways stand financially. The honorable member for Kew said the railways were not run on business lines. I agree entirely with that statement. The management of the railways appears to me to be inefficient. I make full allowance for the increasing competition of motor traffic and increased wages for the employees, but against those allowances I set off the consideration that the fares are excessive and the freights are extortionate. When one takes these two factors into consideration, and the fact that the railways are losing money, one must come to the conclusion that something is radically wrong with the management. It was disclosed in a statement read to the House some weeks ago, that the *Victorian Railways Magazine* involves the Department in a loss of £8,000 per annum. I suppose that the magazine is still being distributed gratis. I received my copy this morning, and I tossed it into the waste paper basket, as I suppose did many other people who received a copy. Yet the magazine is in-

volving the Department in a loss of about £160 per week. That is only one small item of loss, but if there are similar losses in many other directions in the Railway Service it is not difficult to realize that the railways are losing heavily. The chairman of the Railways Commissioners is the greatest publicity and advertising agent in the State. He is a great booster, and perhaps he is worth £5,000 per annum for that service, but at the same time he is making a mess of the job for which the State pays him £5,000 per annum. That is my considered opinion, and the fact that the railway balance-sheet discloses huge losses year after year proves my contention. I ask honorable members what they see when they visit the head offices of the Railway Department to transact business there. They see notices plastered over the doors. One room is the office of the Betterment Board, another is the office of the Publicity Board, others the offices of other different Boards. They seem to have every kind of Board in that building except a spring-board. These Boards are adding to the overhead expenses of the system. Work which was done some years ago, and should be done now by the district superintendents, the trained officers, and the stationmasters of the Department, is being carried out by so-called experts, who are making a mess of their jobs. I intend now to refer to the State Coal Mine. The Treasurer showed in his Budget statement that the revenue obtained from the mine last financial year was £660,521. Although there was a balance in favour of revenue of £54,555, an actual profit on working expenses, part of it was appropriated to depreciation and sinking funds as provided by legislation, but the mine still showed a working profit of over £8,000 for the year. I noticed in the Auditor-General's report that that officer referred to the fact that the balance-sheet of the mine had not been presented in its true form, and did not reveal the true position of that splendid asset. I take this opportunity of explaining to the House the real financial position of the mine, because in the past it has not received the credit due to it from the people of Victoria. I regard it as a great asset to the State. It is operated on a capital of £250,000—a very small amount of capital for an undertaking which provides for the

maintenance of a town of 8,000 persons, with a corresponding advantage to the State. This is the true financial position:—

Loan liability (capital account) ...	£242,349	
Sundry creditors for sundries, less cash in suspense account ...	7,502	
		£249,851
Cash in Treasury—		
Sinking Fund ...	£141,452	
Depreciation Fund ...	78,070	
Owing for coal sold ...	27,331	£246,853
		£2,998

The mine is a going concern, well equipped, and it is raising more than 2,000 tons of coal per day. Yet it owes the State less than £3,000, and it must not be overlooked that the mine is supplying the railways with cheap fuel, which has tended to keep down the railway deficit. If we had not a State coal mine in Victoria, the Victorian railways would have to pay a much higher rate for coal. The Budget statement of the Treasurer appears to me to have been comprehensive and statesman-like, and I am sure that it deserves the approval of the people of the State.

Lieut.-Col. KNOX (*Upper Yarra*).— I am sure that honorable members have received a great deal of useful information from the honorable member for Wonthaggi. I feel, however, that I cannot remain silent with reference to his attack on the Railways Commissioners. I did not intend to refer to them in my speech, but in view of the honorable member's attack I feel that I must give my view to the Committee. The honorable member said that our railway system is inefficient, and he criticized its management. I consider that the railways have never been managed more efficiently than at the present time. Mr. Clapp may have his peculiarities regarding advertising and the methods by which he attracts customers to the great institution over which he presides. At the same time, he is a man of solid worth, and under his management our railways cannot be excelled for efficiency in running and the courtesy of the officers and men. I cannot allow this occasion to pass without paying that tribute to our railway management and to the splendid body of public servants in our Railway Service. When one travels by rail in other States, one realizes more fully the high standard of efficiency and courtesy which has been obtained in the

Victorian railway system. We realize that the services rendered by Mr. Clapp and the officers and men under him are of a very fine order.

Mr. BLACKBURN.—The Railways Commissioners of New South Wales have a greater task than our Commissioners have.

Lieut.-Col. KNOX.—The honorable member for Clifton Hill represents a very important metropolitan suburb. I am a country member, and I look at the railways from a country point of view. For general efficiency, comfort, and catering, the Victorian railways are in every way better. There is nothing comparable with them in Australia. We have to look at the developmental work that is being done in connexion with our railways system. We cannot always afford to look at the pounds, shillings, and pence side of the question. We cannot gauge the value of these vast public utilities by their monetary return to the State. From a business point of view, it is up to us to try to make the ledger balance. But in a developmental country, such as Victoria is, with vast open spaces in the Mallee, the north-west, and Gippsland, we should aim at giving the public a service that will induce settlement, even if we have to put the State under tribute to some extent to achieve that object. The honorable member for Wonthaggi, in his very informative speech, did not quite hit the nail on the head when he criticized the Victorian railways. It is not my intention to criticize the Budget. That has been done by other honorable members on both sides of the House. But there are one or two phases of our present financial position that I should like to refer to. There is, for instance, the duplication of State activities by the Commonwealth. When the people of Australia federated 27 years ago, certain activities were definitely handed over to the Commonwealth. Up till the outbreak of war those activities were carried on and paid for largely out of Customs revenue. During the war abnormal conditions prevailed, and the Commonwealth Government entered the sphere of direct taxation. That was unfortunate from the point of view of the States, but it was necessary for the salvation of the nation. Armies had to be equipped to fight overseas. Ships had to be launched with food for the Old Country. Gradually conditions are getting back to normal,

and the Commonwealth Government has vastly increased its revenue. We do not find a corresponding reduction in taxation. The Commonwealth Government is indulging in such activities as the control of agriculture, of health, of forestry, of fruit and other exports, and of child welfare. All these activities have, up to the present, been undertaken by the State Governments. There appears to be unnecessary duplication, and I feel that it is up to the State Premiers to ascertain exactly what the intentions of the Commonwealth Government are. An effort should be made to avoid duplication as far as possible. We do not want unification. I believe that the people of Australia are averse to it. Certainly I am. But the trend of politics is in that direction.

An HONORABLE MEMBER.—We want a uniform railway gauge.

Lieut.-Col. KNOX.—We should have a uniform gauge for railways between our capital cities. But I have no desire to hand over any State asset to the Commonwealth. The duplication of Government Departments does exist. We had duplication in connexion with the income tax and land tax branches. By arrangement with the Commonwealth we have effected economies by running those collection activities under one head. The other departments I have mentioned are being duplicated. If it is the intention of the Commonwealth Government to try to force unification on the people, then the opinion of the people should be obtained by referendum. The people, and the people alone, should give directions to the Commonwealth and the States in this matter. I believe that the people of Australia desire that the sovereignty of the States shall be maintained, and the Commonwealth Parliament should confine itself to the activities handed over to it at Federation. I said it was not my intention to criticize the means by which the Government proposes to find the revenue necessary to carry on the functions of the State. But the Budget contains one proposal that I am entirely opposed to. I refer to the introduction of the totalizator. The honorable member for Wonthaggi has suggested that the revenue derived from this source will be well applied to charity. That is a sop which will not stifle the moral conscience of the people who are opposed to the introduction of the totalizator. The Great

Master has told us that the poor, the needy, and the sick we shall always have with us. It is our duty as citizens to make provision for the maintenance of our hospitals. The needy, the sick, and the poor must have their wants attended to by the State and by means of private contributions. We should not inflict moral wrongs under the guise of charity, and the Treasurer would be well advised to reconsider his position in regard to this matter. The people of Australia, as a whole, are opposed to the extension of facilities for gambling. We are a nation of good sports, and most of us like to have an occasional flutter. But we must recollect that we are law-makers, and we have no right to father a proposal that is abhorrent to the religious and moral conscience of the great majority of our people.

Mr. TOUTCHER.—The totalizator betting is clean. The Treasurer has said today that women and children will not be allowed to bet on the totalizator.

Lieut.-Col. KNOX.—The totalizator should not be introduced in Victoria. The opinion of the House is divided in the matter, but I do feel that the Treasurer would be well advised not to introduce a totalizator Bill. There has been some criticism of the Public Service, and I feel that a review of the Service is necessary. Many of our public servants are working under conditions that would not be tolerated by any private business concern. The public offices are antiquated, unsavory, badly ventilated, and lacking in comfort. The great majority of our public servants are men of integrity, who are giving 100 per cent. of service to the State. But there is a tail. A Board, such as that suggested by the honorable member for Prahran, should be appointed. Efficiency and industry in our Public Service should be encouraged. Sloth, indolence, and inefficiency should be discouraged. Merely to go through the Service with a view to sacking men would do no good at all. A Board should be constituted to judge the men on their merits. In all probability more than 90 per cent. of our public servants would be found to be honorable and efficient in every way. But, as I have said, there is a tail, and the sooner we get rid of that tail the better for the Service and the State. I hope that steps will be taken in

that direction. Reference has been made to the necessity of making our railway gauges uniform. If no attempt is made to do that in the near future, the States will eventually be put to great expense. I hope that the Treasurer will initiate some movement in this direction. Such a movement need not be started by the Commonwealth. It could come from the States. It would bring much credit to the Treasurer and to his Government if a convention were called to deal with this important matter of the unification of railway gauges between the capital cities. I throw that out as a suggestion. The Treasurer, by acting upon this suggestion, would earn the approbation of every right-thinking Australian. I now wish to say a few words in regard to soldier settlement. Much has been done by the present Government and by past Governments to straighten out the difficulties under which soldier settlers have been labouring, and I hope that finality will be reached. Every soldier in this State with a grievance—every soldier who feels that his land was bought at too high a value and who is not prospering in the way that he hoped to prosper—should be given an opportunity of stating his reasons for non-success. These reasons should be examined in detail. There should be no longer any feeling of uncertainty in regard to soldier settlers. The soldier settlers have put up a magnificent struggle. Mistakes that have been made must be rectified. Soldier settlement should be placed on a basis that will be satisfactory to the soldiers themselves and to the Government.

Mr. BAILEY.—Investigations are being carried out now.

Lieut.-Col. KNOX.—I am aware of that, and I hope that finality will be reached in regard to them. There are one or two other matters that I desire to refer to. There is the penal system applicable to our criminals after being sentenced by the court. Victoria stands out as the State most advanced in thought and practice in this matter of the treatment of criminals. I hope that the Chief Secretary will not call a halt. If we glance back over the history of the last 150 years we see that many great reforms have been brought about. There is less crime in the world to-day than ever before, although our penal laws are less

severe than ever before. The severity of a law was never a deterrent to crime. We should approach the consideration of such matters as these from a free and enlightened point of view. Although Victoria stands out splendidly, because of the broad-minded way in which we deal with our criminals, we must not imagine that we have the right to stop where we are. Let us continue to strive to bring about conditions which will be even more creditable to ourselves. Many men are not criminals by instinct, but have become so because of birth and environment—factors over which they have had no control. It has been said truly that there is much that is good in the worst of us, and much that is bad in the best of us. I hope that the Government will put into practice many of the ideals in which it believes. I do not know anything about Mussolini on the one side or the Bolsheviks on the other. I know that Victoria has done great work in the past with respect to criminal reform, and I hope that the Government will proceed to evolve an even more efficient and humane system of control than exists to-day. I am sorry that no mention was made in the Government's policy of the subject of immigration. I do not think that the Government is opposed to immigration. I hope that it is not. I agree with the Government that unrestricted immigration is bad for the country. If we bring out a single individual to Australia under wrong or misleading conditions we are at fault. We have no right to attract people here under false pretences; but we must realize that the safety of the people of Australia depends on our increasing our population of the right class, preferably of British stock, and as soon as possible.

Mr. MCKENZIE.—But do you believe in duplicated control?

Lieut.-Col. KNOX.—The State can play its part. The advertisements which have been largely responsible for misleading intending migrants have been State advertisements. I know that there has been overlapping, but the fact remains that this country must be populated much more rapidly than at present. We need British stock, but we should bring them out here under fair conditions. It is useless to ask a man who is accustomed to far different conditions to go outback and struggle to

succeed when many of us who are familiar with this country would be shy of doing so ourselves. There are many thousands of acres relatively near to the conveniences and advantages to be obtained in the cities and towns which are still available for closer settlement, and should be utilized. I appeal to the Government. It is not doing a popular thing by seeking to stop or in any way interfere with immigration. When it stems the steady flow of suitable immigrants it is acting as the worst enemy of this country. We must have people here who will absorb our point of view, and become one with us. I hope that the Government will take up this matter and announce a definite policy. Concerning the future of Australia I am an optimist. I believe that this is a great country. We are a people capable of doing great things; our future is bright. I have heard many pessimistic utterances in this House.

Mr. CAIN.—Most of them from the Opposition corner.

Lieut.-Col. KNOX.—We should not forget that our utterances are broadcast. Through the newspapers our points of view are made known all over the Empire. We want people in other countries to know that we believe in ourselves, that we are proud of our land and believe in our destiny, and that, while we may fight among ourselves over parties and party government, we are united in our belief in our future. I want to preach pride in our country. That is my ideal.

Mr. WETTENHALL (*Lowan*).—Insofar as the Budget is an imitation of others which have been brought down in recent years, the Treasurer has paid his predecessors a compliment. Imitation is the sincerest form of flattery, and the marked similarity between the latest Budget and every other Budget brought down by Treasurers in the last seven years amounts to a very considerable compliment paid by the present Government to preceding Governments. When the Government took office there was a great fanfare of trumpets. Reforms of far-reaching importance were to be instituted. The newspapers generally applauded the Government's intentions, and there were, in fact, great expectations. With responsibility, however, comes conservatism. Those of us who have had experience have not been

surprised to note that in a very short period the Government has found many obstacles in the way of putting its ideals into practice. The Budget has been discussed from so many angles that there is little room for fresh criticism. Rather shall I endeavour to express my views of some of the criticisms which have been offered. My remarks will have a bearing on the Budget to the extent that, in my opinion, the affairs of the Railway Department ought to be separated entirely from the other accounts of the State. Critics fail every time—whether intentionally or not, I cannot say—to realize the fundamental fact that more than half the revenue and corresponding expenditure of the State for years past has had to do with the railways. Instead of our talking of revenue and an expenditure amounting to £26,000,000, embracing the accounts of the Railway Department, we might as well talk of revenue and expenditure ranging up to £30,000,000, and embracing not only the railways, but the accounts of the tramways and other services at present excluded from the Budget. One critic to-day went back to the far distant days of 1914, when, he said, the revenue of the State was £12,000,000. The revenue from our railways alone to-day amounts to more than that. It is only reasonable that in all criticism of the finances of the State it should be clearly remembered that the railways are responsible for more than half the total. If we separate railway accounts from the general finances of the State, and speak of our revenue and expenditure as amounting to £12,000,000, we do not invoke that impression of extravagance that is always associated with the consideration of huge sums of money. I think that in some cases these references to the largest possible sum which may be discussed in connexion with the affairs of the State are made deliberately to mislead the people, and detract from those who are governing the country. We should take every opportunity to correct the wrong impressions that have been formed. It is natural that expenditure must increase with extended services. Population and production have increased year by year. The railways cannot carry ten bags of wheat or wool to the sea-board at the same cost as one. They cannot carry ten passengers at the same cost as they can carry one. So long as the railways balance their ledger, or come as close as practicable to

doing so, the figures regarding them should not be criticized as part and parcel of the general finances of the State. Many pessimistic remarks have been made concerning the present position of our finances, but I am not one of the pessimists. To emphasize the brighter side I shall quote the views of that very fine body, the State Savings Bank Commissioners. They provide a direct answer to the suggestion that the people have gone mad, and are spending beyond their means, and that the State is on the verge of the precipice of bankruptcy. In their report for the year ended 30th June, 1926, the Commissioners state:—

The regular and continuous growth of depositors' balances is demonstrated by the following figures, which show that the amount has doubled in the last nine years, as it had also done in the previous eight years; the balances were as follows:—

At 30th June, 1909	£14,101,710
At 30th June, 1917	£28,656,994
At 30th June, 1926	£57,340,614

An increase of 100 per cent. in a period of eight years, followed by another increase of 100 per cent. in the next period of nine years, indicates steady and consistent thrift on the part of a large proportion of the people.

Evidences of thrift are also apparent in the notable progress made by school banks, as follows:—

Number of school banks, 1,606; increase for year, 213.

Number of school depositors, 105,982; increase for year, 17,231.

Amount at their credit, £140,614; increase for year, £39,475.

Two hundred and fifty school banks are in the metropolitan area, and 1,356 in the country.

In one year the children attending State schools saved £39,000. The extracts I have quoted are a direct answer to the suggestion that this country is running mad on expenditure. I have quoted from the report of the State Savings Bank Commissioners, because honorable members all know what a wonderful influence the institution they control has on the lives of the whole community. I have no doubt some honorable members have received a circular issued by the Commissioners in reference to the University of Melbourne. I hope they have all read it, but in case they have not I shall make some extracts from it. In the circular it is stated—

The University of Melbourne is the heart of the educational system of the State.

Mr. BROWNBILL.—That is a fact.

Mr. WETTENHALL.—It is a fact, and I only wish that honorable members and the community in general who recog-

nize and appreciate so fully the influence of State schools, technical schools, and secondary schools would realize to what extent the welfare of those institutions is dependent on the Melbourne University.

Mr. BROWNBILL.—We all realize that.

Mr. WETTENHALL.—I am afraid we do not, or we would not tolerate the present financial position of the University. I have to admit that until I was personally connected with the University Council I failed to realize the position of the University's finances, and, to my sorrow, when the grant was being decided here in 1923, I opposed an increase over £45,000. The proposal for a larger increase was put forward by the honorable member for Toorak, who, through his association with the University, knew more about the matter than I did. But I have had three years' experience on the University Council now, and I know from actual contact the disabilities under which that institution is labouring. The circular of the State Savings Bank Commissioners states—

The University of Melbourne is the heart of the educational system of the State. It is the seat of learning—the centre of our intellectual life. It is, at once, the receiving and broadcasting station of all the latest achievements in the world of science. It constitutes the point of contact with the whole world of knowledge. By original and independent research it is continually adding to our store of learning, while it throws open that fascinating storehouse to the men and women who are seeking the training necessary to equip them for their life's work.

By royal letters patent of 14th March, 1859, it is declared that the degrees of the University of Melbourne shall be as fully recognized as those of any University in the United Kingdom.

The royal letters patent have been amply backed by nearly 70 years of proud achievement.

“Education alone can conduct us to that enjoyment which is, at once, best in quality and infinite in quantity.”

The circular points out to the people the value of a university education, and how it can be acquired by saving. It is a most valuable document, and one that I would recommend everybody to study carefully. Sir John Monash, at a deputation to the Premier concerning the question of increasing the University grant, summed up the situation tersely and concisely, as only he can. He said in effect, “One of two things must happen. If we do not get more money, the prestige of the University will suffer.” The Melbourne University to-day stands

higher in Australia than any other university. Boys and young men come from the other States to the Melbourne University because of its prestige. All of us who are endeavouring to assist the Melbourne University by obtaining for it an increased Government grant are under the very great disadvantage that if we were to state fully all the disabilities under which it labours, we might damage the very institution we want to help. We cannot go that far, but Sir John Monash was absolutely right when he made the statement I have quoted. Once the prestige of the Melbourne University goes down it will be very difficult to restore it. The whole matter of the requirements of the institution was gone into, and a report on the subject was furnished. A number of new services are required, a number of the old schools are short handed, and the institution as a whole is in a desperate position.

Mr. BAILEY.—This has not all occurred within the last two or three months.

Mr. WETTENHALL.—It has not, unfortunately. In July last year the University Council had before it a suggestion for increasing the fees. It was suggested that the fees for some of the courses should be increased up to 40 per cent., and even that would have only given sufficient revenue to carry on the old work, without any new work being undertaken. It would simply have enabled the existing schools to be supplied with their wants, without there being any extension whatever. Rather than increase the fees at that time, we approached the then Government. About the end of November last that Government said, "This Parliament is coming to an end, and a new Government will be coming in."

Mr. A. HUGHES (*Hampden*).—That Government wanted to throw the responsibility on to the new Government.

Mr. WETTENHALL.—I am giving the facts relating to the grant of £10,000.

Mr. BAILEY.—Did your Government say in November last that a new Government would be coming in?

Mr. WETTENHALL.—No; they said they did not know what the position would be after the general elections. I was not a member of that Government, and it is not my job to defend them; but I may say that I think they made a reasonable proposition.

Mr. A. HUGHES (*Hampden*).—Weren't you a supporter of that Government?

Mr. WETTENHALL.—Yes, and to that extent I accept responsibility. However, the Parliament was coming to an end, and what would have been said had the then Government committed this House to a grant of £100,000?

Mr. OLD.—It would have been said that it was an election bribe.

Mr. WETTENHALL.—The proposition the then Government made was a reasonable one. They said, "Rather than do any of these radical things, we will give you the £10,000 you require to carry on until the general election decides who shall be in power. The next Parliament shall decide what is to be done." Now, that is the position we have reached. A thorough and exhaustive survey of the services of the University and its requirements was undertaken, and a full report on the subject has been presented. I wish honorable members would take that report seriously, because there is absolutely no exaggeration in it. All that is asked for is provision for the bare necessities to put the University, which is so essential to the community, on a sound footing. I am making this final appeal because the Council of the University cannot carry on as things are going.

Mr. A. HUGHES (*Hampden*).—I suppose you will resign if you don't get what you want.

Mr. WETTENHALL.—I am not one of those who run away from a hard job. I will stick with my pals to the finish so long as I have the strength. The job is a hard one and a tough one, and there are no bouquets for doing it either. The University Council has to take the position into consideration next week, in order that it may deal fairly with the students already there, and those who will be coming next year. To give them the necessary services more money must be furnished. It apparently is not coming from the Government, and the University Council will have to put up the fees. The fees will have to be raised by, approximately, 50 per cent. to put the existing business of the University on a reasonable footing. It is a misery to have anything to do with the institution at the present time. Honorable members on the Ministerial side of the House talk about sweated labour. Why, the professors and most of the intelligent men at the University are sweated.

MR. A. HUGHES (*Hampden*).—You don't know the meaning of the word "sweat." You never had one in your life.

MR. WETTENHALL.—There is about as much sense in that remark as in most of the other remarks the honorable member makes.

MR. A. HUGHES (*Hampden*).—You have been on the University Council a long while, and your Government was in office a long while, but you are trying to throw the responsibility on the present Government.

THE CHAIRMAN (Mr. Solly).—I ask the honorable member for Hampden to cease interjecting.

MR. BAILEY.—But the honorable member—

THE CHAIRMAN.—I ask the Minister of Lands to cease interjecting, also.

MR. WETTENHALL.—I am sorry if I have struck a discordant note. I was appealing to all honorable members. I was not saying what Governments had done or had not done. I simply wish to impress upon honorable members the necessities of the Melbourne University. I regret as much as anybody that the position has been reached where it will be necessary to increase the fees, because that, to a certain extent, will reduce the numbers to whom education at the University will be available.

MR. BAILEY.—The honorable member knows that what he is asking for will require money.

MR. WETTENHALL.—Yes.

MR. BAILEY.—The speakers who preceded the honorable member on the Opposition side said that there was no justification for the taxation we propose.

MR. WETTENHALL.—I never said that. I have never yet in this House been opposed to granting money for such services as this. The expenditure on State school education has gone up on an ascending curve for the last ten years. I have a graph here which demonstrates most clearly what has happened to the Melbourne University in the same period. The expenditure per student at the University has gone down more acutely than the expenditure per State school student has risen. If the same increases were provided in connexion with the Melbourne University as have been provided in connexion with primary and technical education, an amount of £86,000 would be

required. The general increase in the appreciation of education, including primary, technical, and secondary education, has meant, quite naturally and logically, a very much increased desire and demand for University education. The result has been that the expenditure on primary and secondary education has put a bigger load on the Melbourne University, and no corresponding increase or grant has been made to meet it. It is only a fair and reasonable thing that the expenditure of the Melbourne University should rise in a similar degree to that on primary and secondary education. It is a fact that the result of fostering education generally has meant the overloading of the University, but we must have tutors and lecturers. One man cannot deal with thousands in the same way as he could deal with hundreds. That is about what it comes to. I make this appeal to the Government, and I hope it will be seriously considered by those who are interested in maintaining the efficiency of the University. Whatever may be the effect of increasing the fees, the increase cannot be avoided. If it means that a number of students cannot continue at the University, then we cannot help it.

MR. BROWNBILL.—You cannot put up fees.

MR. WETTENHALL.—The only other means of getting an increased revenue is by increasing the Government grant. However, I do not wish to labour that question any further. With regard to the taxation proposals, I hope that when the income tax comes up for consideration some alteration will be made in the method of collecting taxation on incomes rising from £300 to £500. The existing method is most unjust. All exemptions cease when the income of a man is £800. I think the allowances for the maintenance of a man's wife and family and for medical and other expenses should be continued even when the income is over £800. There are numbers of instances where men with families of 8, 9, and 10 children get no exemption if their income exceeds £800.

MR. BROWNBILL.—There are no wealthy people with big families.

MR. WETTENHALL.—Whether there are or not, the man who has any family at all is taxed quite enough through the Customs. I do not believe in this differentiation in exemption, and I hope that a

more just scheme will be provided when we are next considering the income tax. We did manage to get an amendment made in this respect on one occasion in this House, but another place threw it out. The matter came before us at a late period of the session, and the Government of the day had to adopt some form of taxation that would be approved by another place. I am not in the habit of throwing bouquets at the Government, but I commend it for having the financial affairs of the State dealt with early in the session, so that if there is need for discussion we shall not be limited for time. I am hoping against hope that we may be able to carry on the services of the University without unduly increasing the fees and thereby limiting its services to a smaller number of students.

Mr. DRAKEFORD (*Essendon*).—I want to speak about the Government's taxation proposals, and I may say that I am not at all satisfied with what has been announced. There is considerable disappointment that a greater burden is not being put upon the people with large incomes. I realize that the Government has to consider whether its proposals will be acceptable not only here, but in another place. At the same time there is a distinct feeling of disappointment amongst industrialists, from whom the greater percentage of the increased tax will be collected. The Treasurer has told us that there will be an increase of 1d. in the £1 on incomes from personal exertion, and that will affect all those whose incomes are above £225 per annum. There is to be an increase of 2d. in the £1 on income from property. It is quite unfair that the wealthy people of this State should be allowed to escape so lightly in regard to increased taxation. There is every ground for the statement that people with large incomes are more lightly taxed here than anywhere else. When the Leader of the Opposition was dealing with the Government's taxation proposals he urged that taxation should not be levied in such a way as to prevent industry from being carried on. I do not think the Labour Government desires in any way to prevent the development of this State. The fact remains, however, that people with large incomes will escape fair taxation under the Government proposals, and they should not be allowed to do so. On the 13th of

May, 1922, the *Argus* published a graph from the Federal Taxation Commissioner's report. It deals with the rate of income tax paid in regard to incomes of over £1,000, and it is explained that—

The graph gives a comparison of average rates of tax on personal exertion from £1,000 up to £12,000. It will be noted that Victorian taxpayers occupy an enviable position. Whereas the rate in Victoria increased only from 4d. in the £1 to 6.75d. between those incomes, increases in other States, in the Commonwealth, in New Zealand, and in Great Britain have been far more substantial. They range from up to 15.50d. in the case of Tasmania, to 40.8d. in the case of Queensland, 71.57d. in the case of the Commonwealth, 105.6d. in the case of New Zealand, and 111.25d. in the case of Great Britain.

Mr. ALLAN.—How many years do those figures extend over?

Mr. DRAKEFORD.—The term of years is not stated, but the graph makes it quite clear that in Victoria the rate of income tax on such incomes from personal exertion is 6 $\frac{3}{4}$ d. in the £1 compared with 9s. 2d. for Great Britain, 8s. 9d. for New Zealand, 5s. 11d. for the Commonwealth, 4s. 7d. for Western Australia, 3s. 4d. for Queensland, 1s. 11d. for New South Wales, and 1s. 3d. for Tasmania. This comparison indicates quite clearly that the Governments which have occupied the Treasury bench in this State for so many years have well looked after the persons whose incomes have exceeded more than £1,000.

Mr. STATER.—The people with incomes above £1,000 are the Government's best friends.

Mr. DRAKEFORD.—That is undoubtedly the case, and it is disappointing to find that the present Government is not increasing the rate of taxes on incomes above £1,000. I think there is some reason for the disappointment which is felt in regard to the Government's proposals, and on the other hand members of the Opposition have every reason for elation at what it is proposed to do. It was the duty of the Government to propose a much higher rate of income tax on incomes exceeding £1,000 than it has proposed. Still, I admit that it is not likely that another place would agree to people with large incomes being taxed to a greater extent than they are now. The *Argus* of the 21st of September last gives details showing how the new income tax rates will operate. It is shown that a person with

a net income of £225 from personal exertion will have his tax increased from 7s. 3d. to 9s. 4d. The increase on an income of £325 will be from £1 16s. 5d. to £2 6s. 10d. On an income of £1,000 the increase will be from £22 18s. 4d. to £27 10s. In my opinion the tax on an income above £1,000 is not enough.

Mr. ALLAN.—I suppose these increases are the first instalment.

Mr. DRAKEFORD.—I sincerely hope so, and I hope that the interjection indicates a desire that there should be an increase in the next Budget. It is also shown that on an income of £2,000 the increase will be from £57 10s. to £67 1s. 8d.

Mr. ALLAN.—Do not run away with the idea that all the wealthy men are on the Opposition side of the House.

Mr. DRAKEFORD.—I do not imagine that that is the case. There are some wealthy men sitting on the Ministerial side of the House, and I hope they will support the Labour Government when it proposes to make a more equitable imposition of income taxation than is the case at present. I certainly hope that people with large incomes will be forced to yield up more money for the advance of the country than they are doing at the present time. Some criticism has been indulged in with regard to the Railway Department. I certainly do not agree with the criticism of the honorable member for Wonthaggi.

Mr. ALLNUTT.—Have you ever travelled to Mildura?

Mr. DRAKEFORD.—I have, but I have not always ridden in a carriage with a cushioned seat. I have, however, travelled on the footplate of an engine, which is a much less comfortable position to occupy. I have worked my passage on the foot-plate for many years, but I have not that job now. If some honorable members, instead of sitting on their cushioned seats would only ride on a locomotive, they would understand what it means to travel on an engine, and would more appreciate the position of an engine-driver. I invite them to have a ride on an engine, and I am sure that if they do so they will be prepared to give a little more consideration to the men who actually operate the railways. The Railway Department at the present time is giving good service to the people of this State. It is true that just now the Victorian railways are

returning only 5 per cent. on the total amount of capital invested. What the railways are suffering from at the present time is the fact that the Governments in the past made no provision for a sinking fund. We have spent about £70,000,000 on our railways, and for every £1 taken over the counter 5s. has to be paid away in interest. I ask business men sitting on the Opposition side of the House if they know of any business that could afford to be run on those lines. In 1924 the income from the railways was about £12,000,000, and about £3,000,000 had to be paid away in interest. There is something wrong when such a state of affairs as that is allowed to exist. If when railway construction was first started in this State the Government had provided for only $\frac{1}{2}$ per cent. sinking fund, we would not only owe much less than we do now, but the amount of interest to be paid every year would be considerably less than it is, and fares and freights would also be less than they are. I do not think that our railways should be run merely for the making of a profit. The primary idea should be to render good service to the people of this State, and the railways are rendering good service at the present time.

Mr. MCKENZIE.—We should not expect them to make huge losses.

Mr. DRAKEFORD.—The great point in the construction and running of railway lines is the development of this State. It is absolutely necessary that we should have railways for the transport of heavy goods to market and the conveyance of the requirements of the people in the country places where they reside. Victoria is yet in the developmental stage. It cannot be denied that there are large areas which have not been properly developed, and to look for profits from the railway services in those areas is absurd. The honorable member for Wonthaggi suggested that we ought to use a great deal more coal from the State mine, but I know, from experience, that to fire locomotives with it is only to hamper the work. Its calorific value is much less than that of the coal which can be obtained from New South Wales for locomotive purposes. However, the men are not opposed to using our own coal, because they believe in developing Victoria's resources so that we can be made independent of other States. When it is

suggested that men should use inferior-quality coal some consideration should be given to giving them an additional benefit under the award—I do not suggest a bonus. I think that the men should not be asked to use a large quantity of the coal. When they are given inferior coal with which to develop steam the results, of course, can be nothing like those obtained with Maitland coal. I doubt whether there can be found in the world a better coal than the New South Wales product. As one who has worked in the Railway Department, I feel that the rank and file are rendering a splendid service. I think that the Department is handicapped financially owing to the lack of a sinking fund. It appears to me that one of the features that have led to higher working costs is the tremendous increase in the number of men used for supervision purposes. Mr. Clapp claims that if there is to be good service there must be special supervision, but I think that there has been overloading altogether in that direction in many departments. The proportion of the supervisory officers to the rank and file is too great. The Government might well consider making an investigation into the rate of increase in supervisory work in the Railway Department for the last few years. Let me say here that I am not afraid to criticize the Government when it has not come up to expectations. I think that the Government has been more intent on pleasing its supporters on the Opposition side of the House.

Several HONORABLE MEMBERS.—Sup-porters?

Mr. DRAKEFORD.—Yes; I am of opinion that those members are supporting the present Budget because they believe that they have been let down lightly. Even if they are not openly supporting it, they will be glad to see it passed, for the simple reason that the proposed taxation is lighter than they expected from the Labour Government. Reverting to the Railway Department, I may say that the publicity given to the services is excellent, but I agree with the honorable member for Wonthaggi on the question of the magazine that is published by the Department. I think that it is too elaborate a production. I am not opposed to the Department having its measure of publicity, because probably it is felt that so much misrepresentation

takes place concerning railway matters that greater publicity is desirable.

Mr. MCKENZIE.—The Department has gone publicity mad.

Mr. DRAKEFORD.—That may be so, but at the same time it may be necessary to let people know more of what the Department is doing. Nevertheless, I think that the amount that is being lost on the magazine—approximately £8,000 a year—is too much. The Department could do with a much more modest journal than it has, and yet furnish all the publicity desired. The Railway Department is earning 5 per cent. on the total capital invested. If one examines magazines of railways in other countries one will see the heading, “State Railways in Australia—a Paying Proposition.” There are many other railway enterprises in the world which would be considered to be doing handsomely if they were paying 5 per cent. on the capital invested.

Mr. HOGAN.—If one looked at our railway magazine, one would not think that the Service was paying.

Mr. DRAKEFORD.—I emphasize that wherever we may look we shall find that there are many other railway services which, since the war period, have not earned anything like 5 per cent. on the capital invested. Turning now to the question of the co-ordination of transport services, as a practical railway man, I think that the time has arrived when we must recognize that motor transport has a place—and a proper place—in relation to our railway system. I am of the opinion also that the tramways have their proper place. Instead of services competing with one another, as is the case at present—notwithstanding the Railways Standing Committee—there should be a proper co-ordination. It should be possible to have the railways, tramways, and motor transport—both passengers and goods—working together under a Minister of transport. I certainly think that they could all be co-ordinated and work harmoniously. The present position—and I have seen definite evidence of it—is that motor vehicles are using our main roads, and conveying the cream of the traffic, while the railways are not running with full loads. Tomato sauce, beer, pickles, and all those classes of merchandise which yield the highest freights are being carried by motor transport, which is wearing out the roads. Of course, that freight

is being lost by the Railway Department. We could have motor transport feeding the railway services. We could have also the tramways services co-ordinating with the railways in respect of time tables and routes, thus avoiding economic waste. The air services could also be co-ordinated with the railways, for there is no doubt that aeroplanes are destined to handle a large amount of passenger traffic. When I was in Queensland I found passengers travelling by aeroplane in the same way as Melbourne people use motor cars. I hope that the Government will find time to give consideration to this question of co-ordinating the different services. It is certainly well worth investigation by any body of men who consider that they are statesmen. I agree with the honorable member for Upper Yarra when he says that the Government should consider the question of a uniform railway gauge. The organization to which I belong sat in conference recently. Every man there was a practical railway man, and the conference consisted of representatives from every part of the country. The delegates realized the tremendous handicap from which the Railway Department is suffering at the present time owing to the break of gauge. I believe that a Government which tackled the problem in a definite manner, and made a step forward in regard to it, would win the admiration of the people.

Mr. BROWNBILL.—It would be very costly.

Mr. DRAKEFORD.—That is so, but it is something that we cannot escape. If we hope to get Victoria properly served with a main arm of transport such as the railways, then inevitably we must tackle the break of gauge problem. Surely that is not too big a question for a Labour Government. We find that in New South Wales and Queensland it has been tackled, and that the line is being built. In view of that fact it seems that Victoria has lagged behind somewhat. It appears to have fallen from grace in connexion with railway transport in recent years. At all events, the break of gauge problem is one which must be faced, and faced early. While we are not increasing our mileage very greatly at present, we are nevertheless increasing it on the 5-ft. 3-in. gauge. It seems to me that that will only add to the ultimate expense of having a uniform gauge. I suggest to the Government

that certainly before it introduces its next Budget—I think that the Government will still be in power when that time comes round—some consideration should be given to the question.

Mr. JACKSON.—The longer the delay the greater the cost.

Mr. DRAKEFORD.—Yes. At a place like Wodonga we can see live-stock from New South Wales delivered into the railway stock-yards on the Victorian side. The third rail is used, and is operating successfully. I am not suggesting that it is advisable to use a third rail for passenger traffic, but it is to be noted that the Commonwealth railway department has definitely committed itself to the third rail on one line.

AN HONORABLE MEMBER.—What about the Geelong "Flier"?

Mr. DRAKEFORD.—The trouble with the Geelong "Flier" is that Mr. Clapp has taken away a good deal of the passenger traffic by running a competitive motor bus service. I do not agree with that project at all. We have heard an announcement that Mr. Clapp proposes to run motor buses between Woodend and Daylesford, and in my opinion that is also a wrong policy. Of course, I realize that it is easy to criticize the management of the railways. A Minister of Transport would prevent the wasteful competition. There is a strong feeling in the electorates which have not been given reasonable tramways facilities that it is a wrong policy to go on with the conversion of various cable lines. The people in those districts maintain that they should be provided with tramway facilities before the conversion of any more sections of the cable system is proceeded with. Through the cessation of tramway conversions, a number of men have been thrown out of work. Some of the important newspapers oppose the idea of running trams down Collins-street. The Melbourne and Metropolitan Tramways Board seems to be afraid to go on with the job of electrifying the Collins-street cable trams. Many of the men who are now unemployed could be engaged again if that work were proceeded with. The fault seems to lie rather with the Board than with the Government. The Government should prevent the conversion of any more cable tram lines to the

electric system until the outlying districts are given the services they are entitled to. I know of one district that cannot get tramway facilities because the Board says it has no money.

Mr. HOGAN.—A Melbourne and Metropolitan Tramways Bill is before the House.

Mr. DRAKEFORD.—I hope that the measure will be passed quickly so that various new services will be provided. The position seems to be something like this: A man has a good coat; suddenly he decides that it is out fashion and he must buy a new one. We are acting in a similar way in connexion with some of the cable tram-lines. The tramways in Sydney-road and in Victoria-street are capable of another ten years' service. The money spent in the conversion of sections of the cable tram system to the electric system could well have been spent on the provision of trams in various outlying districts. I know that it is fashionable to say that the cable services are out of date, but we should not deprive the outlying districts of what they need. Not only Essendon, but the Chief Secretary's electorate, needs tramway services. If the outlying suburbs are provided with proper tramway facilities, the Government will have done a real service. Many people would go and live in those suburbs if proper tramway facilities were provided there. The southern suburbs have been more fortunate than the northern ones. I sincerely hope that when the next Budget is brought forward by the Treasurer, he will include some of the principles I have enunciated, because I think they will be for the benefit of the people of this State.

Progress was reported.

ADJOURNMENT.

SOLDIER SETTLEMENT: ADVISORY BOARDS.

Mr. HOGAN (Premier).—I move—
That the House do now adjourn.

Mr. McLACHLAN (*Gippsland North*).—The Minister of Lands to-day gave replies to the honorable member for Gippsland East that were very satisfactory to a number of men settled on the land, but the position is so very serious in regard to the soldier settlers that no time can be lost in dealing with them. Advisory Boards have made certain recommenda-

tions in connexion with the cancellation of the leases of soldier-settlers. I ask the Government not to give effect to those recommendations until an opportunity has been given to those men to appeal. I should like to see a committee appointed from both sides of the House to deal with the appeals. It is a somewhat difficult matter, I know, for the Minister to take up the whole of the soldier settlement business with the Advisory Boards, inasmuch as 3,000 soldiers requested inquiries into their cases. All the soldiers did not apply. In some cases in my district the local Board has recommended that the leases be cancelled. The reasons given are that some of the men have not paid their debts to the Closer Settlement Board, and that some did not pay certain fixed amounts.

Mr. EVERARD.—Is there any chance of those people succeeding?

Mr. McLACHLAN.—I hope so. There will be serious trouble if the men are thrown out. It is not a question of the soldier being in debt to the State; the State is in debt to the soldier in the last analysis. He may be a poor farmer, but he is a good citizen. I feel that Parliament should not deal harshly with these men.

Mr. LIND.—It is possible that a good farmer might have failed in the same circumstances.

Mr. McLACHLAN.—It is quite possible. I am compelled to take this step in consequence of the strong opposition shown by the soldiers not affected by the Advisory Boards' decisions. Meetings have been held at Seaspray and Maffra to enter protests against the local Board's action. A report published in the local paper occupied four columns. A good idea may be formed of the attitude of the men towards the Board. On Monday night a general meeting of soldiers will be held in Sale. On the 19th of this month there will be a big meeting in Melbourne, when delegates will be present from all over the State to consider the work of the Advisory Boards. We are not condemning all the work those bodies have done. This Parliament is aware that a Royal Commission was appointed to investigate soldier settlement. The reports made by that body were never thoroughly discussed. I think that the present Minister of Lands did make a speech on it, but very few honorable members had an

opportunity of discussing either the majority or the minority report. Subsequently the soldiers recommended the appointment of Advisory Boards to give them some relief. The Minister knows my experience in connexion with one or two cases in the Gippsland district. The honorable gentleman said he was powerless to go into the matter, and the Director of Soldier Settlement took up the same attitude. To whom are we to look? There must be some one to whom the men can appeal. The soldiers cannot pay. We must face that situation. Many had no money when they took up the land. The land would not have been too dear for men of means. Great areas would command as much as the Board paid if they were put up for auction to-morrow, but it does not follow that the soldiers can pay that amount. We have reached a critical stage in connexion with closer settlement: which is a new system in Victoria. It has been introduced in a country where there is a high standard of living. This is not Belgium. The land taken up was previously devoted to grazing sheep and cattle. It was sold to soldiers at from £10 to £35 per acre. What honorable member will say that 25 per cent. of the soldier settlers will in the course of 25 years be able to pay for their land? I doubt very much whether they will be able to do so. What, then, is to be done with the other 75 per cent. of the settlers? The efforts which these men are making are not being lost to the State. They are apparently making a living for themselves and their families. On one estate twenty soldier settlers' families are occupying an area which was formerly occupied by one man. If we turn them off the land because they have failed, we shall not be acting in conformity with the spirit which animated Australia towards those men when they were abroad fighting for her. I have no doubt that the Closer Settlement Board has done its best for the men. It has been sympathetic, but the soldiers have had to face an impossible situation. Their land will have to be re-valued. I am certain that if the Government will not take steps to prevent the Advisory Boards' recommendations being carried out there will be some trouble among the soldier settlers. Most of the men have done their utmost to pay their way, but the situation they have had to face has prevented them making

a success of their blocks. They have not had the best of seasons, and in the initial stages of the soldier settlement scheme, they had to pay high prices for stock. All they ask is that they have an opportunity of appealing to some higher authority against the Advisory Boards' recommendations. I hope that the Government will give the settlers an opportunity of stating their cases, and that every consideration will be shown to them. I think the matter is so urgent that it demands the consideration of a committee formed of members on both sides of this House. The reply which the Minister made to-day to a question asked by the honorable member for Gippsland East was sympathetic, but he made no reference to the cases of the settlers whose leases are to be cancelled. I hope that the Government will treat those men with the fullest sympathy.

Mr. BAILEY (Minister of Lands).— I feel sure that every honorable member will agree that the handling of soldier settlement is a very difficult matter. The Advisory Boards were appointed to make investigations into the complaints of settlers throughout the State. Each of those Boards comprises three members. One is a representative of the soldier settlers, elected by them. That representative has been placed on each Board to safeguard the interests of the soldiers. One member is a representative of the Closer Settlement Board, and there is an independent chairman, approved of by the other two members. The Boards inquire into individual cases, and it is only by investigating individual cases that it is possible to ascertain what the financial position of the settler is, and whether he is likely to make a success of his block. Every recommendation made by the Boards in favour of the settlers has been approved of and given effect to. In several cases it has not been practicable to give effect to the recommendations when they involved the increasing of the settlers' holdings. It was not possible, in a few cases, to purchase land from adjoining owners to enlarge the settlers' holdings. In those cases the settlers are to be removed to other blocks, and I explained the position in the answer I made to-day to the honorable member for Gippsland East. Wherever it has been practicable to give effect to the recommendations of a Board they have been given effect to. In some cases the Boards

have reported that the settler will not make a success of the land no matter what is done for him by the Closer Settlement Board. In other words, the settler has missed his vocation. The Boards have recommended cancellation of leases in those instances. I am thus placed in this unpleasant position: We have given effect to every recommendation in favour of the soldier settlers, and when a Board recommends cancellation of a lease I have no alternative but to approve of it.

Mr. McLACHLAN.—You do not mean to say that you are going to endorse the recommendations that leases should be cancelled without giving the soldier settlers an opportunity to appeal?

Mr. BAILEY.—On each Board is a representative of the soldier settlers and an independent chairman. Whenever a Board is unanimously of the opinion that a settler cannot make good, no matter what is done for him by the Closer Settlement Board, I, as Minister, have no alternative but to approve of the Board's recommendation.

Sir WILLIAM MCPHERSON.—The Minister cannot be expected to do an impossible thing.

Mr. BAILEY.—That is so. The Government is trying to clean up the present unsatisfactory position of soldier settlement. In some cases it is impossible to assist the soldier settler further, because he is not likely to make a success on the land. In his own interests it is better for him that he give up the attempt, and seek employment in another sphere. Many of the soldier settlers have gone off their blocks when notified that their leases were to be cancelled. In two or three cases the settlers have stated that they would not vacate the blocks. The question of what action is to be taken with regard to them is receiving consideration. The whole question of soldier settlement was discussed at the conference between the Prime Minister and representatives of the States in Sydney a few months ago. The State representatives pointed out clearly to the Commonwealth Government that it was part of the Commonwealth's duty, in the repatriation of Australian soldiers, to take over the responsibility of soldier settlement. The Commonwealth Ministers let the States understand clearly that the matter must be finalized, and the position of each State

in respect of soldier settlement must be defined. It was with a view of endeavouring to obtain some finality in this State that the Government added to the number of Advisory Boards, and urged on them the necessity of expediting their work as much as possible. I have a very unpleasant duty placed on my shoulders in deciding whether leases should be cancelled, but somebody has to undertake that responsibility.

Mr. McLACHLAN.—Why not give the settlers a chance to appeal? There will soon be a general uprising amongst the soldier settlers.

Mr. BAILEY.—I realize that an unpleasant duty generally creates dissatisfaction in some quarters. When a soldier settler is informed that the soldiers' representative on an Advisory Board and the independent chairman agree that he is unsuited as a settler, he will not believe that their report is correct. His neighbours usually support him in his view. If Parliament considers that the Government should not give effect to the recommendations of the Advisory Boards, then it is Parliament's duty to say that the money owing by the soldier settlers should be made a present to them. It must be remembered that the present Government did not appoint the original Advisory Boards; they were appointed by the previous Government at the request of the soldier settlers. It is anticipated that the Boards will have cost the State £40,000 when they have completed their work. I do not think that any honorable member would suggest that the work of the Boards should be treated as make-believe and their recommendations not given effect to.

The SPEAKER (the Hon. O. R. Snowball).—I did not interrupt the honorable member for Gippsland North during his speech, but I desire to say now that he was out of order in starting a set debate on this question on the formal motion for the adjournment of the House. I know that he will not mind me drawing attention to the fact that he should not have started this debate. I remind him that, on the 9th of October, 1923, Sir John Mackey, who was then Speaker, drew attention to a similar proceeding. It occurred when the present Minister of Lands, who was at that time the member for Port Fairy, referred to the need for a

compulsory union Pool. According to *Hansard* the then Speaker said—

I have not stopped the honorable member; but, in case this should be used for a precedent, I want to say that the motion "That the House do now adjourn" cannot be made the subject of a set debate. On the motion for the adjournment—except, of course, the urgent motion for the adjournment of the House to discuss a specific matter—it has been the custom only to allow questions to be asked, complaints to be shortly made, and brief observations on a matter. But on a motion of this kind we cannot have a set speech.

The honorable member will recognize that to-morrow is Grievance Day. There are other honorable members who would like to discuss this matter, and to-morrow will be the appropriate time for discussing it.

The motion was agreed to.

The House adjourned at 10.31 p.m.

LEGISLATIVE ASSEMBLY

Thursday, October 13, 1927.

The SPEAKER (the Hon. O. R. Snowball) took the chair at 11.15 a.m.

GRIEVANCES.

The Order of the Day for the House to resolve itself into Committee of Supply was read.

Mr. BROWNBILL (*Geelong*).—I wish to bring under the notice of the House a matter which I think is of importance for the whole of the State. I have been asked by the engine-drivers in my district, through their secretary, Mr. D. Murphy, of Geelong, to see if it is possible to provide for the inspection of boilers throughout Victoria. At the present time inspections are authorized only in cities, towns, and boroughs. This is a matter affecting human life, and accidents are just as likely to happen outside of cities, towns, or boroughs as they are inside. There may be places in shires where a boiler of an inferior make or in a bad condition is being used, and an accident may happen at any time. There have been many accidents in shires, and we have on previous occasions attempted to legislate to provide for the inspection of boilers used in them. Apart from the inspection of stationary boilers, it is desirable that

consideration should be given to securing control over those used in connexion with travelling chaff-cutters. The boilers of travelling chaff-cutters are not open to inspection, except if they happen to be taken into a railway yard, when the law provides that they may be examined. On the 20th of November, 1922, the then Minister of Mines (Mr. Barnes) brought in a Bill to provide for inspection of boilers throughout the whole of the State. It was passed through this House on the voices, and in due course sent to another place. That measure was talked out there by the "democrats" of that House. On another occasion a Bill was sent to the Legislative Council, and it was rejected. If it is necessary to have inspection of boilers in cities, towns, and boroughs, it is equally necessary that they should be inspected when working in shires. A case was reported recently of an explosion of the boiler of a chaff-cutter which was on a farm at Corae. The front of the engine was carried 50 yards away. The driver was badly scalded, and it is related that six other men had miraculous escapes from injury. The noise of the explosion was heard miles away, and the damage was estimated at £500. It seems as if the amount of damage was regarded as of supreme importance, but from my point of view, the risk to human life should be the first consideration in a matter of this sort. In a big factory just outside my electorate an accident happened about five years ago. A tube was blown out of a boiler, and three men who were having their lunch in the boiler-room were scalded to death. That was a very sad fatality. At the inquest Mr. W. G. Smith, P.M., who acted as coroner, in his summing up said—

It is my opinion, after listening most carefully to the evidence, that the usual care and caution have been observed by those responsible in the examination and testing of the boilers. I would like to refer to two things that have been mentioned. One is as to providing a suitable place for employees to have their lunch. The matter appears to have been mentioned by the inspector of factories to the management, and the reason given for the non-provision of dining rooms was that reconstruction work was going on and the dining accommodation was postponed. The management has promised to have the matter attended to. It is necessary, where so many men are employed, that proper provision should be made for employees having their lunch in a certain degree of comfort. I have not the slightest doubt that the matter will be attended to.

Since that statement was made by the police magistrate the matter has been attended to, and suitable dining rooms have been provided for the employees. The other matter on which the police magistrate commented referred to the examination of the boilers. He said—

It appears somewhat strange to me that if in cities, towns, and boroughs it is necessary to have them inspected at certain periods, it is not also considered necessary, in a case of this sort, where so many men are employed. This is a matter for the authorities. It has come out very prominently at this inquest that merely because the works are a short distance outside the boundary they are exempt. If the inspection is necessary in the one case, I think it is necessary in the other.

The tragedy was a lamentable one. The three men who were killed were young single men, and their parents did not receive any compensation. The engine-drivers' union in my district has asked me to bring the matter before Parliament with the suggestion that legislation should be introduced to extend the inspection of boilers to shires. I consider that the proprietors of factories situated in shires would welcome the inspection of boilers by officers of the Mines Department, because they would then be assured that their boilers were in proper order. Under the present law the Mines Department has no authority to inspect boilers in factories situated in shires. I consider that it is the duty of the Government to safeguard the men who are employed in boiler rooms in factories situated in shires. This is a non-party question, and I think that if a small amending Bill was introduced extending the scope of boiler inspection by the Mines Department to shires, it would receive the sanction of Parliament. I see no reason why the law in this respect should apply to cities, towns, and boroughs, and not to shires, particularly as I understand that similar legislation does apply to shires in other States.

Mr. WALTER (*Gippsland West*).—I desire to bring under the notice of the Government, and particularly the Minister of Water Supply, a grievance which exists among soldier settlers in my electorate and the neighbouring electorate of Mornington. The State Rivers and Water Supply Commission have taken drains through the settlers' properties. Considerable areas of land have been taken from the settlers for the purposes of these drains, which are part of a flood

protection scheme for a large district. The soldier settlers are purchasing their blocks from the Closer Settlement Board, and they have received no compensation for the land that has been taken from them. It appears to me to be an anomaly for one Government Department to sell land to the settlers, and another Government Department to take portion of the land from them without the payment of compensation. I protest emphatically against the action of the State Rivers and Water Supply Commission in taking land from soldier settlers and other land-owners for the purpose of protecting a large district from flooding, and paying no compensation for the land. I attended a conference of various branches of the Returned Sailors and Soldiers Imperial League of Australia, held at Koo-wee-rup, on the 13th of June. This matter was referred to at the conference, and many bitter complaints were made by returned soldiers concerning the action of the Commission. Subsequently, I received a letter from Mr. A. L. Gate, the honorary secretary of the Tooradin and district sub-branch. That gentleman wrote from Dalmore on the 8th of August last, and he stated—

The following are the particulars you asked for regarding the resumption of land from soldier settlers by the Water Commission for construction of drains. These are on behalf of members of the above branch, and no doubt you will receive more from the surrounding branches:—

Mr. N. Crowley, E. Manks Estate, Manks-road, Dalmore.

Approximately 2 acres taken, for which he is paying the Closer Settlement Board £22 10s. per acre.

Mr. A. Adams, H. Manks Estate, Hardy-lane, off Manks-road, Dalmore.

One acre taken, for which he is paying £28 10s. per acre.

Mr. A. L. Gate, Heppels' Estate, Manks-road, Dalmore.

Approximately 3 acres, for which I have to pay the Board £22 10s. per acre.

I would also point out that, so far, we have not heard a word from the Commission in respect to compensation, but we still have to pay the Board interest and principal and rates to the Commission on land we have not got.

Mr. GROVES.—How long have the Commission had the land?

Mr. WALTER.—About three years. I consider that these soldier settlers have a legitimate grievance against the Commission. It undertook to provide drains for flood-protection purposes. A certain amount of land was utilized in a number of properties for the purposes of the

drains, and as the settlers and other land-owners have received no compensation for the land of which they have been deprived, it means that they have to bear a considerable proportion of the cost of the flood-protection scheme.

Mr. A. HUGHES (*Hampden*).—Those soldier settlers cannot afford to lose any land, because their blocks are small.

Mr. WALTER.—That is correct. The settlers are paying high prices for their land. I consider that they should be paid the fair market value for the land used by the Commission, and the cost of the whole scheme should be spread over the district that will be benefited. The State Rivers and Water Supply Commission has reclaimed a considerable area at Hallam and Narre Warren. It drained that land. A big drain goes through Carrum, and empties into Port Philip Bay. Four farmers at Carrum are affected. I will give their names. The Commission has taken $32\frac{1}{2}$ acres from Mr. Robinson, and has offered him £580, or approximately £18 per acre. It took $26\frac{1}{2}$ acres from Messrs. McMahon Brothers, and offered them £320, or approximately £12 2s. 6d. per acre. It took 11 acres from Mr. Lowrie, and offered him £159 5s., or approximately £14 10s. per acre. It took $20\frac{1}{2}$ acres from Mr. Wilson, and offered him £305, or approximately £15 per acre.

Mr. A. HUGHES (*Hampden*).—How much did the farmers pay for the land?

Mr. WALTER.—The farmers have not received a solitary penny from the Commission, although it took the land eighteen months ago, nor have they received any interest. We know that most dairy-farmers cannot afford to be treated in this way. Mr. Lowrie is a dairy-farmer. Seven years ago he paid £45 an acre for his land, for which the State Rivers and Water Supply Commission is offering £14 10s. per acre. The thing is ridiculous.

Mr. A. HUGHES (*Hampden*).—It is a shame.

Mr. WALTER.—It is. I took a deputation of the four gentlemen to the acting-chairman of the Commission, Mr. Shaw. I have been in communication with the State Rivers and Water Supply Commission ever since. I have brought the matter under the notice of the Minister of Water Supply. I am inclined to think that he is under a difficulty regard-

ing the Act. I asked a question in the House, and the reply was unsatisfactory so far as the farmers are concerned. The Commission should do what other land purchasers do. It should at least pay a deposit and interest on the outstanding balance. It is preposterous to think that a State Department should be allowed to act as the Commission has acted. That is why I said the wings of some of the State Departments should be clipped. The action of the Department has another effect. I mention Mr. Lowrie again. He has 70 or 80 acres. The Commission has taken 11 acres. He has a certain plant to work his property. It needs just the same plant to work what is left as it did to work the whole area. That means a substantial economic loss to him. What the 11 acres would earn would be profit. He has to carry the same overhead expenses.

Mr. GROVES.—If he wanted to buy any land adjacent to his property, he would have to pay about £50 per acre.

Mr. WALTER.—He would. The Commission says that it has to assess the betterment which occurs through the drain going through the farmers' properties. Through the reclamation of the swamp land near Hallam and Narre Warren the properties will get the water more rapidly than before. The probability is that the drain will not be big enough to carry away all the water, and these men will be flooded out. There have not been any floods since the Commission acquired the land, nor since the drain was made through the Hallam country. The Minister should see that the Commission does not go where it likes and take land at any value irrespective of the cost to the farmer, and the actual market value. It should have to pay the full market rate, and the cost should be divided over the scheme.

Mr. A. HUGHES (*Hampden*).—The State Rivers and Water Supply Commission should pay the farmer because he has lost his land.

Mr. WALTER.—I emphatically protest against the action of the Commission in treating the settlers in the way in which it has done in this particular instance. I have a matter that I desire to bring under the notice of the Minister of Railways. I am given to understand that the Railways Commissioners visited various parts of Gippsland a

little time ago, and stopped at Bayles. The residents made certain recommendations to the Commissioners. The Commissioners told the farmers that they would do certain things if the farmers did certain things. I have received the following letter from Mr. Saunders:—

Dear Sir.—I have been requested by residents of Bayles and District to bring under your notice the necessity for more room at the railway station for loading produce. The Railway Department has made a proposal to residents to extend present goods siding about 97 yards, they to lay rails and sleepers, and the residents to do the earthworks—estimate, about 12,000 yards of material. We have gone into the matter, and our estimate for the work is about £130. We cannot raise that much money, and the general opinion is that the Department should do the work itself, as the work belongs to them. We wish you to see what you can do for us in the matter.

(Sgnd.) W. H. SAUNDERS,
for residents of Bayles.

I forwarded a note to the Minister of Railways, and enclosed a copy of that letter. I protest emphatically against that treatment of the settlers by the Railways Commissioners. Those officials say that they will provide accommodation if the settlers pay a considerable part of the cost. In view of the charges that the Railways Commissioners make for the services rendered, they should be prepared to put in sidings without any cost to the farmers at all. The Minister of Railways will bear me out when I say that I am one of those members who have never made any complaint about the treatment we receive, generally, from the Railways Commissioners. I know perfectly well that the Commissioners have a big job. I know also that the Minister of Railways has a pretty big job. I do not like to have to make a complaint in the House. But I do say that when the Railways Commissioners charge what they consider a fair and reasonable amount for the services they render, they should, at least, provide the facilities for farmers to get the services they pay for. Only the other day the Railways Commissioners visited Noojee. I had received a letter from farmers at Noojee, which I sent on to the Railways Commissioners. The farmers desire facilities for loading cattle and pigs. There is no ramp at the Noojee railway station for the loading of pigs from wagons or cars on to the trucks. The animals have to be dumped into the yard, and then man-handled, to get them into the trucks. In

Mr. Walter.

the local newspaper it was reported that one of the Commissioners looked around the district and said, "Where are the pigs? You find the pigs, and we will put in the ramp." He was not likely to find pigs running about the Latrobe river. We have been fighting for a better train service from Warragul to Noojee. It takes about four hours to go 20 miles by train in that district. The residents asked the Railways Commissioners to provide them with a motor service. The Railways Commissioners could not see their way clear to grant the request. Now, four motor cars are running between Noojee and Warragul, and the owners are making a fair and reasonable living. All that trade the Commissioners could have had if they had had nous enough to give the settlers along that line the reasonable service that they desired. It was the same thing in connexion with a request for a cattle yard. The Commissioners said, "Where are the cattle?" They were not in the railway yard, of course. The whole question must be gone into thoroughly. We have a big railway service, and it owes the State a considerable sum of money. The Commissioners complain about the competition of motor trucks. I say, quite definitely, that the people are going to take whatever service best meets their needs. The people have protested, and will protest. They will protest not so much in words as in action. If the Railway Department will not provide the service that they require, and outside people will, they will take whatever service is offering, provided that it gives them reasonable facilities. If the Railways Commissioners would provide the facilities that country people in such places as Noojee require, the people would look no further. There are four motor vehicles now running between Noojee and Warragul. The chances are that this motor service would not have come into existence had the Commissioners granted the request made to them. The motor service is a fairly profitable one. I hope that Ministers will give the matters I have brought under their notice fair consideration. The dairy-farmers are not in a position to provide the facilities that I have referred to, nor can they make an effective complaint, except through their representatives in Parliament.

Lieut.-Col. KNOX.—Is it the practice of the Railways Commissioners to make farmers trot out the pigs before they will

construct a ramp for the loading of pigs into the trucks?

Mr. WALTER.—That appears to be the case. A ramp to facilitate the loading of pigs would cost very little in such a place as Noojee, where there is any amount of timber available, and saw-mills are operating in the vicinity.

Mr. HJORTH (*Grant*).—I desire to bring under the notice of the Chief Secretary a matter affecting the State Accident Insurance Office. I wish to refer, particularly, to the treatment meted out to a policy-holder. Briefly put, the case is this: A farmer in Bacchus March, a Mr. James Bingham, had a fire on his homestead last summer. Some of his buildings were destroyed. He purchased buildings at North Brighton to replace the buildings that had been destroyed. Mr. Bingham has been a policy-holder in the State Accident Insurance Office since 1914. That is to say, he insured his farm workers. In pulling down the buildings that he had purchased at North Brighton, he found it necessary to employ carpenters and others. In order to cover any risk from accident he wrote to the State Accident Insurance Office, and asked them to cover such risk. The following is the letter that he wrote:—

Parwan.

The Officer in Charge,
State Accident Insurance Office.

Dear Sir—

I have an employer's indemnity policy, taken out on the 18th of November, 1914, and having had a fire on the homestead and burnt the buildings, have bought some at North Brighton to replace them, so will require a carpenter, some men, and my sons, for to dismantle, cart to Parwan, and re-build. I expect to pay about £100 in wages. Now, I want to know if the present policy will cover all the men employed, or will I require to take out an extra policy, say, for £100. I am sending cheque for £1 10s., and if not required for this, credit this amount to policy due on the 18th of November. Will start work next Monday, so cover my risk from date of receipt of this letter.

Thanking you, I am,

Yours truly,
J.B.

A few days later he received the following receipt:—

State Accident Insurance Office,
Melbourne, 29th August, 1927.

Received from James Bingham, the sum of One pound ten shillings, being premium in respect of policy No. 954. Additional premium—£150 at 20s. Per cent, 29.8.27 to 18.11.27.

(Signed) W. H. HOLMES,
Insurance Commissioner.

£1 10s.

Per M. N. Gow.

After two days' work on the buildings at North Brighton, one of Mr. Bingham's sons fell from a building and broke his arm. The matter was reported to the State Accident Insurance Office, and Mr. Bingham was told that the sons of a policy-holder were not provided for under the Act, and that therefore the office was not liable for any payment in respect of that particular policy. What I want to point out is, that in the letter written by Mr. Bingham to the State Accident Insurance Office, he distinctly stated that his sons would be employed in the work of dismantling, carting, and removing the buildings at North Brighton. The office accepted the risk, and Mr. Bingham received a receipt for the money he had forwarded in order that the risk should be covered. The office should have notified Mr. Bingham that they could not accept the risk, inasmuch as risk to his sons could not be covered under the provisions of the Act. By taking the course they did, they deprived the man of the opportunity of going elsewhere, and taking out a policy that would have covered risk to his sons. The boy who broke his arm is on the sick list, but the State Accident Insurance Office disclaims all responsibility in the matter and refuses to pay anything. I have been to the State Accident Insurance Office, and the management told me that the error in not notifying the man that his sons were not insurable was admitted. I was told also that, in 1914, the management had written him a note saying that sons did not come under the provisions of the Act. That was thirteen years ago. It is only reasonable to expect that Mr. Bingham has forgotten all about it. Apart from that, the letter that he wrote to the insurance office distinctly asked whether the policy would cover all the men employed. He was not notified to the contrary. Therefore, they accepted the risk, and after the accident had occurred refused to pay him. I want the Government to make an inquiry into the facts of the case, and do justice to the man. He honestly sought to know whether his sons were covered by the insurance, and honestly believed that they were. He was prepared to pay any premium that might have been demanded. He should now be paid the insurance that is due to him under the risk that was accepted from him. If this sort of thing is allowed to

continue, there will grow up in the community a want of confidence in the State Accident Insurance Office. I should be sorry to see any business taken away from that office, but that may be the result if no action is taken to set matters right. When I was at the office, the manager said that if it were a private concern the man responsible for not notifying Mr. Bingham that his sons could not come under the Act would be compelled to pay the insurance himself. I do not know whether the Government is prepared to saddle the officer concerned with that liability, but it is certainly its duty to see that Mr. Bingham receives payment.

Mr. PRENDERGAST (Chief Secretary).—I shall make full inquiries into the case, and give the honorable member all the satisfaction that the law will permit.

Lieut.-Col. FORREST (*Caulfield*).—On the 1st of September, the honorable member for Korong and Eaglehawk made some rather startling charges against a firm of manufacturers in Melbourne. He was supported by the honorable member for Benalla and the honorable member for Walhalla.

Mr. MCKENZIE.—Do you refer to the Victor Plant Food case?

Lieut.-Col. FORREST.—Yes. The charges were most scathing, and have placed that firm of manufacturers in a most invidious position. The charges were made under the privilege of Parliament, and in accordance with the ordinary rules of British justice the firm has not an opportunity of replying to the charges. Had they been made outside the House, the firm would have had recourse to the law courts, where they could have placed their case clearly before the public. As honorable members, no doubt, remember, the charges made against the firm were damning to the utmost degree.

Mr. SLATER.—Who made the charges?

Lieut.-Col. FORREST.—The honorable member for Korong and Eaglehawk, the honorable member for Walhalla, and the honorable member for Benalla, as I have already said. Practically the whole of the members of the company concerned reside in my electorate. They approached me with a request that I should place their case before the House. Before promising to do so, I insisted upon certain

investigations being made. I asked them to furnish me with a complete statement in reply to the charges. I undertook to go further, and obtain certain statutory declarations. I wrote to certain individuals to whom I knew the company had sold its products to ascertain the results achieved by the use of those products in the particular districts concerned. I insisted upon a firm of reputable costing accountants in Melbourne—a firm which I nominated—going through the company's books and making a complete report on the cost of its production, and making comparisons with respect to its selling prices. I propose to reply to all the charges that have been made by the honorable members referred to. I should like it to be distinctly understood that I have no interest in the company other than that the members connected with it, or constituting it, are constituents of my electorate, and that I stand for British justice being given to any individual in this community. I protest against honorable members taking advantage of the privileges of this Parliament to condemn unheard any particular individual or sets of individuals to such an extent that they are almost driven out of the country. I have here a statement containing the company's reply to the charges as reported in *Hansard* of the 1st of September. I propose to read that statement. My desire is to place before honorable members the actual facts as supplied to me, and facts which I have obtained in support of the company's statement. I wish honorable members to weigh in the balance the charges made in this House, and the reply contained in the statement received from the Victor Plant Food and Gardening Company Proprietary Limited, and ask them to support me in a request to the Minister of Agriculture that he should institute an inquiry into the trading operations of the company. The letter I received is in the following terms:—

Dear Sir.—In the Legislative Assembly on the 1st of September an attack was made upon the business honour and the merchandizing operations of the Victor Plant Food and Gardening Company Proprietary Limited by Mr. Dunstan (Korong and Eaglehawk) and others. The voicing of these statements drew forth comment from other members, even more unjustifiable.

The majority of the utterances had absolutely no foundation in fact. Immediately we were acquainted with what had been said, it

was realized that these mis-statements imperilled the existence of this small concern. Eminent counsel was interviewed, but, as the statements were made under the cloak of parliamentary privilege, we were deprived of the right of legal redress.

A hurried reply was drafted, which the press graciously published, and these men we challenged to utter the statements in any place where they could not shelter behind the cloak of parliamentary privilege. This challenge has not been accepted. There must be a reason for this silence. There are several. We will enumerate a few.

The challenge the company made has not been accepted.

Mr. CAIN.—Some statements were made in the Court at Dandenong.

Lieut.-Col. FORREST.—Yes. Everything that I shall say will be supported by statutory declarations and certified statements. The company's letter continues—

The whole outburst is based on an entirely false hypothesis, namely, excessive profits. One glance at the enclosed certified statement of figures, extracted from the books of the company by a firm of auditors and public accountants of the highest repute, explodes this myth of huge profits. The figures reveal the actual profit on turnover to be 8.6 per cent. Surely no one could honestly describe that profit to be excessive, particularly when such long terms have to be allowed the majority of the purchasers?

The certified statement answers far more eloquently than could any word of ours the charge that the farmer is being exploited, and reveals such statements to be groundless; hence, we will let the figures talk for themselves.

In the letter read by Mr. Dunstan and written by one of the employees of the Agricultural Department, it stated that the commercial value (that is, what the Department calls commercial value) of our fertilizer, based on its guaranteed composition and the unit values for 1927, was about £7 15s. per ton. The letter also said that the fertilizer had no greater manurial value than market garden manure, procurable from other firms at £8 10s. per ton, and if one-quarter as much of our fertilizer was used as of the market garden manure, the same production would not be obtained.

How the Department arrives at this so-called unit-value we do not profess to know; but, assuming the value placed on each ingredient to be fair and equitable, what we claim is unfair and misleading is the fact that when they put a value on our product they only place a monetary value on three elements, namely, nitrogen, phosphoric acid, and potash. No value whatever is allowed for the balance of our mixture—and this despite the most definite assurance by the Department that the commercial value is based on the guaranteed composition of our fertilizer. Furthermore, no allowance whatever is made for the cost of bags, bagging labour, cartage, marketing, &c.,

and, whilst we are the only firm who pay full railway freight to purchaser's station, this fact is never mentioned by our critics.

Re the statement in the letter which states that if one-quarter as much of our fertilizer was used as of market garden manure, the result would not be as good. This company does not make that claim. Our literature says, regarding our No. 1 manure, that one-third of the quantity can be used. It is actual purchasers and users of our fertilizer who make the claim in writing that, by using our manure in the ratio of one-fourth of the quantity of other fertilizers, they have, to use the words of several of them, "got far better results."

The Department has never used our product. Therefore, it is not in a position to express an honest opinion as to its efficacy, and the written statements of practical, keen-minded farmers as to actual results secured with the help of our product against the market garden type of manure having a somewhat similar analysis in three ingredients clearly emphasizes our fertilizer to be a superior crop producer.

If we were to place our formula in the hands of the average farmer and supply the actual proportions of the high-quality ingredients used in our fertilizer, it is quite certain that not one in 100 would produce a mix that would agree with the correct analysis. Before that is possible, a knowledge of the action and reaction of chemicals and minerals, one upon the other, under varying atmospheric conditions, is necessary, also skill in mixing elements whose mechanical condition is totally dissimilar.

Reverting to other statements made, Mr. Dunstan, amongst other things, said that the Victor Plant Food and Gardening Company Proprietary Limited had been prosecuted for selling its product below its own standard. That is positively not so. Of the dozens of samples taken for analyzing purposes from the fertilizer sold to our purchasers, never once has our analysis been questioned. Let us emphasize the point—we have not been fined for selling below standard. As a matter of fact, the last analysis taken of our product by the Agricultural Department shows that every element is considerably above our certified figures.

I have a letter from the Department of Agriculture to support that statement.

Mr. TOUTCHER.—Were these people prosecuted?

Lieut.-Col. FORREST.—They were, but not for selling their own product below standard. I shall go into that point after I have concluded this letter, which proceeds—

The prosecution emanated from the fact that two officials of the Agricultural Department visited our factory at Dandenong at a time, unfortunately, when the foreman was absent. On explaining their mission to one of the mixing gang, who was temporarily in charge, they went ahead and took samples. These samples were taken from bags which had been returned, water-damaged, from the country, and which were awaiting our chemist's report before being reconditioned.

Mr. COTTER.—It was bad luck for the firm that their foreman was away.

Lieut.-Col. FORREST.—Yes; it was bad luck, indeed. The letter continues—

Mr. Dunstan further stated that the company had sold thousands of tons throughout the State, and had robbed the poor tomato-growers in his electorate of thousands of pounds. He also claimed we were guilty of misrepresentation which would cause a loss of production and a loss of railway revenue, and that it was a national matter.

If the charges made by the honorable member for Korong and Eaglehawk could be proved, undoubtedly this would be a national matter. The honorable member for Korong and Eaglehawk is recorded in *Hansard* as having said, referring to this particular fertilizer, that thousands of tons have been distributed in his electorate. I would point out that the firm has been in existence for only twelve months. However, I see now, on referring to *Hansard*, that what the honorable member said was that the firm had disposed of "a considerable tonnage" in his electorate.

Mr. SLATER.—That is very different from "thousands of tons." Does the writer of that letter suggest that the honorable member for Korong and Eaglehawk actually said that thousands of tons had been sold in his electorate? If so, that is a grossly inaccurate statement on the part of a man who is posing as one who puts up a scientific manure the basis of which should be accuracy.

Lieut.-Col. FORREST.—The honorable member for Korong and Eaglehawk said, early in his speech, "I know that it has disposed of a considerable tonnage in my own electorate." I have not the opportunity at this stage to go through the whole of the report to ascertain whether he definitely referred to "thousands of tons." The letter proceeds—

The true facts are these. Firstly, our sales do not even remotely approach thousands of tons. Secondly, not one pound of our product had been consigned to, or used by, the tomato growers in Mr. Dunstan's electorate prior to three weeks ago, and the total orders to be fulfilled do not amount to twenty tons. Thirdly, from the few growers who used it in other districts last season, we have received letters saying that wonderful results were secured by using it in the quantities suggested.

Mr. Dunstan has been most grossly misinformed, but, by voicing the information without verification, and particularly by uttering his statements in a place where he is immune from legal responsibility, he has perpetrated a great injustice on a firm struggling to render a constructive service to the man on the land, who, by repeat orders of considerably increased

quantity, indicate that our efforts are appreciated by actual users. If the manufacturers in the fertilizer industry are to be harassed unjustly, it is clear that farmers will have to be satisfied with the more or less indifferent results obtained from the old type of manures.

I have documentary evidence to prove that not one ton and not even one cwt. had been sent to tomato growers in the district of the honorable member for Korong and Eaglehawk up to the 3rd of this month.

The SPEAKER (the Hon. O. R. Snowball).—The honorable member is reading a letter referring to remarks made in this House by another honorable member on the subject. He has already read from the letter many statements which one honorable member would not be permitted to make to another in this Chamber. I ask *Hansard* to eliminate expressions such as "untrue," "scandalous" and "dastardly" and other offensive observations from the record, and I ask the honorable member not to repeat any further expressions of a similar nature which may be in the letter. I cannot permit an honorable member to read a letter in this House containing language which the honorable member himself would not be allowed to use in regard to another member.

Lieut.-Col. FORREST.—I appreciate your advice, Mr. Speaker. If I have been out of order it is through ignorance of procedure.

The SPEAKER.—The honorable member also made reference to "thousands of tons" having been sold in the electorate of Korong and Eaglehawk. That statement I understand was not made by the honorable member for Korong and Eaglehawk on the occasion referred to. It should also be eliminated if it is not correct.

Mr. TOUTCHER (to Lieut.-Col. Forrest).—You can withdraw that statement.

Lieut.-Col. FORREST.—I will withdraw it if it is incorrect. I may say that I made inquiries as to the course I should take to-day and I am following the advice I received. If I have transgressed against the rules of this House I apologize and withdraw any statements I have made which are out of order. Whatever misapprehension there may have been about the "thousands of tons" that the company is said to have sold, at all events the honorable member for Korong

and Eaglehawk did say that it had robbed poor tomato-growers in his electorate to the extent of thousands of pounds. I will, however, refer to that matter later. In view of your ruling, Mr. Speaker, I will not quote any further from the letter.

The SPEAKER.—The honorable member may continue to quote from the letter but he must leave out objectionable words such as those I have referred to.

Lieut.-Col. FORREST. — The letter goes on to say—

Are companies, such as ours, to be driven out of business to the exclusive profit of the huge concerns monopolizing the fertilizer trade? And to the sure and ultimate loss of the primary producer! Instead of being harassed, we should be encouraged, for no one is forced to purchase our product, and if the claims we make for it are not substantiated by profitable results, our orders would automatically cease, because the farmer is not in the farming business for the honour and glory of it—but to get the greatest possible return that he can.

Mr. CAIN.—These people are not in the business for the honour and glory of it.

Lieut.-Col. FORREST.—I would not suggest that for a moment. The letter continues—

All the orders given to us are in the nature of a trial, and the average quantity sold to each purchaser does not amount to six cwt. per order so such talk as loss of railway freight, &c., is sheer nonsense. The personnel of this company hotly resent the offensive expressions hurled at them, and indignantly denies the right of anyone to say such things against them, unless those so doing are courageous enough to voice their statements in a place where the law of justice and British fair play is operative.

Mr. McKENZIE.—Is it a fact that the firm has been prosecuted since the honorable member for Korong and Eaglehawk made his speech in this House?

Lieut.-Col. FORREST.—I have been told on good authority that the company has not been prosecuted on more than one occasion. I would be surprised to hear that there had been a second prosecution. The prosecution which did take place was not for selling manure below the standard, as the honorable member for Korong and Eaglehawk said. Not an ounce of the manure below the standard has ever been offered for sale.

Mr. McKENZIE.—I thought I read in the press of a prosecution at Kooweerup since the honorable member for Korong and Eaglehawk made his speech.

Lieut.-Col. FORREST.—That is news to me. The statement I have from the

firm is that it has been prosecuted only on one occasion.

Mr. McKENZIE.—I accept your statement. I was only repeating what I had read.

Lieut.-Col. FORREST.—I should certainly like the honorable member's statement to be substantiated if it is correct. The letter concludes—

The company challenged those concerned to repeat their statements outside the House—they had not done so; we therefore place before you, as the member for our electorate, some of the facts in the matter.

I should like to inform honorable members of the facts relating to the prosecution which took place at Dandenong a few weeks ago. The company was prosecuted, not as the honorable member for Korong and Eaglehawk stated, for selling manures below the standard, but for having them in their premises—to all intents and purposes for sale. It is well that members should know the circumstances in which proceedings were instituted. The firm had in Gippsland a quantity of manure consigned to them. One of the officers of the company, on inspecting the place where it was stored, discovered that it had not been adequately protected, notwithstanding that rent was being paid for the premises. The manure was exposed to the weather and steps were immediately taken to return it to the factory for reconditioning. I do not say that the company was absolutely blameless in what it did, but according to a statement made in an affidavit, when the consignment reached the factory it was placed in the centre of a building. There was an omission on the part of the firm to have a notice placed on the bags intimating that the manure was not for sale. The stuff had not been in the factory very long before an officer of the Department of Agriculture visited it and asked a man who seemed to be in charge if what was in the bags was Victor Plant Food. Naturally the man said it was, and the officer then proceeded to take samples. When these samples were analyzed they were proved to be not up to the guaranteed standard. The firm was prosecuted and fined £8 on each charge. I hold two statutory declaration which have been made in relation to the samples that were taken by officers of the Department of Agriculture. If statutory declarations are worth anything, I ask

honorable members to appreciate the weight of the statements made in the two declarations which I shall read. If the statements made are true, I suggest that the Minister of Agriculture should inquire further into this matter. The first declaration is—

I, Sydney William Thomas, of 136 Dandenong-road, Caulfield, in the State of Victoria, do solemnly and sincerely declare—

That I am the managing director of the Victor Plant Food and Gardening Coy. Pty. Ltd., and that, of my own knowledge certain bags of Victor Plant Food were returned from the country, damaged, and that these bags were the bags from which samples were taken for analysis by the officers of the Agricultural Department.

And I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of an Act of the Parliament of Victoria rendering persons making a false declaration punishable for wilful and corrupt perjury.

S. W. THOMAS.

Declared at Caulfield in the State of Victoria this sixth day of October, One thousand nine hundred and twenty-seven, before me—JOSEPH E. RICE, J.P.

The second declaration is—

I, Walter Malcolm Bailey, of Cleek-avenue, Oakleigh, in the State of Victoria, do solemnly and sincerely declare—

That I was the employee of Victor Plant Food and Gardening Coy. Pty. Ltd. to whom the officers of the Agricultural Department applied when they came to take samples of the fertilizer, and the bags they took the samples from had been returned from the country damaged.

And I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of an Act of the Parliament of Victoria rendering persons making a false declaration punishable for wilful and corrupt perjury.

W. M. BAILEY.

Declared at Caulfield, in the State of Victoria, this sixth day of October, One thousand nine hundred and twenty-seven, before me—JOSEPH E. RICE, J.P.

The genesis of the charges which were made against the company in this House was a question asked by the honorable member for Korong and Eaglehawk on the 17th of August. Subsequently, a number of startling statements relating to the company were made in the House by the honorable member for Korong and Eaglehawk and other honorable members. The persons connected with the company were described as rogues, vagabonds, profiteers, exploiters, and they were charged with having wilfully misrepresented their product.

Lieut.-Col. Forrest.

The **SPEAKER** (the Hon. O. R. Snowball).—The time allowed the honorable member has expired.

On the motion of Mr. SLATER (Minister of Agriculture) an extension of fifteen minutes was granted.

Lieut.-Col. FORREST.—I do not intend to place before the House anything that I have received from hearsay evidence. I shall quote from certified statements. I have before me the auditors' report, dated the 20th of July, 1927, on the company's books and accounts. It stated—

Gross profit on sales shows a return of 47.3 per cent., and, whilst this figure appears to us quite reasonable, it does not substantiate your assessment of the return per ton of manure manufactured, and we think the difference requires very careful investigation by your staff. The net profits on sales, namely, £1,958, is arrived at after providing amply for all items of expense, depreciation, doubtful debts, and writing off a fair proportion of preliminary expenses, and equals a return of 8.63 per cent. on turnover. There is a doubt in our minds as to the company being able to maintain the high price asked for per ton for its commodities, and sales will have to be greatly increased without a corresponding increase in executive overhead charges, in order to maintain the good return on sales received in the period under review. The cost of selling under the heading of commission is very high, and, whilst your directors think this item can be greatly reduced in the future, we are of the opinion that until the company has securely established its commodity on the market as against competitors, it will be necessary to maintain a high rate of expenditure under this heading.

The report was signed by Messrs. Davis and Raven, public accountants, of Melbourne. The balance-sheet did not convince me, and I accordingly obtained a copy of Messrs. Davis and Raven's certificate regarding the costing of the various items of the company's business. I think that the reputation of the firm of Davis and Raven is as high as that of any firm of accountants and auditors in Melbourne, and I am convinced that they would not put their names to any certificate unless they considered it revealed the true state of affairs.

Mr. POLLARD.—You have a rotten case to defend.

Lieut.-Col. FORREST.—I am not attempting to defend the company. I am merely setting out various facts, and I am sure that when I have concluded I can safely leave to the fair mindedness of honorable members the answer to the

question whether the persons connected with the management of the Victor Plant Food and Gardening Company Proprietary Limited are rogues, vagabonds, exploiters, and profiteers, as they were described by some honorable members. The auditors' certificate reads—

We attach hereto the necessary figures supporting the price paid by users of your fertilizers, showing the cost per ton under the various headings, and the percentage of cost on sale price.

The certified statement covered the cost per ton of fertilizers sold by the company for the eleven months ended the 31st of May, 1927. It showed—

MATERIALS.

Material used cost—£6 4s. 6d. per ton, or 39.704 of sales.

Cartage inwards—5s. 9d. per ton, or 1.829 of sales.

Bags—10s. 4d. per ton, or 3.303 of sales.

Mixing and bagging—£1 4s. 10d. per ton, or 7.928 of sales.

I shall now give the particulars regarding sales expenses, and in this respect I desire to point out that the honorable member for Walhalla stated in the House that the company was paying a commission of £3 per ton to agents. The certified statement shows that the commission paid to agents was 15s. 8d. per ton, and to salesmen, £1 17s. 2d. per ton.

Mr. OLD.—May not the agent be the salesman as well?

Lieut.-Col. FORREST.—If that were so, the total amount of commission would not be £3 per ton. The certified statement continued—

SALES EXPENSES.

Commission to agents for guaranteeing accounts—7s. 19d. per ton, or 2.50 of sales.

Allowance for unloading—7s. 10d. per ton, or 2.50 of sales.

Commission to agents—15s. 8d. per ton, or 5.00 of sales.

Commission to salesmen—£1 17s. 2d. per ton, or 11.852 of sales.

Freight and cartage—15s. 1d. per ton, or 4.808 of sales.

Advertising—4s. 8d. per ton, or 1.476 of sales.

Postage and sundries—2s. 6d. per ton, or .797 of sales.

Bad debts—3s. per ton, or .954 of sales.

GENERAL EXPENSES.

Including salaries, printing, stationery, rent, travelling expenses, depreciation, preliminary expenses, interest, and sundries—£1 7s. 4d. per ton, or 8.721 of sales.

Total cost—£14 6s. 6d. per ton, or 91.372 of sales.

Net profit—£1 7s. 1d. per ton, or 8.628 of sales.

Mr. SLATER.—Those documents, like some Acts of Parliament, are difficult to understand. How many of the directors are employees?

Lieut.-Col. FORREST.—That I am not prepared to say.

Mr. SLATER.—That is an ingenious method that some proprietary companies have of absorbing their profits. They pay high salaries to the directors. In fairness to this company, I am not suggesting that it did that.

Lieut.-Col. FORREST.—I do not think that more than two directors are employed. The total cost of production is put down at £14 6s. 6d. per ton, or 91.372 of the sales.

Mr. POLLARD.—Would its profits have been higher had the company caught more "mugs"?

Lieut.-Col. FORREST.—I will disprove the idea that it has been out catching "mugs." Its net profit is a reply to the charge that the concern consists of exploiters and profiteers. Its net profit is £1 7s. 1d. per ton. I have a number of letters from various parts of the State. I wrote to J. G. Bradstreet, of Katamatite. No one would say that his statements would not be reliable. I think that the honorable member for Goulburn Valley would be able to speak of the high repute enjoyed by Mr. Bradstreet. I informed that gentleman that serious charges had been made concerning the Victor Plant Food.

AN HONORABLE MEMBER.—Is he a farmer?

Lieut.-Col. FORREST.—No, but he lives in a farming district. He would not put his name to unreliable statements. I asked him to see people, and get their private opinions. He wrote the following letter to me under the date of the 3rd of October:—

With reference to inquiry *re* Victor Plant Food Manure No. 2.

Mr. Robert Currie, of Katamatite, sowed about 25 acres of wheat with Victor manure, at the rate of 40 lb. manure per acre, in the same paddock and alongside "Super." manure, super. being sown at the rate of 95 lb. per acre. At the present time both crops are looking well, and there does not appear to be any difference. Mr. C. Casey, of Cobram East, tells me that the Victor manure crop on his paddock is far better-looking than his crop sown with super., the rate of sowing being 40 lb. of Victor to 95 lb. of super. Mr. M. J. O'Brien, of Boosey, states that the crop sown with Victor manure on his property is looking as well, if not better, than the crop sown with

super., sown at the same rate per acre respectively as mentioned above. Mr. N. Lukies, of Katakaitate, states that the Victor manure sown on his property is apparently a failure.

The letter is perfectly fair. Various honorable members mentioned that they have received letters from people who complained of their experiences with the Victor Plant Food. Here is a letter, dated the 14th of September, 1927, from Mr. Alfred Thomas, of Laen's post office. It reads—

Your letter of the 8th inst. received, with receipt enclosed.

The crop of wheat is looking exceptionally well and growing strongly, having caught up to some of the crops sown two weeks earlier. The oat crop never looked better or fresher, and has none of the yellow tinge that other district crops have.

Given rain shortly, I'm convinced my crop will hold its own with the rest.

A communication dated the 6th of August last, from Mr. H. Breen, of Upper Fern-tree Gully, states—

In reply to your inquiry about Victor Plant, I used 1 cwt. of Victor to the acre against 6 cwt. of market garden on one side and 6 cwt. of bone and super. on the other.

The 1 cwt. of Victor turned out equally as well. This was on potatoes (I dug 10 tons to the acre). On 1½ acres of beans, I applied 1 cwt. of Victor. I took 8½ tons of beans off the 1½ acres.

I am very well satisfied with Victor Plant Food, and can recommend it to my neighbour.

You may use this in any way you think fit.

On the 22nd of March Mr. Horace E. Lovett, of Toolamba, sent the Victor Plant Food and Gardening Company the following note:—

I am in receipt of your inquiry respecting Victor Plant Food manure, and in reply have to state that I tried out your manure against superphosphate, and the difference was very marked.

I am pleased to say Victor Plant Food stood out easily the best results, and grade of fruit far superior.

The manure was used on my apricots at 2 cwt. of V.P.F. to the acre against 8 cwt. of super.

I believe you have the right mixture most suitable for orchardists, and in future I will use nothing else.

The company received the following letter from Jane Domaile, of Woorinen:—

We have very great pleasure in telling you that your plant food is an ideal manure for vines, producing wonderful large berries.

Our berries were the admiration of numberless folk, and we attribute it to Victor Plant Food's effect.

Mr. SLATER.—What application of manure did the writer make?

Lieut.-Col. FORREST.—I have no idea.

Mr. CAIN.—Did you ask for these letters?

Lieut.-Col. FORREST.—The people were asked for their experiences. Another letter received by the company was written by P. W. S. Bryan, of the Five-mile, Koo-wee-rup, of the 23rd March last. It stated—

In answer to your inquiry about results from the use of Victor Plant Food manure, I used 2 cwt. per acre on my potatoes, and find that, by far, I have the best results as compared with the other manures used.

Although the season, all round, has been very dry, the results have been very good considering all things.

The other manure I used was Mt. Lyell 22 per cent., 8 cwt. to the acre.

Here is a file of letters from satisfied users of the Victor Plant manure. This company has not made the statement that one part of its manures is equal to four parts of any other manures. It said in regard to one of its manures that the proportions were one to three. It is not the users who have stated that the fertilizer is worth only about one-fourth of the price which is being charged. Serious charges have been made against the Victor Plant Food and Gardening Company Proprietary Limited by the honorable member for Korong and Eaglehawk, and other honorable members. Honorable members know perfectly well how combines act. We have combines in this State that control manurial interests. We know from the actions of other combines what the desires of these big firms are. They want to crush out of existence the small manufacturer, whose opposition they regard as dangerous to themselves. Harassing tactics have been pursued by the combines against the small firm operating in my electorate, and against other small firms. Certain big monopolistic concerns are endeavouring to control the entire manure industry of this country. We know what the effect has been on superphosphates. New Zealand firms pay the same price for phosphoric rock as is paid by manufacturers in this State; yet they can sell the finished product at £1 a ton cheaper than the farmer in this country has to pay.

The SPEAKER (the Hon. O. R. Snowball).—The honorable member's time has expired.

Lieut.-Col. FORREST.—I can finish within five minutes.

On the motion of Mr. SLATER (Minister of Agriculture), a further extension of five minutes was granted.

Lieut.-Col. FORREST.—The members of the Victor Plant Food and Gardening Company Proprietary Limited are honest persons who enjoy the esteem and goodwill of the people in the districts where they reside. As a result of the charges made against the company in this House under the privilege of Parliament—charges that I have no hesitation in saying were scurrilous—these people have been forced into the Insolvency Court. I have produced evidence which mitigates considerably the charges made against the company. If the Minister of Agriculture is anxious to do justice to this firm, and to other small firms engaged in the manurial industry, he should institute an inquiry into the charges that have been made. The public would then have an opportunity of ascertaining what the facts are. The honorable members who made the charges would have an opportunity of substantiating them. The books of the company are open for inspection by any officer of the Department of Agriculture who may be deputed by the Minister to look into the matter. The company is quite willing that a thorough investigation shall be made. All the books are available, and there is in the office of the company a list containing the names and addresses of all persons to whom manures have been sold. If an independent officer were appointed to make a proper investigation, the company would be quite prepared to abide by the result. If there is any sense of British justice in members of this House, they will support my request to the Minister to institute an independent inquiry into the charges made against this company. When any honorable member, under cover of the privilege of Parliament, makes a speech in which he absolutely damns a company or an individual, knowing well that the persons attacked have no possible chance of replying to him, then, I say, it is dragging Parliament down to a very low level. As things are, any one of us having a particular grudge against an individual can rise in his seat, and blacken the character of that individual.

We can call certain persons rogues and vagabonds knowing well that they will not be able to reply. I make my request for an independent inquiry honestly and sincerely, believing, as I do, that an injustice has been done to this firm. Let a thorough investigation be made into its operations. The members of the company will be perfectly prepared to stand up to that inquiry. If my time had not been so short, I should have had a few words to say on the scientific value of the fertilizer in question.

Mr. SLATER.—I am sorry you did not touch on that aspect, because we have there the basis of the whole trouble.

Lieut.-Col. FORREST.—A pamphlet has been issued by the Department of Agriculture for the protection of the purchasers of fertilizers. The scientist of the Department gives certain results of analyses. He is perfectly right. I stand foursquare against the exploitation of the primary producer. If there is any individual in the community who needs assistance, it is the primary producer. The scientist of the Department of Agriculture makes certain statements that are pertinent to the question we are dealing with. He says —

These mixed fertilizers contain relatively small quantities of this ingredient, and, although they have not been tested in any official experiments, it is unlikely that they will be more efficient in the wheat belt than superphosphate, which contains more phosphoric acid, and is available at a much lower price.

I have here a bundle of letters which prove that the Victor Plant Food is better than superphosphates, and gives better results.

Mr. CLEARY.—Nothing of the sort.

Lieut.-Col. FORREST.—The letters are all signed, and honorable members can make the necessary inquiries. They prove that 40 lb. of Victor Plant Food give better results than 95 lb. of superphosphate.

The SPEAKER.—I must ask the honorable member to conclude his remarks.

Lieut.-Col. FORREST.—I have now put the two sides of the case. The Victor Plant Food and Gardening Company Proprietary Limited have put up a good case against the charges made against that company. I have supported that case with documentary evidence. I have

shown that an injustice has been done to these people, and I again ask the Minister of Agriculture to institute an independent inquiry, with a view of ascertaining whether they are the rogues and vagabonds that we have been told they are. If the honorable member for Korong and Eaglehawk can substantiate his charges, I will support him in every particular. I stand only for British justice, both to this firm and every other firm, and every individual trading in this community.

Mr. CLEARY (*Benalla*).—Whilst I should like to congratulate the honorable member for Caulfield on the fine speech that he has made, I am sorry that I cannot congratulate him on having been made the medium of a scurrilous attack on honorable members of this House. He has stated that honorable members, under cover of parliamentary privilege, have made scurrilous charges against certain citizens in his electorate.

Lieut.-Col. FORREST.—Quite true.

Mr. CLEARY.—He, under cover of parliamentary privilege, has made himself the medium of a scurrilous and outrageous attack on honorable members. The people on whose behalf the honorable member for Caulfield has made certain representations are men of straw. That is shown by the fact that, quite recently, the company has gone into liquidation. They know well, when attacking us, that we have no redress. I have been asked by the honorable member for Korong and Eaglehawk to say that he can substantiate every statement that he made on the floor of the House when directing attention to the necessity of safeguarding the interests of producers. Unfortunately, he was called away, and could not be present to-day. He knew that the honorable member for Caulfield intended to bring this matter up, and he asked me to suggest to the honorable member that he should hold the matter over. I did so. The honorable member for Caulfield, however, thought that it was time the matter was further ventilated in the House, and he has made his statement in the absence of the honorable member for Korong and Eaglehawk. The honorable member for Korong and Eaglehawk will take the first opportunity available of replying to the statement made to-day by

the honorable member for Caulfield. As far as I am personally concerned, I am prepared to substantiate every statement that I made. Some of the statements made to-day by the honorable member for Caulfield are ridiculous and amusing. For instance, he gave certain reasons as to why the firm, on whose behalf he was speaking, was fined. It will take some explaining why these people were fined at Dandenong for having manures below the standard set out in their own pamphlet—the guaranteed standard. The excuse offered in respect to that reminds me of the person who was found on licensed premises, and gave as his reason that he was there to see the cook, housemaid, or the barmaid. The excuse given to-day is just as weak. The very fact that the manure was found on the premises is sufficient to show that it was to be sold to the public. The fact that the firm was brought before the court at Dandenong, and fined—in spite of the defence advanced—is sufficient indication that the firm was not playing the game, and that it was time that some exposures were made. I wish to allude to the testimonials that were received from wheat-growers not far from my electorate. It certainly is easy to obtain testimonials or references about anything, and the references to which I refer show nothing. So far as I could follow them, they set out that 40 lb. of this preparation, costing £20 a ton, gave results equal to those given by 95 lb. of superphosphate costing something like £5 5s. a ton. No one will deny that the preparation would give results. In fact we all admit that it would, but it is not giving the results that it should give, in view of the price paid for it. We are living in an age when producers are particularly anxious and willing to take advantage of scientific methods, and, consequently, they are very easily exploited. In the House, last month, we heard of some of the boosting methods adopted by this company, and of the salesmen who were working in the country—capable men who could sell practically anything. While the honorable member for Caulfield has stated that he could bring evidence in support of the value of the manure, I contend that I could obtain any amount of evidence from users who are disappointed with it—users who have not been getting anything like the results which they anticipated, and are very dis-

satisfied because they had been exploited in that respect. I welcome a full inquiry. The statements and charges made by honorable members in this House have been verified, to some extent, by the Department of Agriculture. I understand that that Department has still greater evidence that the community has been exploited, and, notwithstanding any prepared defence expounded to-day by the honorable member for Caulfield, I say that the charges made in this House can be substantiated, and will be substantiated. I do not think that there is very much to gain by flogging the question. I am of opinion that we have rendered the producers a service by our exposures, and I do not believe that any tears are being shed because the firm has gone out of existence. I think it is the duty of honorable members to protect the people whom they represent in Parliament. As far as concerns the allegation that we made under privilege statements that we were not prepared to make outside the House, I repeat that we are prepared to substantiate every one of those statements, and to take full responsibility for them. I do not think that I need say any more at this stage, except to give the House an assurance that the honorable member for Korong and Eaglehawk will take the earliest opportunity of replying to the honorable member for Caulfield.

Mr. MACKRELL (*Upper Goulburn*).—I did not intend to speak on the matter at all, but I do so because I believe, after having heard the statement of the honorable member for Korong and Eaglehawk some time ago, the defence submitted by the honorable member for Caulfield to-day, and the remarks of the honorable member for Benalla, that a principle is involved. I consider that there should be an inquiry, because if any firm—I do not know anything about the firm particularly referred to—or any one at all has been injured by statements made in the House, I think it is the bounden duty of Parliament to hold an inquiry. The question of speaking under privilege has been mentioned. Of course, we must be privileged, for Parliament is the place where we should say what we think. I do not know that there has been any abuse of that privilege. I am not conversant with the merits or demerits of the matter that has been raised, but I repeat that in cases where injury has been done an inquiry should be instituted. I desire to devote

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a moment or two to following up the remarks of the honorable member for Gippsland West, who referred to the State Rivers and Water Supply Commission having taken land in his electorate for drainage purposes. I have some experience of what happened in regard to the purchase of land—submerged areas—in the Eildon weir district by the Commission. I am aware that the problem is very difficult to solve. I am not going to blame the Commission, but I think that the Minister should inquire into the position. Another matter to which I desire to refer is the land that has been taken by the Railway Department along the Glenroy to Albion line, which is now being constructed. A great many blocks along that route were purchased by country people, and several in my electorate have complained to me in respect of the Railway Department taking their land for the purposes of railway construction. I was administering the Railway Department when the measure authorizing the construction of the line was passed. I believe that the persons who acquired land along the route which the new railway is taking acquired it at a fairly high price from agents who travelled through the country. The purchasers now find that the Railway Department is offering only about half what they paid, and naturally they are indignant, thinking that an injustice has been done. I do not desire to blame any one in this matter. If land declines in value, and the Government decides that it is necessary for the purposes of the railway, that is unfortunate from the point of view of the property-owners. I should like to ask the Minister of Railways to look into the matter, which affects persons in almost every part of Victoria. I have a letter from the Railway Department, and it puts the position in a fair way. It states that the land was not worth the money paid for it; that aeroplane photographs were taken of it, and that the purchasers were guided by the plan which they saw. It was also said that factories would be constructed, and that consequently large numbers of employees would reside in the district. Those representations seem to have been a myth.

Mr. HOGAN.—False representations!

Mr. MACKRELL.—Perhaps so, but many of the purchasers probably over-estimated the prospects of the district.

I have asked some of them to visit the Department personally, and make inquiries. I merely wish to draw the attention of the Government to the matter. I cannot say how it can be remedied, but I think that the Minister ought to inquire into it and make a statement on it, so that the people may know the true position; or he should arrange for them to come to Melbourne and submit their case. Another matter which I wish to mention is that next Tuesday I shall introduce a deputation to the Minister of Public Works on the question of national highways. The particular subject for discussion will be the nationalization of the Alexandra-Healesville road. Some of the shires which are responsible for the upkeep of portions of that road are finding their position unbearable. It is impossible for them to provide sufficient money to pay for maintenance work. I do not know what will be the Ministerial reply to the deputation, but I ask the Government now if it can possibly find some money to warrant the nationalization of this highway. It carries an enormous amount of foreign traffic, and it is that which is chiefly responsible for the wear and tear upon it.

(At 1.2 p.m. the sitting was suspended until 2.5 p.m.)

Mr. BOND (*Port Fairy and Glenelg*).—I propose to speak on only two or three matters this afternoon, and to deal first with the policy and attitude of the State Electricity Commission with respect to its supply of current to country centres. In my opinion, its policy is not one of development. It will undertake to supply electricity only on the basis of that service being profit-making. That policy, however, inflicts hardship on many places in the country. I have in mind two in particular, namely, Koroit and Port Fairy. Applications have been made from both of those towns to the Commission to extend its operations, but the Commission has not seen fit to do so, and, apparently, does not intend to do so until it can be assured, some years hence, that owing to the increase of population of those places its supply of current will pay. The State Electricity Commission has extended its activities as far as Warrnambool. Koroit is 6 miles on from Warrnambool, and Port Fairy is 11 miles from Koroit. Thus, there are two fairly large centres within a short distance of

the Commission's mains, but that body will not extend them. At Koroit there is at present an electric power station. Unfortunately, it will be necessary to make considerable alterations to it within a very short time if it is to give a satisfactory supply to the town. Port Fairy has no electric supply at all, but the borough council and the residents are anxious that electric current should be made available to them. It appears that both of these places, if they are to have electricity, must be content to obtain it from a local source. Each place will have to face heavy expenditure, the one in bringing its power plant up-to-date, and the other in installing a plant. Within a comparatively short period—perhaps five or six years—the population of each town will have grown sufficiently to warrant the Commission in extending its operations. Meanwhile, the borough councils will have established and brought up to date their own plants. But when the Commission takes these over they will be practically useless and will have to be scrapped at a heavy loss to the councils. What would be the position if the Railway Department and the Country Roads Board adopted a similar policy to that of the State Electricity Commission? If the Railway Department, for example, refused to construct a line until it could be assured that it would be payable, many parts of the State would have to do without a railway, and there would be no development. Electric light and power are just as essential for country development as are good roads and railway communication. If the State Electricity Commission is going to be of benefit to the State as a whole, it should show a good deal of foresight and realize that, in the near future, the extension of mains to the centres I have indicated would be a payable proposition. What was the position when the State Electricity Commission first started its operations? Was it a payable proposition? No. The great metropolitan area and many centres adjacent to it were supplied with current at a rate considerably below the cost of production. The taxpayers of this State as a whole had to bear the burden of the loss which was incurred. Why reverse that policy now? If it was sound at the commencement of the Commission's operations—and I say it was—it is just as sound to-day, and it should be continued. People throughout the State had

to bear any losses that were incurred when the Commission first commenced its operations; and why should not that policy be continued now? It would be a sound policy to adopt now, in view of the fact that in delaying the extension of its mains the Commission is going to bring about considerable losses to municipal councils throughout the State. I am not speaking in a parochial way in regard to this particular matter. The policy I am advocating affects centres of population all over the State, and I hope the Minister will take this matter in hand and lay down a definite policy for the Commission. If necessary, the Commission could be recouped from the Treasury for any losses which may be incurred, just as the Railway Department is recouped for losses on non-paying lines. It is a sound policy to adopt in regard to non-paying railway lines, and it would be equally sound so far as the operations of the State Electricity Commission are concerned. The other matter I want to refer to was mentioned by the honorable member for Upper Goulburn. He referred to the Railway Department acquiring land for the Glenroy to Albion railway line. I do not disagree with the policy of the Department in buying land, provided it does so at the present value of the land. That is a sound policy, and the only one which should be followed. There is one aspect of this matter I should like the Government to look into. It is this: it appears that certain blocks of land in the vicinity were sold to private people at a price considerably above their value.

Mr. SLATER.—In that particular case the plan submitted by the agents for the sale of the property was reproduced from a photograph taken in an aeroplane at a low altitude, and it absolutely deceived the purchasers. It was one of the most fraudulent things I have ever heard of.

Mr. BOND.—I understand that is the case. The present position, however, is that the compensation the Railway Department is offering to the owners of the blocks is less than what is still owing to the company which sold the land.

Mr. SLATER.—These transactions provide another argument for tightening up the law regarding real estate agents. What was done in this case should result in the agents' wings being clipped, and the facts should be remembered when application is made for a licence.

Mr. BOND.—There is no doubt it is a reason for tightening up the law relating to estate agents. I want the position investigated. I should like to know if the company can claim all that is still owing to it, or whether what is payable shall be proportionate to the compensation paid by the Railway Department and the amount for which the holders of blocks are still indebted to the company. I do not know exactly what is the legal position, but I believe it may be possible to provide that the amount payable to the vendors of the land will be proportionate to the amount of compensation given to the purchasers by the Railway Department.

Mr. SLATER (Minister of Agriculture).—I wish to refer to the case which was presented with a good deal of force by the honorable member for Caulfield when he dealt with the position of the Victor Plant Food and Gardening Company Proprietary Limited. The honorable member asked for an inquiry by the Government into the prosecution of that company by the Department of Agriculture. Parliament has hitherto endeavoured to protect the producers of this State against the selling of fertilizers that are not up to the prescribed standard. The Fertilizers Act compels manufacturers of fertilizers to register their brands, and those who sell fertilizers have to comply with certain conditions before a renewal of their brands is registered. It is provided that every person who desires to secure the registration of his brand of fertilizers must supply to the Department certain particulars. That is done to enable the Department which polices this Act to assess what is known as the unit-value of the fertilizers. The unit-value is based upon the commercial value of various ingredients that compose the particular fertilizer. As showing the interest which the Department of Agriculture takes in this particular matter, I may refer to what has happened during the last few months. A company registered in South Australia sent some of its agents to Mildura with a view of disposing of a particular brand of fertilizer that it was manufacturing. The company applied to the Director of Agriculture for the registration of the particular brand, and in its application form it had to set out the particular ingredients of the fertilizer. It had also to indicate the selling price. The agricultural chemists of the Department of

Agriculture then had the opportunity of ascertaining the ruling commercial price of the elements to ascertain what the value of the fertilizer really was. Something similar was done in connexion with the company referred to by the honorable member for Caulfield. I do not wish to do that company an injustice. I merely want to indicate, in passing, how seriously we view the question of profiteering in the sale of fertilizers. The chemists' report on the South Australian fertilizers indicated that the selling price of the article was at least three times the commercial value of the ingredients. Availing itself of existing legislation, the Department declined to register the brands of the company which manufactured that fertilizer, and it was accordingly unable to sell any of its fertilizers in Mildura. In view of the fact that it is about this time of the year that applications for renewal of permission to sell fertilizers are made to the Department, it is giving close attention to the matter. The Department has sent circulars to the persons and firms engaged in the business, informing them that it will examine each application carefully, and where there is a material disparity between the commercial value of the constituents and the proposed sale price of the fertilizer, it will consider seriously whether the licence for that particular brand should be renewed. I assure the House that the Government has some apprehension on the question of the prices of fertilizers. The honorable member for Caulfield sounded a note of warning to which the Government and the House should listen, when he stated that the influence of monopoly interests—and one cannot shut one's eyes to the fact that such interests are powerful—should be watched. This influence might easily become a menace to manufacturers and vendors of fertilizers in a small way of business. I would be the last man to allow a small company conducting its business on legitimate lines to be seriously handicapped, and perhaps driven out of business by the influence of a powerful monopoly. I regret that the honorable member for Caulfield did not touch on one important aspect of this question—the declared unit values of fertilizers as prescribed by the chemists of the Department of Agriculture. The honorable member did not suggest that there was any weakness in the prescribed table which the

Mr. Slater.

Department endeavours to make widely known amongst the agricultural community of the State.

Lieut.-Col. FORREST.—It was my intention to deal with that matter, but I had not sufficient time to do so.

Mr. SLATER.—I am sorry that the honorable member did not refer to that aspect, because it is of considerable importance. The Department has introduced an important principle by prescribing the unit values of the various constituents of fertilizers. So far as I can gather, no serious objection has been taken by the organization which represents the manufacturers of fertilizers, the vendors of fertilizers, or the agricultural community to the table of prescribed unit values published by the Department. In view of that fact, I feel that the most serious and most vulnerable portion of the honorable member's attack on the Department has failed. It is necessary, I consider, that I should review, from the departmental aspect, the case of the Victor Plant Food and Gardening Company Proprietary Limited. It is true that this company was proceeded against by the Department in the Dandenong Court recently for breaches of the Fertilizers Act.

Colonel BOURCHIER.—How many prosecutions were there against the company?

Mr. SLATER.—So far as the file discloses, there was only one prosecution.

Lieut.-Col. FORREST.—There was one prosecution, but two charges were made.

Mr. SLATER.—A charge for a breach of the Fertilizers Act was preferred recently at Mildura. I do not know if that case has yet to come before the Court.

Lieut.-Col. FORREST.—Is the Victor Plant Food and Gardening Company Proprietary Limited the only company which has been prosecuted by the Department?

Mr. SLATER.—I cannot answer that question off-hand, because I have been Minister for Agriculture for only a few months.

Mr. HOGAN.—I can answer the question. It is not the only firm which has been prosecuted by the Department. At one time a list of the firms who were prosecuted was published in the *Journal of the Department of Agriculture*, but that practice was dropped. The Government is now taking steps to have it put into operation again.

Mr. SLATER.—I know of cases in which prosecutions have been launched

for technical breaches of the Act, such as failure to label properly, and failure to supply a fertilizer in accordance with the description shown on label. The Department takes a serious view of deliberate breaches of the Act. The honorable member for Caulfield has described the position of the Victor Plant Food and Gardening Company, but the Department's view of the case is somewhat different from that given by him.

Lieut.-Col. FORREST.—My story was supported by statutory declarations.

Mr. SLATER.—I suppose that the Department could secure statutory declarations from the officers who obtained samples of the company's fertilizer, and those who conducted the analysis. Those statutory declarations could be placed before the House with just as much emphasis and force as was used by the honorable member in submitting his declarations. I believe that the departmental officers who were involved in this case are honorable men, and would not make untrue statements

Lieut.-Col. FORREST.—I did not say that they were not honorable mem.

Mr. SLATER.—To be fair to the honorable member, I must say that during his speech he made no suggestion which would impugn the rectitude and honesty of purpose of the departmental officers. They are carrying out their duties in a fair and just manner.

Mr. OLD.—In relation to the case at the Dandenong Court, do you know if more than one sample of fertilizer was analysed?

Mr. SLATER.—I shall read the report of the officer who obtained the sample from the company. The report is dated the 11th of April, 1927, and it was made by Mr. Robertson, deputy chemist and supervising analyst at the laboratory of the Department of Agriculture. The report was addressed to Mr. P. Rankin Scott, the chief chemist. Mr. Robertson stated—

I have the honour to report that having this day, in the company of Mr. Robinson, visited the works of the Victor Plant Food and Gardening Company Proprietary Limited, which are situated in Station-street, Dandenong, for the purpose of inspection under the Fertilizers Act 1915, No. 2652. A sample was withdrawn from a parcel of "Victor Plant Food," in quantity approximately 43 bags (2 tons 3 cwt.).

When sampling this parcel, all the requirements of the Fertilizers Act were fulfilled. The fertilizer was contained in bags containing 1 cwt., and each and every bag had a label affixed similar to the one attached hereto,

which was detached from a bag in the presence of Mr. W. M. Bailey, works manager, whose initials, together with mine, appear on the back of same.

Mr. Bailey, I understand, is a brother of one of the directors of the company.

The sample of fertilizer (Victor Plant Food) is contained in a bottle.

These are the facts about the taking of the sample. The Court was satisfied that it was a sample of a parcel of fertilizer that was available for sale. If there had been any substantial weight in the argument that the firm advanced in the Court and the honorable member for Caulfield advanced in the House—that the fertilizer was there for re-conditioning—then no successful prosecution would have lain against the company. The Court was not satisfied with the evidence submitted that the fertilizer was there for the purposes of re-conditioning. That was the fact decided by the police magistrate himself. Now I come to the question of the analysis. This following report was made by the deputy chemist, and was addressed to the Chemist for Agriculture:—

Herewith I have the honour to submit the result of the analysis of sample No. 1477 (laboratory No. 165/27), Victor Plant Food No. 2, manufactured by the Victor Plant Food and Gardening Company Proprietary Limited, 136 Dandenong-road, Caulfield.

The following tables tabulate the particulars as to guarantee, contents, and values:—

Constituent Estimated.	Official analysis	Robinson's analysis	Calculated on Official Analysis.		
			Real Deficiency.	Actual Deficiency.	Deficiency.
	%	%	%	%	%
Nitrogen as ammonia ..	42	35	+ 38		
Nitrogen as blood and bone ..	2.92	2.79	- 1.04		
Nitrogen total ..	3.34	3.14	- .86	- .16	4
Phosphoric Acid—Water soluble ..	5.33	5.64	- 1.07	- .07	
Phosphoric Acid—Citrate soluble ..	1.31	2.00	- .09		
Phosphoric Acid—Citrate insoluble ..	3.54	2.80	+ 2.74		
Phosphoric Acid—Total ..	10.18	10.44	+ 1.08		
Potash as chloride ..	94	73	- .00		

These are important facts. The guaranteed value per ton is £7 0s. 9d. The commercial value, according to the unit values, is £6 8s. 10d. The price charged was £15 per ton. I am quoting from the actual document of the analyst.

Mr. CAIN.—How does the price compare with that of other manures?

Lieut.-Col. FORREST.—There is the cost of mixing and selling to be considered.

Mr. CAIN.—Compare that cost with the cost of other companies.

Lieut.-Col. FORREST.—It makes all the difference.

Mr. SLATER.—I am not quoting from something that has been specially prepared. It was the report made in regard to the case by the deputy chemist. I shall quote his concluding comment:—

The fertilizer has no extraordinary features, and being hand-mixed is one which could be readily prepared by the farmer at less than half the price.

As the result of the inspection and analysis of the sample withdrawn, the Victor Plant Food and Gardening Company Proprietary Limited are reported for violating section 16 of the Fertilizers Act 1915, No. 2652, in that the sample contains less nitrogen than the amount guaranteed, and such deficiency being greater than the deficiency allowed by the Act.

Lieut.-Col. FORREST.—The contravention of the Act was that there was less nitrogen than there should have been.

Mr. SLATER.—Yes. There was an excess in some of the elements. There is an extraordinary disparity in the commercial prices of these ingredients and the selling price of the fertilizer. A letter appeared in the columns of the *Bendigo Advertiser* attacking the Department of Agriculture for this prosecution. There was a misstatement of the position, and the Department had a reply published. The following is a copy of the comments made in reply to a letter written by W. H. Jex, of Albert-street, Malvern, and printed in that paper in September last:—

The honorable the Minister of Agriculture wishes to correct the erroneous statements made in the letter from Mr. W. H. Jex in the *Bendigo Advertiser* of 26th August, 1927, as this letter does not give the true facts in connexion with the recent prosecution of the Victor Plant Food and Gardening Company for offences under the Fertilizers Act 1915. On the 11th of April two officers of the Department inspected this company's works and took samples from two lots of bagged and labelled fertilizer, Victor plant food No. 1 and Victor plant food No. 2 respectively.

I hope that the honorable member for Caulfield is listening, because this, to some extent, contradicts the statements that he made either through letters or statutory declarations—

Before doing so these officers ascertained who was in charge of the works at the time and took the samples in his presence, and he signed

the samples and received the triplicate sample on behalf of the company.

That, of course, is the procedure prescribed by the law—

Neither the managing director nor any representative of the company informed the Department that the material sampled was in the works for reconditioning. On the contrary, the managing director stated, after receiving copies of analyses, that the material sampled was mixed as usual, according to the usual formula, and he was at a loss to understand how the samples taken could possibly be below guarantee. Contrary to the statement in Mr. Jex's letter, the company failed to prove that the material sampled was in their possession for reconditioning, and the assistant Crown Solicitor did not state that the Fertilizer Act made no provision for the holding of damaged fertilizer. The Police Magistrate decided on the evidence that the fertilizers in question were not at the works for reconditioning. Had the defendants proved this point there would have been no conviction, as the Fertilizers Act expressly exempts material not exposed for sale.

In view of the fact that in both cases the nitrogen as ammonia, the most soluble constituent in the fertilizer, was not low, it is difficult to see how it can be claimed that the material in question was damaged by water. This fact, and the newness and freshness of the labels, were some of the evidence convincing the Police Magistrate that the company's contention was incorrect. Mr. Jex's letter is quite contrary to facts in a number of respects and unless corrected would cause a false impression of the whole case.

The Department was obliged to make that reply because otherwise it would have been placed in an entirely false position. I submit that I have taken a reasonable and impartial view of this case. It did come before me before the proceedings were launched. I was impressed by the honesty and sincerity of the officers of the Department. I have seen nothing in the conduct of these officers to cause me any feeling of doubt in regard to them. In view of that, and feeling that there was justification for the proceedings, I regarded it as only right that the proceedings should go on. It is true, unfortunately, that as a result of those proceedings a particular company has suffered very severely. On the other hand, it must be granted that the first duty of the Government is to protect our primary producers. The honorable member for Caulfield himself expressed that view without qualification. Protection must be given to men who are struggling against great difficulties and adversities. Essential farm requirements must be supplied in a pure state at a reasonable cost. However serious the consequences might be to a particular

company, the Department felt that proceedings should be launched. I submit that no really good purpose can be served by the holding of the inquiry requested by the honorable member for Caulfield. I am not going into the question of the letters that he has received and the letters that the honorable member for Benalla and the honorable member for Korong and Eaglehawk have received.

Lieut.-Col. FORREST.—The company would welcome an inquiry. They are willing to throw open all their books.

Mr. SLATER.—But what would a mere examination of the books of the company show?

Lieut.-Col. FORREST.—The inquiry would not be confined merely to an examination of the books.

Mr. SLATER.—It has not been suggested that this company has indulged in an orgy of profiteering.

Lieut.-Col. FORREST.—Pardon me, but that is the case. The company have been called rogues and vagabonds.

Mr. SLATER.—Not by the Department, at all events. As I have said, there has been a marked disparity between the commercial prices of the essential elements in the fertilizer and the selling price of the fertilizer itself.

Lieut.-Col. FORREST.—We have only the authority of the Department for that statement.

Mr. SLATER.—The honorable member for Caulfield has explained that point to some extent in his reference to the auditor's examination of the books of the company. In fairness to the honorable member, I may say that through his courtesy the company gave me an opportunity of perusing its last balance-sheet. I was struck by one feature of that balance-sheet. It is quite true that the company has not paid what could be termed an extravagant dividend, but the company was certainly paying an extraordinary proportion of its proceeds in commission to its agents. If my memory serves me right, at least half the gross profits of the company were distributed in that way. The honorable member will not dispute the correctness of my statement, that though the company did not pay a dividend of more than 8 per cent., yet close on £5,000 out of a gross profit of £10,000 went in the payment of commission to agents. That did not influence

the prosecution at all. But it has influenced the mind of the Government in regard to the wide distribution of the circular to which I have directed attention. We take a serious view of the question of the disparity between the commercial value of the essential ingredients of fertilizers and the selling price of the fertilizer itself to the community. I have already referred to action taken against a South Australian firm, and I want to take this opportunity of warning others. The Director of Agriculture is empowered to withhold a renewal of brands. Where we find a marked disparity between the commercial value of ingredients and the selling prices of fertilizers, we shall seriously consider the question whether a renewal of certain brands shall be allowed. Some attempt will be made to deal with profiteering in fertilizers.

The DEPUTY SPEAKER (Mr. Solly).—The honorable gentleman's time has expired.

Mr. SLATER.—My statement applies with equal force to the fertilizer monopoly in this State. The whole question of prices and values of superphosphates and fertilizers is being closely examined by the Department of Agriculture. I can speak from the point of view of the producers. For many years I have been obliged to pay fairly high prices for fertilizers. There has for a long time been considerable dispute in the minds of the primary producers of the State as a result of the prices charged for fertilizers. Because of that fact the Government and the Department of Agriculture are seriously and critically going into the whole question of fertilizer prices. For the reasons I have given, I submit that no real advantage could accrue to the particular company that has been referred to by the holding of the inquiry requested by the honorable member for Caulfield.

Lieut.-Col. FORREST.—It would be an act of simple justice to the company.

Mr. SLATER.—But I feel that no injustice has been done. I am not responsible for statements made in the House, but merely for the actions of my Department. I feel that I have justified the action of that Department in launching proceedings in this particular case. I say that there has been no discrimination against the company because it was

a small company. If the defendant had been the most powerful fertilizer interest in Victoria, the same proceedings would have been taken with as much earnestness.

Mr. CLEARY.—You would not insinuate, as the honorable member for Caulfield did, that the honorable members who called attention to this matter were representing the manure combination.

Mr. SLATER.—I hope that the honorable member has not taken such an inference from my remarks.

Mr. CLEARY.—The honorable member for Caulfield made that insinuation.

Mr. SLATER.—I have made no insinuations at all, because I know that the interest taken by honorable members—particularly the honorable member for Korong and Eaglehawk, who raised the question in the House, with the result that the Department launched its inquiry—has certainly been in the direction of an attack on the manure interests of Australia rather than in the direction of representing them.

Mr. LIND (*Gippsland East*).—I regret that it is absolutely necessary for me to complain about the inaction of any of our Departments, but I have a case to present to the Minister of Lands, who controls the Vermin and Noxious Weeds Destruction Branch. I know that that Branch has done its best in most cases to carry out its functions, but there is one case which relates to an area of country in Eastern Gippsland known as the Snowy River frontages. The area extends from Bete Bolong, in the north, through to Marlo, on the coast, and I am thinking more particularly of the area from the Snowy River bridge to Marlo. Growths of blackberries 10 feet and up to, perhaps, 20 feet in height cover the whole of the frontage land. You, Mr. Deputy Speaker, have travelled along those frontage areas and have witnessed what I have described. On both sides of the Snowy River there are tremendous growths of blackberries. Some years ago a very energetic officer of the Vermin and Noxious Weeds Destruction Branch, with the aid of a number of men, cut the whole of the blackberries on that frontage. I understand—and the records will, I think, show that my statement is correct—that that officer was criticized for spending too much money on that particular area. Whether the officer was justified or not is not for me to decide. That is the concern

of the Department and the Minister in charge of it. I want to express my personal opinion that the officer concerned carried out a very fine work, not only for that district, but for the State as a whole. It must be remembered that that area of blackberries was a menace to the whole of the adjoining land-holders. When I say “adjoining land-holders,” I refer not only to the owners of the land, but also to the tenants of a good deal of it.

Mr. BAILEY.—When did the officer do the work which you have mentioned?

Mr. LIND.—Some three years ago, I think. I could give the name of the officer to the Minister. He is still in charge of that district, and that is perhaps sufficient. After the work was carried out and the blackberries had been removed from those miles of frontages, the trouble arose between the officer and the Department. From that time not one hour's work has been done in destroying the blackberries on the frontages. Such neglect has been in evidence for about three or four years. The Vermin and Noxious Weeds Destruction Branch raised the question as to who should be responsible for the destruction of the blackberries, and the then superintendent of the Branch—Mr. Peverill—advised me that the matter had been considered. He said that the Branch had come to the conclusion that the work was the responsibility of the shire council. That was utterly ridiculous. The shire council is controlling its roads in the same way as other shire councils. It was not the function of the council to clear the river frontages of blackberries. When the dispute was in progress, I took the last Minister of Lands—the honorable member for Mornington—to the district. We were accompanied by the Superintendent of Vermin and Noxious Weeds Destruction, Mr. Peverill, and Mr. McIver, the Director of Closer Settlement. An inquiry was held. Representative men met the Minister, who decided that it was not the function of the shire council to destroy the blackberries. Nothing has been done since that time, with the result that the people in that district are alarmed at the spread of the blackberry. We find settlers working their land for the production of maize, beans, and other crops which require very intensive culture. We find also that the blackberries produce sufficient seed not only to smother the adjacent country, but—with the aid

of birds and foxes—to smother the country many miles around. The worst possible place for blackberries and noxious weeds generally to grow is on a river bank, because the stream can carry the seed far afield. I desire to show the Minister how much concerned the people are. The shire council has from time to time made complaints, and generally those complaints have come through me. Complaints have also come from the local branch of the Australian Natives Association, which has taken up the matter very seriously on behalf of the land-holders. Many complaints have also come direct from the land-owners. We are now approaching the season when the blackberry vines will produce their fruit. We have read in the metropolitan press that large sums of money are being expended at the present time on places such as the Dandenong police reserve, where, probably, £1,000 is being applied to eradicate noxious weeds. We know also that the Department is taking steps to destroy these weeds in various other parts of the State, where the land adjoining the affected areas is not being used to the same advantage and profit to the State as the area of country to which I have referred. The people in that district are 230 miles away from the metropolis, and for many years they were 60 miles from a railway system, on country that cost a considerable amount to develop. As you, Mr. Deputy Speaker, know, that jungle country on the river flats in eastern Gippsland cost a tremendous amount to develop, and to-day the settlers' holdings have been cleared. They have carried out to the letter the instructions of the officers representing the Department concerned in regard to the destruction of vermin and noxious weeds on their own properties. They are settled on land that to-day is worth over £100 an acre, for which many are paying very heavy interest charges, and some up to £4 and £5 per acre per year as rent. They find themselves faced with a wall of blackberries on Crown lands just outside their fences. On the one hand, the settlers are being pushed by the inspector—who is only doing his duty, and is doing it fairly and well—to keep down the weeds and vermin on their own holdings. On the other hand, we see these Crown lands on which the blackberry continues to flourish, so providing natural cover for vermin. I do not wish to labour this matter, but will

be content to direct the attention of the Minister of Lands to its seriousness. He administers one branch of the State service, namely, the Water Supply Department, which has failed to protect these same settlers from the inundation of their properties by flood waters at recurring periods. The Department has failed to take steps to remove the islands which have been formed in the river by the accumulation of debris which has been swept down stream. It is not fair to the settlers that they should have to suffer damage and loss owing to the laxity of a Government Department. I feel confident that the Minister of Lands will do something to help them. I do not ask him to render help at some time in the distant future, when further floods have occurred, and when the noxious weeds have been spread still more widely over the country, but to do it now.

Mr. HAYES (Melbourne).—I wish to direct the attention of the Ministers concerned to two matters affecting the welfare of the people of Melbourne. I have been unable to ascertain exactly who is responsible for seeing that firemen are on duty in the various places of entertainment during the hours of performance. There are, in the City of Melbourne, about 40 theatres and other places of amusement, and, from information which has been made available to me, I understand that in few instances are there firemen in attendance during the period in which those places are open to the public. At certain theatres and picture houses, there are firemen on duty during the evening sessions, but not throughout the whole period in which the public is in attendance. At the leading theatres and picture shows, there is only one fireman on duty at a time, and then only during the night performances. A number of the moving picture houses are open from 11 o'clock in the morning until 11 o'clock at night. It is as necessary that there should be thorough safeguards against fire during the morning and afternoon sessions as after 8 p.m. Firemen should be on duty throughout every hour in which these places are open. If there were an outbreak of fire, and no firemen were in attendance to cope with it immediately, it might extend so rapidly as to cause a great calamity. The first thought of the public would be to get out

of the building as quickly as possible. They would not remain behind to attack the blaze. At the Green Mill, off St. Kilda-road, there were, until recently, four firemen on duty. Apparently, however, the people controlling that place of amusement ascertained that it was not compulsory for them to have firemen in attendance there. To-day, I am given to understand, there is no fireman present throughout the hours in which the Green Mill is open. It is a place where a fire is very likely to occur, owing to the nature and material of its construction. I trust that something will be done to provide adequate protection for the public by making it compulsory for firemen to attend all houses of amusement so long as they are open. I believe that the Melbourne City Council has something to do with this matter, but suburban and country theatres and halls must be considered also. I urge the Government to take immediate steps to ensure protection of life. Incidentally, opportunity might be afforded to provide work for a certain number of the unemployed. I have been given to understand that the men engaged in this class of duty are chiefly temporary firemen, and that their duties are by no means of a heavy character. There are plenty of the unemployed who are capable of taking service in the cause of protecting the public from danger by fire at places of amusement.

Mr. COYLE.—You would not suggest that firemen should be on duty in every small country hall?

Mr. HAYES.—If a picture entertainment were being given in a country hall, there would be danger of fire owing to the inflammable character of the films. There might be panic and consequent loss of life in a building in the country just as there might be in the city or suburbs. However, if the Government will take up this matter, it will doubtless consider the question whether places of amusement in the country might not be exempted. The other subject on which I propose to speak has to do with appointments to positions in the Railway Service. I do not blame the Minister of Railways for the situation that has arisen, for I realize that he is not responsible, and has no authority in the matter. The Railways Commissioners, however, look upon the Minister

as one who is prepared to carry out the policy of his party; and, with respect to promotions, that policy is that the senior men in the various branches should be appointed whenever there is a vacancy and they are competent to fill the position. The Department is seething with discontent owing to the practice of the Commissioners of appointing junior employees to fill vacancies in an acting capacity instead of promoting men who are entitled to the positions through seniority, and giving them the salaries attached to the posts to be filled. In the audit branch, particularly, this practice is most seriously apparent. There, practically all the senior positions are held by officers in an acting capacity. This state of affairs was brought under the notice of the Minister of Railways some time ago; but, owing to the fact that the Railways Act prevents him from taking action, nothing has been done. When a position carrying a salary of more than £500 per annum has to be filled, the persons responsible for filling it, instead of promoting a senior man and paying him the salary attached to the position, select a junior, who may have been in the service for only twelve or fourteen years, while there are men working with him who have had 25 to 30 years' service. Juniors so appointed are not actually promoted to fill the position, and do not receive the higher salary, but they are called upon to do the work at the same rate of pay as they have been receiving. The Commissioners are aware that, before making an appointment carrying a salary of more than £500 a year, they must obtain the authority of the Minister. They avoid the necessity for that, as I have pointed out, by filling the vacancy with a junior officer, who, in his acting capacity, continues to draw the same salary as hitherto. This is a serious matter, and should be taken into consideration by the present Government. I understand that, in the audit branch, there are six or seven men at present filling temporary positions at a salary of over £500 a year, and the officer who is at present in charge of that branch has made a recommendation for filling certain positions at lower rates of pay. I made representations to the Minister of Railways, and I received the following

letter in reply. It is rather important, and I shall read the whole of it—

Minister's Office,

Melbourne, 8th September, 1927.

Dear Sir,

Referring to the representations made by you in regard to the claims of Mr. W. A. Daniell, acting special officer, for appointment as audit inspector, I am directed by the Honorable the Minister of Railways to inform you the Railways Commissioners report that, following upon the retirement of Mr. A. E. Mathews, audit inspector, in the Auditor of Receipts Branch, it is proposed to fill the vacancy by the appointment, in an acting capacity, of Mr. A. Sammons, clerk, Class 1, who is in charge of the Statistical Division of that branch. Mr. E. C. Moore, the senior officer, declined to accept the position, and the next senior officer, viz., Mr. Daniell, who has been passed over on previous occasions for the position of audit inspector, is regarded as unsuitable from the point of view of ability and temperament. Mr. Daniell was recently afforded an opportunity of placing his case before the Commissioners, but he was informed that, after carefully reviewing all the facts, and bearing in mind the opinions expressed by the Acting Head of his branch, and two of his predecessors, the Commissioners were satisfied that he was not suitable for the position.

I am, dear sir, yours obediently,

(Sgd.) T. LYNCH, Secretary to the Minister.

T. Hayes, Esq., M.L.A.,

Parliament House, Melbourne.

Mr. Sammons is a junior clerk, and I am contending that senior men should be given the opportunity of proving their ability to fill these positions. That is only a fair request to make. We are told that men have the right to appeal to the Commissioners if they are aggrieved at any appointment which is made, but an appeal to the Commissioners is waste of time. The Commissioners are not likely to turn down the recommendation of the head of the branch. I do not blame the Minister of Railways for the trouble that has arisen, because I know he has nothing to do with the matter until such time as papers are submitted to him for a certificate that certain men are to receive higher rates of pay. All sorts of inducements are held out to people to join the Railway Service, and they are told that they will be able to advance to the top of the ladder. Men who have been 25 and 30 years in the Service, however, find that that is not so. Heads of branches recommend men with a much shorter period of service for promotion, and those who have been a

long time in the Department reach a dead end. I do not say that a man should be promoted merely because of seniority. He should, however, be given an opportunity of showing his ability for the higher position. The most competent officer in the Railway Department today is Mr. Molomby, who joined the Service as a lad, and has worked up to the position of Commissioner. When consideration is being given to the rights of the employees and the public interests, we find that the man who has risen from the ranks in our own Department is a long way superior to any one else. We sometimes import men from abroad to act as Railways Commissioners, but they do not prove so competent as men who have spent all their time in the service in this State. I hope the Minister will see that men are given every opportunity to prove that they are entitled to promotion when vacancies occur. It should not be sufficient for the head of a branch to say "Mr. So-and-so is not competent." The officer should be given an opportunity of proving his competency and the head of the branch should be also able to demonstrate that an officer whose claim he rejects is not competent. I agree with the statement of the Minister that he cannot do anything in these matters just at present, but I hope he will be able to take definite action later. For some time past railway employees have been desiring a Promotions Board to be constituted. So far as I can see, that is the only way to deal satisfactorily with the position I am complaining about. Representations have been made to previous Governments to provide for the appointment of a Promotions Board, but nothing has yet been done. I am hoping that the present Government will be able to do something in that direction. If such a Board is constituted, every employee who is grieved at the decision of the head of the branch will have the right to appeal to it. He will not have to appeal to the Commissioners. I do not know if the object of filling positions by the appointment of men in a temporary capacity at a reduced rate of pay is to effect economies in the Railway Department, but the position is sufficiently serious for the Minister to inquire into the matter, and I hope that I shall get an early reply from him.

Mr. OLD (*Swan Hill*).—I want to refer particularly to a statement made in the *Age* this morning, because it is distinctly misleading. It relates to the unfortunate drought which has been experienced in the north-western part of this State. It is as follows:—

In recent weeks there has been a great deal said and written concerning drought conditions in the northern parts of the State. Alarmist statements were made in the Legislative Assembly regarding portions of the Mallee, one member saying storekeepers could not give settlers any more credit, that stock was starving, and the wheat yield would be poor. Such statements as these have been officially refuted. Commenting on Tuesday on the position, the Minister of Agriculture (Mr. Slater) said although rains in the Mallee districts were patchy, many centres had benefited, and that crop prospects in the centres that had good rain would be considerably enhanced. A correspondent who says he has just travelled through 300 miles from Melbourne to Robinvale, makes statements that 90 per cent. of the crops will not yield seed wheat. From Bendigo northward, he says, the harvest will be almost a total failure. He adds there is practically no grass, and the stock are being turned into the crop to try and save them. He also paints an alarming picture of storekeepers being unable to extend further credit, and of hundreds of settlers, including ex-soldiers, in the direst extremity, many being faced with starvation. . . . Officials of the Agricultural Department discount these stories, saying that the crop prospects are not as bad as those made out by this correspondent. At the same time, they do not take seriously the estimate of a meteorologist of a 40,000,000-bushel harvest.

I have been associated with the Mallee for 45 years. During that time the Mallee has experienced three droughts. It is passing through a drought at present. During recent years' indifferent seasons have been experienced in the Mallee, and the settlers, particularly the soldier settlers on the new or green Mallee areas, now find themselves financially embarrassed. This description certainly applies to the settlers in the Kulwin, Mittyack, Annuello, Piangil, and Kooloonong districts. I am referring only to districts with which I am familiar, and which I have visited during the past few weeks. The settlers in the Annuello district held a meeting some weeks ago to discuss their position. The local storekeepers made it plain that they could not guarantee to supply the settlers with the necessary food. It is not the storekeepers' job to repatriate the soldiers or settle people on the land. At the

same time, the storekeepers have been of material assistance to the Government in tiding settlers over temporary difficulties. The meeting decided to make representations to the Government that certain relief works should be put in hand. To the credit of the Ministry, it must be stated that it accepted almost the whole of the recommendations of the meeting. I realize that the Ministry recognizes that drought conditions do exist in the north-western portion of the State, but I do not think that the seriousness of the position is sufficiently realized, mainly through the action of the metropolitan press, and particularly of the *Age* newspaper, although that paper has not much influence in the country districts.

Mr. MURPHY.—You made a great song about the paragraph which you quoted from to-day's *Age*.

Mr. OLD.—I referred to it because it did not state what was true. That newspaper has local correspondents in the various Mallee districts. If the *Age* obtained reports from those correspondents, I am certain that they would support the statements which I have made in this House and elsewhere regarding the seriousness of affairs in the Mallee. The settlers are greatly concerned about existing conditions in their districts. Last Sunday I attended a meeting of settlers at Kooloonong. Two hundred settlers were present at that meeting, and the statements that were made showed that the position is serious in that district. I intend to attend another meeting of settlers at Mittyack next Sunday. Although there have been decent rains in certain Mallee districts during the last week or two, the areas which have benefited are only isolated patches. Not one-fiftieth of the Mallee area has received sufficient rain. At their meetings the settlers are suggesting that the Government should provide relief to carry them over bad times. The means of relief suggested are the provision of seed wheat, fodder, and manure. Owing to the failure of crops this year and the large proportion of fallowed land on the holdings, the settlers will be able to put in more crop next year than they would do in a normal year, because the land will be in good heart. It is necessary, therefore, that provision should be made for supplying them with ample seed

wheat. An important conference of settlers is to be held at Manangatang on the 24th of this month. I have been deputed by the conveners of the conference to invite the Minister of Lands and the Minister of Agriculture to attend it, hear what the settlers have to say, and then travel through the district, so that they can see for themselves how serious the position is. I have already extended the invitation. I understand that the Minister of Lands has entered into an arrangement to accompany Mr. Amery, the Secretary of State for Dominion Affairs, on a tour through Victoria, and will not be able to visit Manangatang on the 24th. In view of that fact, I strongly urge that another member of the Ministry should attend the conference. There is no doubt that drought conditions do exist in the north-western parts of the State. I can speak from first-hand knowledge regarding the portion of that province within my electorate. In the area north of a line drawn from Swan Hill to Ouyen there will not be sufficient wheat grown to provide seed wheat for next year. The settlers are up against it. Many of them are financially embarrassed. Relief measures must be put in hand promptly if the settlers are to remain in their districts. I understand that instructions have been given by the Government that relief is to be given to settlers, but there has been some delay in issuing instructions to the Closer Settlement Board's district officers. I know that the Board's officer at Kooloonong had not received any instructions on Sunday last, but probably he has received them during this week. I congratulate the Ministry on the action that it has taken, and I ask it to watch the position closely, and extend the fullest assistance to the settlers who are facing adversity.

Mr. BAILEY (Minister of Lands).— I desire to refer to the complaints of the honorable member for Gippsland West that the State Rivers and Water Supply Commission has not paid adequate compensation for land resumed by it for State purposes, and that delays have occurred in arriving at satisfactory settlements with the land-owners affected. In dealing with land-owners for the purpose of acquiring land for the undertaking of public works, the Commission has to be

guided by the provisions of the Water Act of 1915 and the Lands Compensation Act of 1915. In both those Acts is laid down the procedure that a Government Department must adopt in the acquisition of land for public purposes. Section 4 of the Lands Compensation Act 1915 provides—

Subject to the provisions of this Act, it shall be lawful for the Board of Land and Works, its successors, deputies, agents, and workmen, and all other persons by them authorized, to enter into and upon the lands and grounds of any person whatsoever which the Board requires to purchase and take, and to take possession and appropriate the same for the purposes of the execution, construction, completion and extension of the works or undertaking which the Board by the special Act is authorized to carry on, execute, construct, or complete.

Section 245 of the Water Act reads as follows:—

Where any claim for compensation is made by any person against any authority for any land taken or acquired as aforesaid and such person and the authority do not agree on the questions raised by such claim or where any claim for compensation is directed by this or any other Act, or by any regulations made thereunder to be settled under the provision of the Lands Compensation Act 1915, or any corresponding enactment previously in force as modified by and incorporated with this Act, the questions whether any or what compensation shall be made to such person shall be determined by an arbitrator as hereinafter provided.

That means that where the State Rivers and Water Supply Commission decides that certain land is required, it can immediately take possession of it and enter on it for the purpose of carrying out necessary works. There is a provision that the Commission must give the land-owner notice to treat. If he fails to treat, it can take the necessary steps to have the value of the land ascertained. The Act distinctly states that either the State Rivers and Water Supply Commission or the land-owner can take steps to have the value of the land ascertained. It is true that I have received complaints that the Commission has delayed in ascertaining the value of the land taken over. It is the practice of the Commission to try to come to an amicable settlement without having recourse to the provision for arbitration, but if such an agreement cannot be arrived at in a reasonable time, and if the Commission does not take the necessary steps, there is nothing to prevent the owner from doing so. I think that it is the duty of the

Commission to expedite the settlement of the claims of land-owners. I consider that when it enters on land it should not go out of its way to acquire that property below its true value. On the other hand, I do not support the idea of any land-owner trying to get from the State a value that is above the true one. The tendency of land-owners who know that a Government Department requires some of their land is to put in a claim above its reasonable value.

Mr. A. HUGHES (*Hampden*).—The State Rivers and Water Supply Commission offers ridiculous prices for some very dear land.

Mr. COYLE.—That is a counter-blast to the people who ask too much.

Mr. BAILEY.—The Act provides for the contingency where no agreement is arrived at, and makes provision so that either party can take the necessary steps to go to arbitration. I have impressed on the State Rivers and Water Supply Commission the importance of avoiding unnecessary delays. I do not think that a Government Department should go on land, cut it up, put in channels, and unduly delay ascertaining the amount of compensation payable. I can assure the honorable member for Gippsland West that I shall confer with the Commission in respect of his complaints with a view to having them obviated in future. The honorable member for Gippsland East complained about the inactivity of the Lands Department in not taking steps under the Vermin and Noxious Weeds Act to have the blackberry eradicated along the banks of the Snowy River from the bridge to Marlo. The eradication of the blackberry is a serious problem. As the honorable member has pointed out, the blackberry thrives along the river banks and the water distributes the seed on the adjoining land. Birds also carry the seeds to various parts. It is a question of money. Parliament allocates a certain amount to the Lands Department, which places a sum under the jurisdiction of the Superintendent of Vermin and Noxious Weeds Destruction. That sum has to be spent to the best advantage. If Parliament were prepared to give the Department a sum sufficient to enable it to eradicate all the noxious weeds, it would undertake that work. I shall bring the question of the locality referred to by

the honorable member for Gippsland East under the immediate notice of the superintendent and inquire whether we cannot eradicate the blackberry in a reasonable area. I agree with the honorable member's statement that in one year we spend several hundreds of pounds in cutting down the blackberry and then do nothing for some time, during which the pest becomes as bad as it was at the outset. The honorable member for Swan Hill has again referred to the question of relieving the settlers in the Mallee. He has extended an invitation to me to attend a conference at Manangatang. I regret that I shall not be able to go to that gathering, because I have other engagements for the particular day for which it is fixed, but I shall confer with Cabinet with a view to having a representative of the Ministry present. The Government is doing all that is practicable for the purpose of relieving the settlers in the Mallee. I know that some of the settlers are undergoing great hardships, but the Lands Department has sent out instructions that relief is to be given according to a schedule that has been agreed upon. The question that the honorable member has raised in regard to supplying seed and manure to settlers for the following season will receive consideration. I know that in a district where the crops have failed there is always a larger area available for sowing next year. The honorable member may be reassured that nothing will be left undone to assist settlers in the Mallee who require relief and to carry them for a season until they are in a position to look after themselves.

Mr. MCKENZIE (*Wonthaggi*).—I have already brought up the question of the licensing equivalent paid to shires and boroughs, but as I have had no redress I must again bring the matter under the notice of the Chief Secretary. Shires and boroughs are allowed a certain proportion of the amount contributed in connexion with hotel licences, wine licences, and other licences in their particular districts. That is rather a help to the municipalities. Since the Act was brought into being, three or four shires and boroughs have been created. These municipalities suffer an injustice inasmuch as they do not participate in the licensing equivalent. The particular borough that I represent

—Wonthaggi—is comparatively new, and the provisions of the Act have not been extended to it. I urge the Government either to bring in an amending Bill to remove the disability, or to achieve this object by regulation. It is really only a matter of routine, but it is not receiving the attention that it should receive. Everybody will admit the justice of my request. No shire or borough should be cut out of its rightful participation in the licensing equivalent simply because it has come into existence only recently. There is just one other small matter to which I wish to refer. Some of our country trains ought to be speeded up. On the Wonthaggi line it takes four hours to travel a distance of 81 miles. That, of course, is ridiculous. One can leave Wonthaggi by motor car an hour after the train has departed and arrive in Melbourne ahead of the train. The journey can be accomplished in three hours in a decent motor car.

Mr. TUNNECLIFFE.—We shall have to suppress these high rates of speed of motor cars.

Mr. MCKENZIE.—I think the Minister of Railways will agree with me that a train which takes four hours to cover a distance of 81 miles is not travelling at an excessive rate of speed. I am sure the Minister is enjoying the task of administering his Department, as he is meeting with practically no criticism. When a genuine grievance is put before him, he will, I am sure, be only too pleased to take it up.

Mr. WEBBER (Honorary Minister).—The honorable member for Geelong, early in the sitting, brought up that hardy question—the extension of the provisions of the Boilers Inspection Act to the whole of the State. The honorable member has brought the matter under the notice of the House on various occasions. Several attempts have been made to amend the Act with a view to extending its provisions to all parts of the State. The difficulty has been that another place has not seen eye to eye with this House. The honorable member for Waranga, who is acting as Leader of the Opposition in the absence of senior members of the Opposition, will, I hope, make a note of my remarks upon this question. The original Boilers Inspection Act was passed in 1907. In 1911, the provisions of the Act were ex-

tended by Order in Council to saw-mill boilers in shires, and to boilers on railway premises. The legal interpretation placed upon sub-section (2) of section 3 of the Act was that the provisions of the Act, except in part, could not be extended to shires by Order in Council. Therefore, it would be necessary to amend the Act to carry out the wishes of the honorable member for Geelong. In 1912, the Assembly passed an amending Bill providing, among other things, for the extension asked for by the honorable member for Geelong. That measure was defeated in another place. In 1922 Mr. Barnes, who was then Minister of Mines, introduced a short amending Bill with the same object in view. That Bill passed the Assembly, and was defeated in the Council. Shortly stated, the position is that on two or three occasions the Assembly has passed a measure to amend the Boilers Inspection Act, and to extend the provisions of the Act to all parts of the State, and on each occasion the measure has been defeated in another place. However, I shall bring the representations made by the honorable member for Geelong under the notice of the Minister of Mines. His suggestion has my whole-hearted sympathy, because I believe that where human life is at stake and where the limbs of human beings are risked, we should be prepared to make provision for their protection. All boilers should be inspected by competent officers in order that there might be some guarantee that everything is in apple-pie order.

Mr. COYLE.—Is it necessary to inspect boilers in local saw-mills every year?

Mr. WEBBER.—As a matter of fact, the provisions of the Act can be extended to cover boilers in saw-mills at the present time. It is all a question of boundaries. The Boilers Inspection Act is applicable only to cities, towns, and boroughs. Just over a boundary line there may be works, such as the cement works at Fyansford, which were referred to by the honorable member for Geelong, where the boilers are not subject to inspection by officers of the Department. Mr. Barnes, when introducing the Boilers Inspection Bill of 1922, referred to a number of big firms employing 60 men or over that were in no way subject to the provisions of the Act. Among other firms, he mentioned the Australian Tesselated Tile Company, at Mitcham, employing 198 men, the Darley Fire Brick Company at Darley, near Bacchus Marsh, employing 64 men, and

the Camperdown Cheese and Butter Company at Camperdown, employing 66 men. I think that such firms should be brought under the Act. I will bring the matter under the notice of the Minister of Mines, with a recommendation that effect be given to the request of the honorable member for Geelong.

Mr. JEWELL (*Brunswick*).—There is a little matter that I wish to bring under the notice of the Government. Letters from the Departments, and from my constituents, arrive at my place between 10 and 11 o'clock in the morning. Owing to the late delivery of my correspondence, it is impossible for me to attend to it in the way that I desire and that is expected of me. Some time ago I appealed to the Postal Department to expedite the delivery of my letters. My grievance has not been rectified. It will be recollected that, some two or three years ago, the Postal Department compelled householders to place letter-boxes on their gates or fences. We were told that this was done in order to bring about an earlier delivery of letters. It has not had that result. But this is what has happened: In one district where previously three postmen were engaged in the delivery of letters, two of them are now employed. The third has been dismissed. I have no complaint to make against the postmen. They are doing the best they can. My complaint is that, owing to the late delivery of my correspondence, I cannot attend to it in the way that, as the member of an important electorate, I would like. I have no way of letting my electors know the reason for my not attending to their requests with despatch. It is a crying shame that the Commonwealth Government, which has "money to burn," should so stint expenditure in the Postal Department as to make it impossible for letters to be delivered to citizens in the metropolis at a reasonable hour in the morning. I do not know whether it is possible for the State Government to do anything to improve matters, but something should be done. I have made complaints, and the Postal Department promised on one occasion that I would receive my correspondence earlier. I think that the postman was relieved of the work of delivering letters to a small street containing twelve houses, which, of course, made no material difference. I make no complaint about the

postmen themselves. One can go to Bendigo and receive letters there at 8.30 or 9 a.m., but, although I live only 3 miles away from the General Post Office, sometimes I do not receive my letters until 11 or 11.30 a.m. That is a gross injustice to men who have business to do in the city. I wish to let people know why I cannot attend to their letters as quickly as I would wish.

Mr. TUNNECLIFFE (Minister of Railways).—A number of questions have been raised regarding the State Electricity Commission and the Railway Department. There is no time to answer them at length, and as the honorable members concerned are not present in the House, I promise that I will give their representations my attention, and see that answers are supplied.

The motion for the House to go into Committee of Supply was negatived.

PETROL PUMPS BILL.

This Bill was received from the Legislative Council and, on the motion of Mr. WEBBER (Honorary Minister), was read a first time.

The House adjourned at 3.54 p.m., until Tuesday, October 18.

LEGISLATIVE COUNCIL.

Tuesday, October 18, 1927.

The PRESIDENT (Sir Frank Clarke) took the chair at 4.55 p.m., and read the prayer.

CAMPASPE WEIR.

The Hon. J. P. JONES (Minister of Public Works).—By leave, I should like to say that when we were discussing the Consolidated Revenue Bill (No. 4) both Mr. Abbott and Mr. Keck spoke about the Campaspe weir. I promised that I would endeavour to obtain the information which they sought, and I have received the following letter on the subject from the Minister of Water Supply:—

Dear Sir,—

With reference to the statements made by the Hon. R. H. S. Abbott and Hon. H. Keck, M's.L.C., in the House on the 4th of October, in connexion with the subject of repairs to the Campaspe weir, and to your request to be

supplied with replies to the points raised—I wish to advise you as follows:—

On the 2nd of February, 1927, a deputation representing Rochester Shire Council, the Rochester Chamber of Commerce and local settlers, interviewed the late Premier and Minister of Water Supply (Hon. J. Allan) and the Chairman of the Water Commission, and requested that the Campaspe weir be repaired and put in proper order. The deputation was told that the necessary work was estimated to cost £12,000, which would mean an additional expenditure on the part of the Commission of at least £450 annually.

The Commission felt that this additional expenditure should be borne by those benefiting, and suggested that the town water rate (now only 1s. 3d. in the £1, probably one of the lowest in the State) be increased by, say, 4d., and if this was agreed to by the local authority they would have the work carried out.

The Rochester Waterworks Trust, although urged by public meeting to accept the above terms, refused to consent to this proposal.

On the 6th of July, 1927, a deputation introduced by Hon. J. Allan, M.L.A., waited on me to urge that repair works be proceeded with. I informed the deputation that a scheme was then being prepared for the construction of a storage at Eppalock to meet the urgent domestic and stock supply needs of settlers on the west side of the Campaspe river, as well as conserve water to augment the Goulburn system during extremely dry periods and which, if carried out, would more effectively provide all domestic and stock water supply requirements of the area now served by the Campaspe weir, and therefore I considered it unwise to authorize expenditure on repairing this obsolete structure, when the carrying out of the bigger scheme in the near future was contemplated. An amount has now been included in the Loans Application Act to allow of construction being proceeded with at Eppalock, and it is proposed to start the work with as little delay as possible.

With reference also to the Hon. R. H. S. Abbott's remarks, that the State Rivers and Water Supply Commission is dilatory in replying to correspondence, I would like to point out that, in most cases, before that Department can satisfactorily reply to letters, it is necessary to obtain reports from district centres, which may include inspections, surveys, and preparation of estimates directly bearing on the case. However, if the honorable members concerned would acquaint the Water Commission with any specific cases brought under their notice, they will be looked into and an explanation given.

Yours faithfully,

H. S. BAILEY.

Minister of Water Supply.

FORESTS BILL.

The Hon. W. J. BECKETT (Minister of Forests).—I move—

That this Bill be now read a second time.

The measure is one which is designed to amend the Forests Acts, and I claim the

tolerance of honorable members if, before speaking about the terms of the Bill in detail, I give a *résumé* of the operations of the Department. Thus, the amendments contained in the Bill may be the better understood. I regret that it has not been my privilege to submit the Bill first in this House, and to act as sponsor on its initial appearance in Parliament. Owing to the fact that it included money clauses, it had to be introduced in another place, where the Honorary Minister representing me in that Chamber handled the Bill in a masterly way. I should have preferred to hear the opinions of members of this House on the Bill as it was originally brought down, because I think that there is here a better developed forest conscience than there is in another place. I do not say that at all offensively, or in terms of criticism of another place. The fact remains that efforts to amend our forest legislation have been, so to speak, the sport of politics for a considerable number of years. The Act at present in operation was placed on the statute-book in 1918, and although experience has taught the need for amending legislation, no effort in that direction has been successful. That has not been the fault of any particular section in the Legislature. The trouble has arisen because all parties in another place have been too greatly subject to local influences. They have suffered from lack of vision—an inability to take a comprehensive view; and for these reasons local interests have prevailed over the public good. In our native timbers we have a wonderful asset. As a matter of fact, we are better off now as regards forestry than are the other States. We are nearer to the maximum area deemed by experts to be necessary to provide timber resources for future generations. The acreage under forestry in Victoria to-day is about 3,500,000; in New South Wales, there are about 5,500,000 acres; South Australia has only about 202,000 acres; and the proportion in Western Australia and Queensland is very small to the total acreage of each State. Apart from our dedicated forests, we have in Victoria about 850,000 acres set apart as timber reserves. It is a remarkable fact that every member of Parliament who has received the Commission of Minister of Forests has become a forest enthusiast after having viewed the work of

the Department and inspected our great resources. Possibly it would be of value to this State as a whole if members of Parliament in turn were appointed to the post of Minister of Forests. In passing, I may mention that for the purpose of securing the passage of this Bill through another place I called a conference of all the parties represented there. As a matter of fact, two conferences were held, at which there were representatives of the Nationalist party, the Country party, the Country Progressive party, and the Labour party. Only after there had been somewhat strenuous debating at those conferences was the measure eventually passed in the Assembly with amendments. It is not now just what I would have desired to present in this Chamber; but I have developed a state of mind in which I am satisfied with the best I can get, even if it is not the maximum of my desires. If one cannot get what one wants one does well in wanting what one can get. I believe that when the Bill has been explained honorable members will recognize that the Government is seeking to do something which will put an end to an unsatisfactory state of affairs which has prevailed for many years. In the old days, forestry was looked upon neither as a science nor as a practical and useful asset to the State. Round about our old mining centres the whole countryside was denuded of timber. Visitors, when travelling over our railway lines, have remarked on the poor type of our timbers. They have not been aware that the trees that they have seen are not our original forest trees, but are the second, or stool growths from the stumps of the timber that has been destroyed. If only they could get away into our true forest country and see something of our great timber resources, and could be made acquainted with our practical efforts in the direction of reforestation, more especially in respect of softwoods, they would be very agreeably surprised. I have had the privilege recently of meeting Mr. A. J. Gibson, an expert from the Indian Forestry Department, who has been brought out to Australia by the Commonwealth Government to advise on what is necessary to make our timber a better marketable commodity. I was delighted to hear from Mr. Gibson that, as regards natural resources, and the measures

that have been adopted to cope with future shortage of timber supplies, Victoria is the most advanced of the whole of the States. It is gratifying, not merely to me and to my more immediate predecessors, but to the Forests Commission, to realize that the labours of that body have been so favorably reported on by a visiting expert. Like many other individuals, in the old days I regarded our hardwoods as an inferior type of timber, suitable only for scantlings, and, perhaps, for use in the rough framework of buildings. Really, however, we have some of the finest supplies of valuable cabinetmaking timber to be found in any part of the world. If we inspect any of our public buildings, any large hotels in town or country, any of the leading banking premises and city offices, we find splendid examples of the way in which our seasoned hardwoods can be used by cabinetmakers. If we pay due attention to reforestation, our heritage can be not only preserved for future generations, but enlarged and vastly increased in value. I have already mentioned that Victoria, although the smallest of the mainland States, has been endowed with a wonderful natural timber supply. It is true, unfortunately, that in many parts of this country the native timber has been done away with. The country has been denuded of timber so that it might be devoted to agriculture. After all, it is a prime essential that we should provide ample land on which to grow our own food supplies. It is sound policy, at the same time, to reserve areas, however valuable they may be for closer settlement or grazing purposes, so that they shall be dedicated for all time to produce the timber resources of posterity. I do not suppose that in any country are the timber resources so diversified as is the case in Victoria. In most lands there is one particular timber which is practically common to and typical of the whole of the territory. In Victoria, however, owing to the range of our climate and the marked variation of our soil and rainfall, we have a greater variety of timber than is to be found elsewhere; but, unhappily, in those parts of the State in which timber supplies are most urgently required, there is a marked shortage. No portion of Victoria is so sparsely afforested as are our Mallee areas. Yet it is necessary, for the preservation of those wheat lands,

that there should be wind breaks. If the Mallee were entirely bare of trees, the whole of it might become eventually a vast sand drift. With closer settlement, there is a great need of timber for fencing purposes. Much more should be done in the Mallee in the direction of fencing, if the settlers are to become prosperous. The Mallee areas should be divided into smaller paddocks than are to be found there generally. There should be a greater extent of mixed farming. There should be sheep paddocks as well as wheat-fields. Thus, there is a considerable need of timber for fencing purpose, as well as for homesteads and outbuildings. Yet the only reserve that I know of in the Mallee is not a forest reserve at all. We need to develop a forest conscience among our people and among our public servants. We should put an end to the friction that has existed between the Lands and the Forests Departments. From time immemorial, apparently, there has been trouble between those two branches of the Public Service. The Forests Department has been ever eager to add to the forest reservations of the State, while the Lands Department has sought always to make available for settlement purposes practically every suitable acre. This Bill makes provision for exchanges of areas at present under the control of those two Departments. There is plenty of forest land to-day that might be better devoted to closer settlement purposes. There are areas in different parts of the State which might well be handed over to the Forests Department for reafforestation purposes. In reafforestation, excellent work has been done already. Those who knew the Creswick district, for example, 20 to 25 years ago, will recall that that country was then naked and hungry. Nothing but waste was left behind by the alluvial miners. To-day it is a pleasant picture to look upon. That is where the Forests Commission have done wonderful work in planting *pinus insignis*. I say that advisedly. To-day we have 10,500 acres under softwood timber. In those particular localities the character of the soil lends itself only to the growth of an inferior class of timber. However, we are making progress. It has been decided—the Forests Commission are with me in this matter—that in other parts of Victoria, say, at Mount Macedon and the Beech Forest district, as well as

in the Ovens Valley, an attempt shall be made on a large scale to provide timber for posterity. In conversation this morning, Mr. Gibson, the Indian expert, spoke approvingly of the growth of the Douglas fir on Mount Macedon. He referred to the splendid specimens of that timber he had seen there, and expressed the desire that more of this variety should be grown in Victoria. I quite agree with him. There is no building timber in the world that is quite on the same plane as the Douglas fir. It is the building timber of the world. In Victoria we have the correct altitude and the necessary rainfall to allow that timber to be grown to advantage. But there is this difficulty: the Douglas fir is rather a slow-growing tree. That is to say, if areas are planted with this timber, you cannot reap your harvest, as it were, in less than from 80 to 100 years. That is why we find the timber companies, who are exploiting the public, looking around for a cheaper or flashier kind of timber that will appeal more to the imagination. That is why I deprecate the planting by the Forests Commission of any part of Victoria with inferior timber where a superior class of timber can be grown, because, after all, we can afford to look ahead. We have not put out any prospectus showing what we intend to do in the next 20 or 25 years. With the resources available to the Forests Commission, we can afford to plant large areas with superior timbers for the benefit of our children and our children's children in years to come. We shall then be able to say, "A forest conscience has been developed in Victoria." We have provided for the future." Of course, much is dependent upon finance. I do not know how my predecessors in office regarded this particular aspect of the question. But the finances of the Forests Department are somewhat peculiar and complicated. My immediate predecessor is in the chamber. I do not know whether he or any previous Minister of Forests, ever tried to get a grip of the finances. As a matter of fact, although I have not yet formed a well-considered opinion, still I am satisfied that an amendment in this direction will have to be made. In the first place, we have a loan fund extending

over a term of years, of £500,000, to be spent at the rate of £100,000 per annum. Out of this special fund, various schemes are being developed. Out of the fund men are paid, and expenses in connexion with the building of tramways and reforestation are met. Then we have a sum of money that is voted by Parliament for the expenses of the Forests Commission, including payment of officers and also for purposes of afforestation. Then again, we have another complication. Parliament in its wisdom laid it down that each and every year the Treasury should pay in to what is termed the Forestry Fund, a sum of £40,000 to ensure a continuity of policy as regards future developments. After all, as I have pointed out, when preparations have been made, it is necessary to sit back and wait for the harvest. Many years must elapse before the harvest can be reaped. That is to say, if we started planting to-day on a rotary system, we should in 50 years' time start to reap our harvest of well-developed timber and retain practically the same amount of acreage as we had formerly.

The Hon. H. F. RICHARDSON.—We should get a harvest before 50 years.

The Hon. W. J. BECKETT.—I am referring to the average period required to mature our hardwood timbers. As a matter of fact, hardwood requires more than 50 years to become a good milling timber. The slower the growth, the better the class of timber. In connexion with that fund there is another bookkeeping entry. Here are three funds out of which men are paid. There are three separate sets of bookkeeping. The Forests Commission receives a statutory sum of £40,000 per annum. It receives that whether revenue is collected or not. That is paid into the Forestry Fund. But in addition to the £40,000 the Commission collects more than £30,000 in revenue each year. Half of the excess revenue over £30,000 is also credited by the Treasury to the Forestry Fund. It would take an accountant of more than average ability to understand the balance-sheet of the Forests Department. Still the position is sound, but Parliament is entitled to know just what the financial position of each Department is. Various

questions were asked in connexion with this aspect of the Department in another Chamber. Unfortunately, the figures that were desired were not available. One honorable member stated that the Forests Department had an enormous revenue, and therefore should pay out of its corporate funds in a certain direction to certain shires. I cannot go into details. The assumption, of course, was that the Department is getting much more revenue than is used for the purposes of the Department. I should like to place on record figures in relation to the Department for the last year. I shall give approximate figures only. The gross expenditure for the year was £320,217, the gross revenue was £156,699, leaving a deficit on the year's operations of £163,518. Owing to accumulations in the past, the Department last year was enabled out of loan money to spend £152,345, practically all on reforestation; that is to say, on increasing the value of the forestry asset, which, of course, is not yet available for the purposes of exploitation. That left a deficit on the workings of the Department for the year of £11,273. We find, however, that there is more to-day in the Forestry Fund than there was twelve months ago. Twelve months ago there was in the Forestry Fund £33,723. To-day we have in that fund £40,055; therefore, we are £6,332 better off. That leaves a debit balance for the year of £4,941. To that, from a bookkeeping point of view, should be added interest at 5½ per cent., with 1 per cent. sinking fund on our loan expenditure of the year. I say 1 per cent. advisedly, because, as I previously stated, we harvest our hardwoods once in 50 years, approximately speaking. There is a 50 years' term between planting and harvesting. I think with our better type of hardwoods we shall be very fortunate to get a harvest in 50 years. Therefore, on a sound system of bookkeeping the Department, although a big spending Department, was in debit last year to the amount of £14,691 only. I mention these figures because attempts have been made from time to time by shire councils and others to insist upon the Forests Department paying out of its revenue moneys for various purposes, the impression being that the Forests Department was a big

revenue-producing Department. To-day we are not reaping the just reward of the labours of the Department. We are adding to our assets, or commercializing our reserves for the future. We are spending money to-day with a view to reaping a harvest in the future, and though we show a deficit of nearly £15,000 on the workings of the Department this year, yet in years to come, when we reap the benefits of our expenditure, instead of there being a drain on the community, we shall have not only a very valuable asset, but also a revenue-producing asset. In this connexion I desire to put forward another phase of the working of the Forests Department. I should very much like to see included in the Bill a clause for the dedication of another 1,000,000 acres of forests, because I am satisfied that if we want to conserve our water catchments, we must necessarily have forest timber on the catchment areas. It is quite true, and all scientists are agreed upon the point, that the amount of forest timber itself is of little or no moment in so far as it affects the rainfall. That is to say, the forest does not attract rain. But if we denude our catchment areas of forest timber we expose them to water erosion and wind erosion. We find this to be the case with our great Hume reservoir to-day. The catchment is almost denuded of timber. Therefore, the water that is to come down will come down almost at once. We have there to-day one of the largest catchments of water we have ever had, because we have had this year a deeper snowfall than Victoria has ever seen. Even to-day there are enormous snowdrifts awaiting the warm rains to bring down the water into our catchment areas.

The Hon. H. КЕСК.—This weather will bring the water from the snow down.

The Hon. W. J. BECKETT.—That is quite true. But all this water is coming down at once. If in these catchment areas we had a sufficient canopy formed by vegetable growth it would not only act the part of a cooler to the earth itself, but prevent water and wind erosion, and also, as the result of falling leaves and boughs, and that sort of thing, and the humus associated with forests, we should have a natural sponge which would soak up water and conserve it for

many months. That is to say, instead of the water flowing down to the river within a few weeks, a certain proportion in passing through the catchment area would be conserved, and all summer there would be little springs and rivulets trickling through. I should like something to be done in the direction of placing the great Hume watershed in the hands of the Forests Commission. It would not matter much what type of timber was planted in the catchment area so long as it preserved our water supply.

The Hon. E. L. KIERNAN.—Do you suggest that that should be done in connexion with the Melbourne and Metropolitan Board of Works catchment areas?

The Hon. W. J. BECKETT.—If the honorable member had waited a moment he would have heard me refer to that aspect of the question. The metropolis of this State has the finest watersheds of any great city in the world. It gets its supply of water from two distinct catchment areas, and in this way there is almost an insurance against complete scarcity. It invariably happens that if there is a scarcity of rain in one watershed there is a bountiful fall in the other. During the current season the rainfall in the Yan Yean catchment area has not been nearly so great as usual. It has been very freely stated that the cause of this decrease in the rainfall is the fact that the country has been denuded of timber. Such, however, is not the case, though the fact remains that the rainfall has not been nearly so great in the Yan Yean catchment area as usual. I am delighted to know that the Melbourne and Metropolitan Board of Works, which I candidly admit has done good work in the past, has at last been aroused to the fact that its duty comprises something more than the mere collection of water. If one visits the Yan Yean catchment area, together with the areas supplying Toorourong and Wallaby Creek reservoirs, it will be found that there are thousands of acres of splendid country absolutely denuded of timber. No effort has been made to replant that area for the last 35 years.

The Hon. H. I. COHEN.—Is there a reservoir at Wallaby Creek?

The Hon. W. J. BECKETT.—Yes.

The Hon. H. H. SMITH.—Was not a lot of timber cut down by the order of the Government?

The Hon. W. J. BECKETT.—I do not know by whose order the timber was cut down, but I understand that an area of land was purchased by the Board, and it is possible that the timber was cut down by the private owners. The point I want to make, however, just now is that the Melbourne and Metropolitan Board of Works recognizes how necessary it is to have timber on its catchment areas. As I have just said, however, no attempt has been made for 35 years to reforest any of the areas under its control.

The Hon. H. H. SMITH.—The Board has done good work.

The Hon. W. J. BECKETT.—I do not deny that, but it has failed in the most important duty of preserving timber on the catchment areas. The second catchment area of which the Board makes use for the metropolitan supply has had one of the best rainfalls this year it has had for many years. From the Maroondah reservoir, at Healesville, hundreds of thousands of gallons of water are running to waste, forming a perfect Niagara over the by-wash. This water is running to waste because no effort has apparently been made to conserve it in any other place or direct it to other channels. At the present time there is a certain amount of press propaganda for the permanent reservation to the Melbourne and Metropolitan Board of Works of a large section of forest reserves.

The Hon. E. L. KIERNAN.—Hear, hear!

The Hon. W. J. BECKETT.—My colleague says "hear, hear," but I do not know if he will do so if he waits until I have said what I am going to. I want to point out that the 90,000 acres which it is suggested should be placed under the control of the Melbourne and Metropolitan Board of Works contains 80 per cent. of the mountain ash supplies of this State. Mountain ash is one of the finest hardwoods in the world, and if we could only land it on the London market—

AN HONORABLE MEMBER.—Seasoned?

The Hon. W. J. BECKETT.—No, not seasoned. The London market does not want seasoned timber, because the buyers season it in their own way. If the timber were seasoned in Australia the buyers in London would still put it through their own process, and greatly increased expense would be incurred.

The Hon. H. KEEK.—Have we plenty of that timber for our own requirements?

The Hon. W. J. BECKETT.—We have an exportable surplus, and we want only organized handling on the London market to secure a demand for all that we can export. Honorable members may know that there is considerable waste in the use of this timber locally, whereas on the London market, with the new method of parquet flooring, there is practically no waste. Pieces of timber 1 foot long, 4 inches wide, and $\frac{5}{8}$ of an inch thick are used for this particular kind of flooring, and so there is practically no waste. I have tried to look at this matter from an unbiased point of view. I recognize that it is necessary to properly maintain our catchment areas, and I have found that in all parts of the world forestry and water catchment go hand in hand. They are not necessarily opposed to each other.

The Hon. E. L. KIERNAN.—The Water Commission at Ballarat goes in for forestry.

The Hon. W. J. BECKETT.—The honorable member who has interjected will be able to make his own speech on this Bill. I do not want to be drawn away from the thread of my argument. The point I want to make is that in all countries water supply for domestic purposes and forestry go hand in hand. It is obvious that denuding the face of the country of the timber is wrong. That is generally admitted, but still arrangements could be made to take from 60 to 75 per cent. of the timber from a catchment area and use it for suitable purposes. The point I wish to make is that this vast area can be milled and yet retained for the purposes of reforestation. As a matter of fact, the growth from the stumps of trees will, in the course of ten years, reforest the country. It is not a good plan to allow trees to remain too long. The timber becomes over-matured, and disease affects the trees. It is possible that diseases would spread right throughout a forest. Therefore, speaking as a layman, I have no hesitation in saying that we can utilize our splendid resources of mountain ash, and at the same time adequately provide for the future water supply of this great city. In this I am supported by eminent authorities. I do not propose to refer just now to the splendid report and the evidence given by Mr.

Lane Poole, the Commonwealth Director of Forestry, recently submitted to the Royal Commission on the Commonwealth Constitution. Mr. McNamara is a member of that Commission, and I have no doubt that he will agree with me that the evidence given by that gentleman points to the conclusion that water conservation and forestry should go hand in hand. Mr. Gibson, the Indian expert, entirely supports that view. I am only mentioning these facts because there is a certain propaganda today which aims at depriving Victoria of this great national asset without effecting any useful purpose. I will now proceed to deal with the Bill.

The Hon. H. I. COHEN.—What you have been saying is merely the preamble.

The Hon. W. J. BECKETT.—The honorable member who has just interjected will agree with me that this is one of the most important measures ever placed before Parliament. He will recognize how necessary it is, by propaganda in various ways, to arouse a forest conscience in the people of this State.

The Hon. H. I. COHEN.—Whatever I may have thought before, I cannot help thinking that now.

The Hon. W. J. BECKETT.—Interesting reports have been received from time to time from New Zealand with regard to the development of forests. It is from that Dominion that we get the absurd statement that a person can obtain £500 from an expenditure of £25. It is suggested that that is possible in the future. Yet, strange to say, the New Zealand Government apparently does not confirm the view of the New Zealand Perpetual Forests Limited in that regard. I want now to quote from a report which appeared in the *Argus* relating to forest operations in New Zealand:—

Altogether the Dominion has spent £236,000 in the planting of new areas, and the protection and improvement of natural forests. The policy of establishing softwood forests has become permanent. Thirty years have been given to experiment, and the Forest Service is now concentrating on the planting of *ponderosa* and Corsican pines, the Douglas fir, *macrocarpa*, Lawson cypress, and western red cedar. These trees have been found most suitable to the climate and soil, and are of the highest economic value.

There is not a word in that statement about the growth in New Zealand of *pinus insignis*. The Government there, with its

wonderful climate, is going in for more valuable timber of the softwood variety.

The Hon. E. L. KIERNAN.—No one advocates that *pinus insignis* should be grown on good soil.

The Hon. W. J. BECKETT.—Some people may have taken up that attitude, but I think *pinus insignis* has been planted in areas in the Ovens Valley, and elsewhere, which are adapted to the growth of a better timber. I will now proceed to deal with the various clauses of the Bill.

The Hon. G. M. DAVIS.—The honorable gentleman is making a most interesting speech.

The Hon. W. J. BECKETT.—I thank the honorable member. The first clause I need refer to is clause 2. At the present time there is no legal power to make exchange of any lands, within forest reserves, which may be considered suitable for settlement for other unreserved Crown lands. It is eminently desirable, and those who have preceded me in the control of the Forests Department agree with me, that there should be power to make exchanges. Honorable members will see that a time limit is placed upon the power to make exchanges. We think that three years is ample time within which the Forests Commission and the Lands Department can come together to effect the necessary exchanges of land. If the scheme proves to be a success, it will be a simple matter for Parliament to extend the time. Ample safeguards are provided to secure the interests of settlement and of forestry, and provision is made that there must be certificates from the Board of Land and Works and the Forests Commission that the proposed exchange is desirable in public interests. Sub-clause (3) of this clause is a machinery clause, setting forth formal steps for the deforesting of forest land fit for settlement and the dedication as forest of other Crown lands accepted by the Commission in exchange. Clause 3 deals with a section of the principal Act providing for the purchase of land for forest purposes. It has been found that the present limited amount of £2,000 is altogether inadequate. Land may be placed at the disposal of the Forests Commission ranging from £10 to £15 per acre, and it can be purchased under this clause. It may be necessary to purchase such land to round off a forest, or re-plant a particular area. It is necessary

that there should be an elastic provision for the Commission to purchase land from time to time. The amount which can be expended is increased from £2,000 to not more than £15,000. Clause 4 makes provision for increasing the area for saw-milling leases. At the present time the maximum area is 3,000 acres, and it is proposed to increase it to 7,000 acres. It must be recognized that these leases are negotiable instruments, and it is desirable that the area which saw-millers can occupy should be increased. This provision will enable larger areas in Eastern Gippsland and the extreme north-eastern part of the State, where considerable capital will be required by companies, to be allotted under lease. Members of another place in their wisdom asked for the area to be extended, and the clause I am now dealing with provides for an extension from 3,000 acres to 7,000 acres. Clause 5 provides power to increase the maximum term for which licences may be granted for saw-mill areas or for grazing purposes. This extension is considered necessary to enable the Commission to meet the wishes of stock-owners who occupy areas under grazing licences. Considerable pressure is exerted by these licensees in order to obtain a longer tenancy than one year. The Government obtains considerable revenue from the fees paid by the licensees. It must be recognized that a considerable number of them are decent men, and they desire to run their stock on the grazing areas in the forests. This clause will give the Commission power to increase the term of the licences of the graziers on whom it can depend, and they will thereby have security of tenure for three years.

The Hon. H. KECK.—The stock run on the grazing areas eat the young seedlings.

The Hon. W. J. BECKETT.—When the Commission thinks that it is necessary to protect the seedlings it keeps stock off the areas until the seedlings reach maturity. Clause 6 provides for an extension of the dangerous period during which restrictions may be placed on the lighting of fires in forests. This power is absolutely necessary to protect the forests because of our changing seasons. The dry seasons vary from year to year. Sometimes the weather is hot and dry in the latter part of October, and there is a large amount of inflammable herbage and scrub in the forests. The period during which restrictions may be imposed is from

October to March. If a dry season is experienced, early precautions could be taken under this clause from October to April, and even part of May. Sub-clause (2) provides that the restrictions may be varied in different parts of the State, in accordance with the climatic conditions. In sub-clauses (3) and (4), power is given to forest officers and members of the Police Force to arrest persons offending against this clause, whose names and addresses are not known. Sub-clause (4) also compels owners of private land within 2 miles of reserved forest areas to extinguish fires in dangerously hot weather on their land when required to do so by a forest officer. This safeguard is essential for the protection of forest reserves, because many owners of land adjacent to forest reserves allow fires to burn without check. With a change of wind and dry scrub or herbage in the vicinity these fires endanger and frequently greatly injure forest reserves. The power given under the sub-clause is necessary, in view of the abnormally disastrous fires, which have been known to travel in some cases at least 5 miles from forest reserves. The provisions in the Forests Acts in this respect are very drastic. It is provided that no fires shall be lit in the open air within half-a-mile of a forest area. As a result of the conferences to which I have referred, it is proposed that the provisions of this clause relating to the extinguishing of fires shall apply to private land within 2 miles of a forest boundary. I consented reluctantly to that limitation. In framing this clause the Government had to look back 20 months to the time when disastrous bush fires occurred in different parts of Victoria. Those fires showed the necessity of tightening up the provisions of the Forests Acts in order to prevent a recurrence of that catastrophe. The fires in February, 1926, to which I refer, caused the deaths of 31 persons and the destruction of an enormous amount of stock and property. In the fighting of bush fires we have a valuable adjunct in the volunteer fire brigades in the country. The Government realizes that, and proposes that these volunteer corps shall be properly equipped with fire-fighting appliances so that they may be able to render valuable aid in checking fires. Mr. Gullett, M.H.R., made a pro-

posal recently that a bush fire-fighting corps should be established in Melbourne for operation within 50 miles of the metropolis. I welcomed his suggestion, and regretted that my engagements prevented me attending the meeting which was organized by the Lord Mayor for the purpose of arousing public interest in the movement. A valuable organization has now been formed, and the Forests Commission is assisting it by placing rooms at the disposal of the leaders for meetings, and providing an officer to act as secretary to the corps. The members of this corps will be ready to rush to a fire when the outbreak occurs. They will be transported to the scene of a fire in motor cars belonging to members of the Royal Automobile Club of Victoria. It is hoped that, with the aid of this corps, and the efforts of the local people, bush fires within 50 miles of Melbourne which threaten widespread disaster, will be quickly checked. Sub-clause (1) of clause 7 gives power to declare "proclaimed periods" and "proclaimed areas" when and where there is serious danger from fires. Sub-clause (2) of the same clause defines what "proclaimed area" may include; and sub-clause (3) prohibits the lighting of fires in the open in proclaimed areas, except in prescribed positions. Sub-clause (4) is a provision which was inserted by another place. I agree with it. It is not the desire of the Government nor the Commission to hamper any industry. Charcoal-burning is carried on in forests in some parts of the State. Representatives of the charcoal-burners waited on me, and I gave them an assurance that, so long as I was Minister of Forests, their industry would not be interfered with. I stated that I would not be Minister of Forests always, and they, realizing that, stated that they would like provision included in the Bill which would guarantee the necessary protection for their industry. Sub-clause (4), therefore, provides that the provisions of clause 7 shall not apply to charcoal-burning in properly constructed resorts on private property where necessary precautions against spread of fire have been taken within the prescribed distance set forth in the clause. Clause 8 is a formal amending clause affecting section 36 of the principal Act. It deals with the deposit of maps showing chainage in forest boundaries. Provision is included

in clause 9 for returns to be made by saw-millers and others of all timber cut. The information is required for statistical purposes. This clause is similar to the provision in the Statistics Act 1915 (No. 2730). The Forests Commission must of necessity know at all times the whole of the forest resources of Victoria. Clause 10 empowers the Commission to appoint certain forest officers to dispose of forest produce from any particular area without having obtained an auctioneer's licence. A similar provision is in the forest legislation of Western Australia, Tasmania, and Queensland. By clause 11 power is given to a forest officer other than the forest officer informant to prosecute in court. A similar provision is included in the Game Act in relation to officers of the Department administering that Act. Clause 12 provides for entry by officers of the Commission at reasonable times for making inspections in connexion with fire-prevention, and the spread of destructive pests such as timber-borers, tree parasites, &c. This power of entry into or upon any building or land is held by municipalities and other Government Departments. Some difference of opinion was expressed in respect of this matter at the conferences to which I have referred. It was then explained that this provision was necessary for the protection of private land as well as State forests. I understand that in Mornington the old timber on a thickly-timbered area should be destroyed because it is a source of danger and infection to adjacent timber. There is a great necessity for the periodical inspection of private forest reserves, in order to prevent the spread of forest pests. Clause 13 extends the meaning of "forest produce" by adding the words "oil distilled from eucalyptus" to the interpretation section of the Forests Act 1918. During recent years there has been a great development in the production of eucalyptus oil. The Forests Commission is assisting this industry by means of experimental stills and in other ways, and is endeavouring to obtain a suitable price for the producers of the oil. If the industry was organized properly, those engaged in it would obtain any price in reason for eucalyptus oil, because Victoria produces approximately 85 per cent. of the eucalyptus extract produced in the world. There is a steady demand in Europe and the

United States of America for our eucalyptus oil. I have endeavoured to persuade the producers to form a Pool. That is not practicable at the present moment, but the Forests Commission, as far as it is able, is endeavouring to assist those who are utilizing waste forest produce in the making of this valuable commodity. Clause 14 protects the rights of officers appointed as Commissioners. I shall explain the clause more fully in Committee. Clause 15 gives the Commission power to purchase and operate forest tramways. The next clause is purely formal; and clause 17 adds to the Commission's existing powers to construct tramways into forest reserves and grant permits for use thereof. Clause 18 provides for the proper construction and maintenance of all forest tramways. It is a very necessary provision to guard against accidents to persons and animals engaged on such lines. It provides for the drawing up of time-tables for the running of tramways, which is necessary when a number of millers are transporting produce over a single line. It also gives power to the Commission for the fixing of running rates or freight charges which are considered fair and reasonable to both owner and user of the tram-line. Clause 19 makes clear the provisions of section 32 of the Forests Act 1918 governing the expenditure of moneys to be annually applied to the Forestry Fund. The fund may be used for any of the special purposes mentioned in sections 15 and 16 of the Forests Act 1918. For example, the cost of exhibiting forest products at an All-Australian Exhibition, which is done for the development of forestry, cannot legally be charged to the Forestry Fund under the present wording of section 32. Clause 20 repeats forest legislation already in force dealing with older sections of the Land Acts. It empowers the Commission to report and deal with illegal ring-barking of timber on Crown land held under grazing licences. It is desired to make the law clearer on this point in regard to the grazing licences for a term of years which are issued now instead of the "grazing area leases." The Lands Department has approved of this clause. At present these grazing licences are not under proper control. Instead of using the land for the only thing for which the licences provide—that is, grazing—licensees ringbark the trees and destroy valuable growing timber for the

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purpose of obtaining grass in a subsequent season. It naturally follows that the Commission should have some authority, so that a person who obtains a grazing licence may be prevented from ring-barking the growing timber.

The Hon. F. W. BROWN.—Have people been allowed to do that?

The Hon. W. J. BECKETT.—A lot of ringbarking has been done. Clause 21 is a most important provision. It provides for trees for State school plantations and for the application of the Forestry Fund towards meeting the cost of establishing such plantations. Power is also given to municipal councils to pay moneys for purposes of plantations. This is a new provision. We desire, as far as possible, to inculcate a forest conscience, and to do so we must start with the children so that, as they grow up to manhood and womanhood, they will recognize the beauties of our forest timbers and take some personal interest in them. I am delighted to know that already school committees are working in this direction. In a dry area, such as Ouyen, last year, when the rainfall was only 4 inches, over a stretch of 2 acres the school children planted out sugar gums supplied by our Department, and they claim that they have not lost 1 per cent. of the seedlings. As the children grow up the timber will grow with them, and, even if never more than those 2 acres are planted, they will be able to point to the beautiful trees which were planted by them when they were children. The success achieved, in my opinion, is due to the voluntary and enthusiastic labour of the children who put such tilth into the soil that the seedlings have been able to resist the drought of the last few months, and are now splendidly healthy specimens. I hope that the whole of them will grow to maturity.

The Hon. H. KECK.—Is that at Mildura?

The Hon. W. J. BECKETT.—No; at Ouyen. So far as the Mallee is concerned, the success that has been obtained in connexion with the growth of timber in that part of Victoria, with its limited rainfall, has been remarkable. In one section there the sugar gums planted about ten or twelve years ago show splendid growth to-day.

Foresters from other parts of the world cannot understand how we can get such splendid growth with such a limited rainfall as there is. It appears that that class of timber is particularly adapted for growing in that climate with its limited rainfall.

The Hon. G. M. DAVIS.—Is the timber of commercial value?

The Hon. W. J. BECKETT.—All timber is of commercial value; it may not, however, have very good milling value. Trees of the kind to which I have referred supply good poles, and good timber for rails and fencing, and that kind of thing. Round about Mildura an immense amount of rough timber is used. Any one who has been to the new settlement at Redcliffs, and who has seen the stretchers and paraphernalia used for trellising the vines, must realize that we must supply an adequate amount of timber for the growers. We are using there the Murray pine, one of the finest woods in the world for the purpose. It is one of the few softwoods not liable to be attacked by borers, and that is one of the reasons why I am so keenly desirous of preserving all the Murray pine growing in the Mallee. Clause 22 is a machinery clause, and clause 23 adapts from existing legislation dealing with plant and vegetable pests, provision to enable diseased trees, plants, &c., growing on public and private lands to be controlled and effectively dealt with, and also timber badly diseased or affected with destructive pests in any place whatsoever within the State. It also provides for the removal and eradication of disease caused by vegetable or timber parasites or fungoid or insect diseases in timber imported to the State. I think I have given the House a very fair *résumé* of the objects, first of all, of the Forests Department, and next of the Bill. I have given some indication that by passing the Bill in its present form we can not only add to the resources of Victoria, but strengthen the hands of the Forests Commission in preserving for future generations our forest heritage. I have much pleasure in placing the Bill before honorable members.

The Hon. H. I. COHEN.—I should like to point out that the Bill, as it left the Legislative Assembly, was not circulated

amongst honorable members. At any rate, no copy of it reached me, and consequently I have had no opportunity of considering it in its present form. The Minister, also, on this occasion, forgot to give me the advantage of his notes. I have not seen them. Further, there are various persons who desire to have interviews with me with regard to various clauses in the Bill, and, not having a copy of the Bill, and being desirous of hearing the Minister's opening speech on the measure, I asked them to postpone such interviews. I have to congratulate the Minister on the very able address he has delivered on the measure, but, at the same time, I think he will agree that it is reasonable that the debate should be adjourned for a week.

The Hon. W. J. BECKETT (Minister of Forests).—By leave, may I say that I understand that, immediately the measure left another place, copies of it were posted to honorable members of this House. That is the usual custom in connexion with Bills sent by another place to this Chamber.

The Hon. H. I. COHEN.—I did not receive a copy.

The Hon. W. J. BECKETT.—I am informed now that, through some mistake at the Government Printing Office, the instruction to furnish copies of the Bill to honorable members was mislaid, and the copies were detained in the Government Printing Office. I understood that a copy of my notes had been forwarded to the unofficial Leader, as is the custom in connexion with Bills of which I am in charge, and also in connexion with Bills of which the Minister of Public Works is in charge. Many honorable members besides the unofficial Leader are keenly interested in forestry in their districts, and they might like to have the opportunity of speaking on the Bill to-night. It would expedite matters if the debate were to be proceeded with.

The Hon. H. I. COHEN.—This is an important measure, and I think we ought to hasten slowly in this House. We have got through a great deal of work, and there is no necessity to rush a Bill of this importance.

The Hon. W. J. BECKETT.—Although the unofficial Leader may not be prepared to debate the Bill, other honorable members may desire to speak on it

to-night. If so, they should have the opportunity of doing so. However, I am entirely in the hands of honorable members.

The Hon. R. H. S. ABBOTT.—I hope the Minister will be able to accede to the request of the unofficial Leader. I think most of us would like to hear what that honorable member will have to say as to important alterations in the law that the Bill proposes. Very important alterations are proposed in regard to the obligations of private persons, including obligations in connexion with private lands. I support the request for the adjournment of the debate for a week, because it seems to me that this is one of the most important Bills, apart from the financial measures, that we shall have to consider this session.

The Hon. W. J. BECKETT (Minister of Forests).—By leave, may I say that I recognize the reasonableness of the unofficial Leader's request? I should like to know whether he will be prepared to continue the debate to-morrow.

The Hon. H. I. COHEN.—No; next week.

On the motion of the Hon. H. I. COHEN, the debate was adjourned until Tuesday, October 25.

ELECTORAL (ABSENT VOTERS) BILL.

The House went into Committee for the further consideration of this Bill.

Consideration was resumed of clause 3, providing, *inter alia*—

The returning officer or deputy may if he thinks fit and shall if required by any scrutineer put to any such person the following question :—

(c) Do you now reside in the electoral district of ———? [*the district aforesaid*].

The Hon. H. H. SMITH.—I move—

That before the word "Do" the following words be inserted :—"*(If the person claims for a residential qualification)*".

The amendment is in conformity with other alterations that have been made.

The Hon. H. I. COHEN.—I support the amendment. It is really a complementary amendment to bring the Bill into line with amendments already made. I had proposed to move an amendment in the same terms exactly. The amendment adopts the precise form to be

found in paragraph (iii) of sub-section (2) of section 242 of the Constitution Act Amendment Act 1915.

The amendment was agreed to, and the clause, as amended, was adopted.

The Bill was reported to the House with amendments, and the amendments were adopted.

On the motion of the Hon. J. P. JONES (Minister of Public Works), the Bill was read a third time.

(*At 6.17 p.m. the sitting was suspended until 7.52 p.m.*)

FARM PRODUCE AGENTS BILL.

The Hon. J. P. JONES (Minister of Public Works).—I move—

That this Bill be now read a second time.

It is a Bill to amend the Farm Produce Agents Act, which was passed on the 28th of September, 1920, with the view of safeguarding the interests of the producer in marketing his produce, so as to ensure his getting full market value and the price received by the agent to whom his goods are entrusted. This object has very largely been achieved, but certain difficulties have from time to time arisen, where it has been proved impossible to fully carry out and administer the Act in the spirit originally intended. One of the chief difficulties has been brought about owing to certain agents, within the last year or two, changing their method of business, obviously with the view of getting beyond the range of the Act and its regulations. These agents, and quite a number of them engaged in what may be termed the perishable produce trade, such as fruit, vegetables, &c., have sent out circulars, intimating that they now purchase produce at the highest market value on the day of arrival, charging no commission. At present, this makes the agent a merchant, and no longer a farm-produce agent within the meaning of the Act, as he is not selling on commission. This method of trading also leaves the primary producer entirely at the mercy of an unscrupulous merchant, who is at liberty to give the farmer whatever price he thinks fit, owing to there being no authority to determine what the market value really is on a particular day, and the price need not necessarily be based on the price actually received by the mer-

chant. The contention is that, when a farmer sends his produce to market, unless he has sold at a price agreed upon prior to delivery, he should get the full price obtained by the agent, less a reasonable charge for commission and handling charges. Complaints have frequently been made of the treatment received by producers at the hands of certain merchants who trade in this way, but no action could be taken by the officer concerned, no matter how suspicious the circumstances. In order to remedy this weakness in the existing Act, it is proposed by clause 2 to amend the interpretation of "farm-produce agent" by inserting after the words "or factor of farm produce," the words—

"and includes any person who purchases (except at a price specified in terms of money and agreed upon prior to delivery to him) any farm produce for re-sale by wholesale."

Briefly, this means that the grower or producer and the merchant must be in agreement regarding the price, specified in terms of money before delivery, otherwise, the producer must be returned the price at which the produce is sold. Clause 3 is entirely a new provision, and very necessary. It is designed to give the Department an opportunity to object to the issue of a licence to a person whom officers may think undesirable. Under the existing Act, applications for licences are dealt with by the Court, and these are issued without the Department being given an opportunity to object. Departmental officers, being constantly in touch with the trade, are frequently in possession of information which, if placed before the Court might, in some cases, result in the refusal of the licences. Clause 4 is also a new provision, and makes it necessary for every applicant to lodge a fidelity bond with the Clerk of the Court at which the application for a licence is made. In the case of a merchant, a £500 bond is required, and in that of a company £1,000. Instances are known where firms have gone into liquidation or compromised with creditors, and producers have received little, and in some cases nothing, for produce forwarded in good faith. Paragraph (b) makes it necessary for the receipt from the Department of the copy of the application for a licence to be in the hands of the Clerk of Courts before

a licence is issued. Clause 5 merely deals with the right of a person concerned being allowed to inspect the bond, and, with the approval of the Treasurer, to sue in respect to any loss covered by the bond. Sub-clause (1) of clause 6 provides for an authorized officer being allowed to inspect the books of an agent. Under sub-section (1) of section 14 of the principal Act it is at present necessary to obtain an authority from the producer to inspect the books of an agent in respect to a particular transaction. Now it is desired that the Minister be empowered to give this authority, as it is believed in most instances it would facilitate matters, and be to the general advantage of all concerned. Sub-clause (2) makes it necessary for all books, accounts, &c., to be kept in the English language. Some agents keep their books in a foreign language, and it has been found most difficult in some cases to obtain an English translation. Sub-clause (3) refers to any obstruction that might be offered against an officer when making necessary inquiries, and it is only on the same lines as legislation of a similar nature. Concerning clause 7, the producer frequently receives misleading reports from agents in the shape of a letter or circular relating to prices said to have been obtained by them for produce similar to that which he is at the time forwarding to market. This is done with the view of persuading the farmer to send his produce. If he should be so induced, it frequently happens, when he gets his returns, that they present a very different tale, and the prices quoted in the circular have been proved to be very often fictitious. Frequent complaints have been made by farmers in respect to this practice, and clause 7 is inserted with the object of stopping it. In regard to clause 8, agents frequently receive produce in an unmarketable condition, and at times unfit for consumption. They have no option, but either to send it to the tip or have it otherwise destroyed. Account sales notes are forwarded to the farmer advising him of the conditions of the produce and of its destruction, but the agent has no documentary evidence of such destruction. On the other hand, he may have sold it, and, in order to prevent such dishonesty, this clause makes it possible for the agent to

obtain a certificate from an authorized officer of the Department, a health inspector, or a market inspector appointed by the council of any municipality, stating that the produce was destroyed or discarded unsold. Clause 9 makes it necessary for the agent to forward the certificate mentioned in the previous clause with the account sales note. Clause 10 really means that any person dealing in farm produce—unless he advertises the fact by displaying at the entrance of his business premises the words “Not licensed under the Farm Produce Agents Acts,” and also has printed the same words in legible type on all letter paper and account forms used in connexion with his business—must take out a licence and comply with the provisions of this Bill in the shape of providing the fidelity bond referred to in clause 4. Clause 11 does not allow commission to be charged where produce has been purchased by an agent. Paragraphs (a) and (b) of clause 12 contain amendments of section 10 of the principal Act. At present it is sufficient for the agent to disclose or to advise the producer of the fact of his having purchased and taken over a consignment. Cases can be cited where the agent has declared that he has advised the farmer of the purchase, and the farmer has declared that he has not received it. To protect the producer against an unscrupulous agent, this amendment makes it necessary for the producer’s consent to the purchase being obtained in writing. Paragraph (c) is an amendment to section 15, and is designed to tighten up and prevent the proceeds of any sale made by an agent on behalf of a client being used for any other purpose than that of payment to the producer. Paragraph (d) requires an agent to supply the name and address of the purchaser on the account sales note. At present this is only necessary when asked for. The Bill is one which we may say will generally protect producers. We know, of course, that the present Farm Produce Agents Act has gone a long way to protect the primary producer in the direction in which he was entitled to protection, but in the respects which I have mentioned it has failed to a certain extent. The proposed amendments of the Act are designed to provide what appears to be necessary, and to give the producer

Hon. J. P. Jones.

further protection. Indeed, the amendments will give the producer the protection that it was intended he should have under the original Act. I do not think it necessary to remind the House of the great importance of protecting in every possible way the primary producer who, mainly I suppose for the reason that his work is carried on in the country, is not *au fait* with commercial procedure. I am convinced that honorable members are agreed on the need for this legislation. Therefore, I confidently submit the Bill to the House.

The Hon. H. I. COHEN.—The Minister of Public Works will, I am sure, be surprised to learn that the first page of the notes supplied to me in connexion with this measure is missing and that page contains all the reasons why the Bill is supposed to be desirable in the interests of the community. I am somewhat surprised at the amount of interest that has been created by this legislation. Already I have received three lots of literature, and there are still two separate sets of individuals who desire to interview me: one set to convince me that this is a most desirable measure, and the other to prove that it is absolutely unnecessary. I should like to have an opportunity to hear both sides before making up my mind. In addition, there are some members of this House who are very desirous of taking part in the debate, but who are absent to-day. One of them is Mr. Saltau, who has been present during this sitting, but who is absent from the chamber at present. Mr. Saltau has been associated with the trade, and will be able to discuss this Bill in such a way as will be of advantage to the House. In the circumstances, I move:—

That the debate be now adjourned.

The Hon. J. P. JONES.—I consent.

The motion for the adjournment of the debate was agreed to, and the debate was adjourned until Tuesday, October 25.

WAGES ATTACHMENT BILL.

The debate (adjourned from October 12) on the motion of the Hon. J. H. Disney (Honorary Minister) for the second reading of this Bill was resumed.

The Hon. H. I. COHEN.—When the debate was adjourned last week I assured the Honorary Minister in charge of the Bill that I had an absolutely open mind on it. I do not think that the debate, so

far as it proceeded a week ago, advanced the prospects of the Bill at all, because, as I said then, I could not see any association whatever between cash orders and the Bill, and between fur coats and unfortunate women and the Bill.

The Hon. J. H. DISNEY.—Would you be surprised to know that during August and September there were more than 1,000 summonses delivered by the police?

The Hon. H. I. COHEN.—That would not surprise me. It might be a strong reason for the Government not proceeding with this Bill. I confess that the measure has given me a great deal of concern. I have read to-day the speech which was delivered in Parliament as long ago as 1898 when a similar Bill was introduced by the Hon. I. A. Isaacs, now Mr. Justice Isaacs, and the debate which took place among the eminent legal men who in those days were members of another place. I have also had the advantage of reading the debate which recently took place in another place. It consisted, in fact, of an address by the Attorney-General. There were no speeches from the other side of the House, as the Bill was accepted by members sitting there without demur. Having read all those debates and having studied this Bill, my final conclusion is that it is one which we ought to accept. It has been law in England for the last 70 years. It has been law in New Zealand for about 50 years, and it is the law in the other States. It has been suggested that probably this measure would be of assistance to fraudulent debtors, but I remind honorable members that we still have the Imprisonment of Fraudulent Debtors Act, which is intended to deal with persons who obtain credit by fraud. On the last occasion when such a measure was passed in the Victorian Legislature, namely, in 1898, it was given a period of life covering three years. That was based on an amendment inserted in this Chamber. When the Act expired by lapse of time the then Minister, Mr. (now Sir William) Irvine, was asked whether he intended to re-introduce it. The answer he gave was that he thought the Act had not been of benefit to those persons whom it was supposed it would benefit, for which reason he did not intend to re-introduce it. That is an argument against the Bill which must weigh with us. At the same time this is a

matter in regard to which we may very well bring our law into line with the law in England, New Zealand and the other States. It has to be remembered that in this State we cannot attach the wages of a public servant; and it is provided in the legislation referred to in clause 5 of this Bill, that we cannot attach the wages of persons in the railway service and in the service of the State Rivers and Water Supply Commission. I presume that it was thought that these persons should be put on exactly the same footing as public servants. That which has led me more than anything else to favour this measure is a report which has emanated from His Honor, Judge Moule, who has had an exceedingly wide experience in these matters, and who said that the Court has been hampered by the fact that under the present law one cannot make an order for any but the whole of a person's wages. The result is that the Court strains every nerve in many cases not to make an order at all. I think it far better that a man should be left, out of his wages, a living wage. Of course, this Bill may operate against a class of person who is seeking credit, in that he may not be able to obtain credit. But that cannot be helped. I think that the balance of convenience is on the side of leaving a certain amount of a man's wages untouched by attachment. One effect of proceeding to attach the whole of the man's wages is that, in order to avoid attachment, he may go insolvent. In that event his assignee, or trustee, is empowered to allow him a certain amount out of his wages. So he gets the same result as is sought in this Bill, but by a different route. He has to go insolvent, however, whereas, in other circumstances, he might retain his solvency and be able eventually to pay off his indebtedness. After much doubt, my final conclusion is that this Bill is one to which this House should give its assent.

The Hon. E. L. KIERNAN.—I support the Bill. I have no complaint to make against it nor of the way in which the Honorary Minister (Mr. Disney), introduced it. I have a complaint to make, however, against the brief which was supplied to the Honorary Minister.

The Hon. W. J. BECKETT.—I question whether what he said was in the brief.

The Hon. E. L. KIERNAN.—I understand that the Honorary Minister was reading from a brief.

The Hon. G. M. DAVIS.—Probably he prepared his own brief.

The Hon. E. L. KIERNAN.—At any rate, the main arguments put forward by the Honorary Minister had to do with the abuses brought about by the cash order system. It has been pointed out that this system was not in force when the Act of 1898 was in existence. It is a pity, therefore, that the Honorary Minister should have based his comments on the cash order system. In every kind of credit system there are abuses. I shall give the House details furnished by the Chief Secretary of the number of summonses and distress warrants issued in connexion with cash orders and money lending and other transactions for the period of three months ended on the 31st of August last. Summonses in connexion with cash orders amounted to 2535; in connexion with money lending, 2,545, and in connexion with other matters, 43,339. Out of a total of 48,419 summonses, only 2535 had to do with cash orders. The number of distress warrants arising out of cash order summonses was 1165, whereas the total of distress warrants for the three months was 17,214. It is only fair that at least some portion of the workers' wages should be kept intact. For that reason I support the Bill.

The Hon. H. F. RICHARDSON.—It appears to me that this is a Bill designed to assist in making people dishonest. Similar legislation was passed about 30 years ago, but we must bear in mind that wages to-day are very much higher than they were in those days. If a man receiving £156 per annum is to be allowed to run up debts, and if his unfortunate creditors are not to be permitted to recover what is due to them by distraining on his wages, people will be encouraged to become dishonest. It has been pointed out to me by agents in Geelong that if this Bill becomes law they will experience great difficulty in collecting rents from occupiers of cottage properties. They will not be able to distrain, and people will snap their fingers at them. I do not believe in legislation of this kind. Whether a man receives £156 or £500 a year, he should pay whatever debts he incurs. We know that there are a large number of people who are not making provision for a rainy day. They are able to save, and they do not save. We are living in a time when many people seem to think it is clever to be dishonest.

I was reading to-night an article on tin-hare coursing in Sydney. It appears that thousands of men, women, and children now regularly gamble on tin-hare coursing. We are becoming a race of gamblers. It does not matter what wages are paid. All that some people seem to think of is how they can run up debts with tradespeople or with their landlords and avoid the payment of their debts. A man will go to a tradesman, order goods, and pay for them for a few weeks or a few months. Then he will gradually get behindhand in his payments in proportion as he finds he is able to get credit. If we pass legislation of this kind, the unfortunate creditor will be left in the lurch. For 25 years no Government has seen fit to bring in legislation of this kind. I shall vote against the second reading.

The Hon. A. M. ZWAR.—I support the Bill. I admit that it may be open to some abuses. At the same time, we have to recollect that there are few employees to-day who are earning only £156 a year. I approach the subject from the point of view of an employer. Many instances have come under my notice of the unfairness of the present law. Men have had their wages garnisheed, and have been sent home empty-handed. It is not fair to the small wage-earner that he should be placed in such a position. If he is careless in his spendings, there are ways of bringing him to book. I have always felt that it is contemptible to allow the whole of the wages of a working man to be garnisheed, thus placing him in the position of having to return to his home without a penny in his pocket.

The Hon. H. H. SMITH.—I cannot support the Bill, because I think it will encourage people to be dishonest. There are men who are getting only £2 10s. or £2 15s. a week, but in many cases they get board and residence as well. In other cases there are two or three members of a family getting such wages. These persons are given credit. Any person who is getting credit should pay the creditor. We should not do anything to encourage people to get credit and not pay. There is quite enough dishonesty in the world now. This legislation would serve the interests of one class of the community only. At the present time from 25 to 30 per cent. of our small shop-keepers are failures. By passing this Bill we shall do nothing to protect them. A boarding-

housekeeper who gets furniture on the time-payment system will still have to keep her payments up. A woman may have £100 worth of goods on time-payment and pay back £90, only to find that she cannot complete her payments. Many struggling boarding-housekeepers are widows or women who have been deserted by their husbands. It will still be possible to summon them. It is simply absurd to bring in a Bill of this kind. In my opinion, it would, if passed, promote dishonesty. There are many shopkeepers who give credit.

The Hon. J. H. DISNEY.—The shopkeeper who gives credit generally insures himself by charging extra prices.

The Hon. H. H. SMITH.—That is not a fair statement to make. I am surprised that a successful business man should talk like that. I am sure that the Honorary Minister never overcharged his customers. If we look at the income tax, how many of our people are paying a big amount? A man in receipt of a small wage knows what he is getting, and he ought to live within his means. Generally, I think he does. It is the man who drinks and "knocks about" who will not pay his creditors. If we divide the people into three classes, we find that one-third pay promptly, one-third pay because they have to pay, and the other third pay when they are compelled to pay. Young fellows are protected until they are 21 years of age. They cannot be summoned in respect of their debts. I shall vote against the second reading of the Bill.

The Hon. W. ANGLISS.—I can speak as one under whose notice many painful cases have come. It is not at all uncommon, when a working man goes to draw his wages on Friday night, to find that the whole of the money has been garnisheed. I have made inquiries into cases of this kind that have come under my own notice, and have found that the wages have been garnisheed as a result of a debt incurred by the workman's wife for clothes or other things she had no right to run into debt for. A workman who has put in a hard week's work is in a painful position when he goes to draw his wages and finds that he has no wages to draw.

The Hon. W. TYNER.—What about the storekeeper?

The Hon. W. ANGLISS.—The wages are not garnisheed through debts on food-stuffs that have been supplied. It is nearly always on account of something

that the family did not need. In some cases liquor is the cause, in some fine clothes, and in others jewellery. We should not encourage creditors of that kind. I should like a distinction to be made between the single man and the married man. A single man's wages might be protected up to £2, and a married man's up to £3.

The Hon. H. I. COHEN.—That is done in some of the American States.

The Hon. W. ANGLISS.—I have no sympathy with the single man. If he has entered into a contract, he should honour it. He has not a wife whom he can blame. But I have every sympathy with the married man. I shall ask the Minister to agree to an amendment along the lines I have indicated. If he will give me the assurance I have asked for, I shall support the Bill with pleasure.

The Hon. W. H. EDGAR.—It seems to me that the result of the passing of the Bill will be that traders will exercise more care when giving credit. They will find themselves up against a position that may jeopardize their chances of getting a return of their money by the exercise of the power of garnisheeing. The Bill may, in this way, serve a useful purpose. Of course, if a tradesman likes to take a chance, that is his lookout. I had hoped that the Ministry would introduce a clause for the protection of the working man's wife and children.

The Hon. E. L. KIERNAN.—That cannot be done in a Bill relating to the attachment of wages.

The Hon. W. H. EDGAR.—I hope that at some future time we shall do something in that direction. A man should be made to provide for his wife and children out of his wages. I hope that the Bill will meet the desired end of affording not only sufficient protection to small tradesmen, but protection to the small wage-earner from inroads on his wages that may be unfair and unjust.

The Hon. G. M. DAVIS.—This is a Bill which is designed to prevent the attachment of workmen's wages up to a certain amount. Generally speaking, the debts of a workman should be paid just as are the debts of other people. We cannot fail to have sympathy with men whose wages are garnisheed. At the same time, there is another side to the picture. Wages are garnisheed to enforce payment for services rendered or

goods supplied. It is obvious that a demand has previously been made on the workman for the payment of his debts before legal proceedings are taken, and apparently no effort has been made to discharge the liabilities.

The Hon. J. H. DISNEY.—Wages can still be garnisheed over £3.

The Hon. G. M. DAVIS.—I quite understand that. No doubt, this is a humanitarian proposal, and we must give it some sympathy. At the same time, we must look at the matter from this point of view: Credit is created in business, especially in small amounts, by the person to whom credit is given gaining the confidence of the people he deals with. The confidence is, first of all, gained by paying cash, then the creditor gradually drops behind in his payments to the grocer, the baker, or the butcher, who does not like to stop supplies in view of the possibility of further payments being made. A workman may owe 30s., and pay off £1 of his debts. Then the workman gradually gets further behindhand, and his wages have to be garnisheed to enforce payment. I hardly see how we should absolve a man in this way from the liability to pay his debts. If we were to divide by half the amount of exemption proposed in the Bill, I should feel more inclined to support it. Like the unofficial Leader, I am in doubt how I should vote on this Bill. I should like to know what are the exemptions in other parts of the Commonwealth. I think it was stated by the unofficial Leader that the amount now proposed is the amount which is provided in other States. Can the unofficial Leader give me any idea what limits there are in connexion with the non-attachment of wages in New South Wales and Tasmania, for instance?

The Hon. H. I. COHEN.—I am sorry I cannot, but I think the Attorney-General has stated in another place that the limit is the same in other States as in this Bill. When the Act was passed in 1898, the limit was placed at £2.

The Hon. G. M. DAVIS.—I think the amount should be reduced, but I do not feel inclined to oppose the Bill. I should like, however, to support the amendment suggested by Mr. Angliss, so that there should be a differentiation in the wages of married and single men in regard to attachment.

The Hon. R. H. S. ABBOTT.—It seems to me that there must be something more behind the introduction of this mea-

sure than has fallen from the Minister in charge of it. The original Act was passed in 1898, and it was allowed to expire three years later. There has been no law on this subject since 1902. I do not know why the Bill has been brought forward to-day. The position of the working classes is quite as good now as it has been at any time since 1902, and it is, therefore, not easy to see why this protection should be brought forward at the present time. One of the reasons why members of the Public Service, employees in the Railway Department, and in the State Rivers and Water Supply Commission had their wages exempt from attachment was because of the trouble which was caused to the Departments. The exemption was not so much in the interests of the employees as in the interests of the employers. I am not aware if the Minister in charge of the Bill has submitted figures showing an abnormal increase in the attachment of wages in recent times. I do recollect, however, that on a previous occasion, when employees in Government and semi-Government Departments were protected in this way, there was a distinct amount of dishonesty on the part of employees with consequent loss by small traders owing to the non-payment of debts. I am inclined to think that the moral tone of many people—not only wage-earners, but other sections in the community—has been considerably lowered in recent years in regard to money matters. The type of man depicted by Longfellow in "The Village Blacksmith," who "looks the whole world in the face for he owes not any man," is nowadays rather a *rara avis*. I can quite understand the hardship to employers of having to deal with garnishee orders on the wages of their employees, but I am inclined to think that the fact that wages can be attached is a counter-check for the mercantile community in transactions of a small character. I am rather surprised to find a Labour Government introducing a Bill of this kind, because it is going to have a serious effect upon small traders. I am afraid I shall have to vote against the second reading of the Bill.

The motion was agreed to.

The Bill was read a second time, and committed.

Clause 1—(Short title)

The Hon. W. TYNER.—This clause reads—

This Act may be cited as the Wages Attachment Act 1927.

I move—

That the following words be added—" and shall not come into operation until the 1st of January, 1928."

My reason for submitting this amendment is that it will afford storekeepers who have already given credit to a number of their customers, the opportunity of serving garnishee orders on the employers if they desire to do so before the end of the year. This legislation has been sprung upon storekeepers, and I think they should have some opportunity of knowing the conditions under which they are giving credit.

The Hon. W. J. BECKETT.—This clause deals only with the title of the Bill.

The CHAIRMAN (the Hon. W. H. Edgar).—What Mr. Tynner desires must be submitted in the form of a new clause, which can be inserted either after this clause or at the end of the Bill.

The clause was agreed to.

Clause 2—(Interpretation).

The Hon. H. F. RICHARDSON.—I agree with the suggestion made by Mr. Angliss, that some differentiation should be made between single men and married men. I do not know exactly in which clause we should endeavour to make that differentiation, but we should certainly provide that the measure should apply only to married men. I understand from an interjection of the unofficial Leader that this differentiation is made in some of the other States.

The Hon. H. I. COHEN.—Not in Australia, but in some of the States of America.

The Hon. H. F. RICHARDSON.—While we may protect the wages of married men to the extent indicated in the Bill, I do not see why the wages of single men should be protected at all. If a single man will not pay his debts, he should not be allowed by law to escape his obligations. I do not approve of this legislation. It appears, as Mr. Abbott has said, that it will do injury to a lot of small shopkeepers, and I do not see why small shopkeepers should not be protected by legislation as much as any other kind of trader.

The clause was agreed to.

Clause 3—

After the commencement of this Act no order shall be made by any Court Judge or justice for the attachment of the wages of any clerk servant labourer or workman except as hereinafter mentioned.

The Hon. W. ANGLISS.—I should like to see a provision included in the Bill

that no order shall be made for attachment of the wages of a married person not exceeding £3 a week, and in the case of a single person £2 per week. If a single man gets into debt he has only himself to blame, and I do not think that so far as this measure is concerned we should place him on the same footing as a married person.

The Hon. Dr. HARRIS.—Sometimes a single man has to contend with illness.

The Hon. W. ANGLISS.—I do not think that the special consideration provided in this measure should apply equally to a married person and a single person. I move—

That the word "married" be inserted before the word "clerk."

The clause would then apply to only married clerks, servants, labourers, or workmen.

The Hon. J. H. DISNEY (Honorary Minister).—I hope that the Committee will not agree to the amendment. It must be recognized that the proportion of a person's wages to be protected against a garnishee order by this measure will be very small. There are ways and means by which a person to whom a debt is owing can deal with a debtor other than by a garnishee order. It is possible to bring any workman owing a debt before the Court on a fraud summons and have him committed to gaol if he will not pay the debt.

The Hon. W. TYNNER.—But how many fraud summonses are issued against workmen who owe debts?

The Hon. J. H. DISNEY.—Honorable members must recognize that many single men are the sole support of widowed mothers, and in some cases widowed mothers and younger members of the family. I venture to say that there are few single men nowadays who earn less than £4 per week. Therefore, a proportion of the wages of nearly every single man will be subject to a garnishee order. This is a simple measure, and I hope that it will not be sent back to another place with amendments. If I had had my way I would have increased the proportion of wages to be protected against garnisheeing.

The Hon. H. KECK.—I support Mr. Angliss's amendment. If the restriction were applied only in the case of married persons we should be doing something to

make young single people take more care of their money instead of spending it so lavishly as many of them do to-day. I consider that the Committee should do all that is possible to prevent young single people becoming spendthrifts.

The Hon. R. H. S. ABBOTT.—The Honorary Minister said that this is a simple measure, but I do not think that he is so simple that he cannot realize what its possible effect may be. If he will cast his mind back about 40 years to the time when he was struggling to get on his feet in business, he may be able to recall instances when he gave credit and did not obtain his money.

The Hon. J. H. DISNEY.—I do not think many garnishee orders were issued at that time. I think all trading was done by cash.

The Hon. R. H. S. ABBOTT.—I support the amendment, because I think that it will place a good check on the lavish expenditure in which so many young people indulge.

The Hon. H. I. COHEN.—For the information of the Committee, I intend to read an extract from the report of the debate which took place in the Legislative Assembly in 1898, when a similar Bill was under discussion. The portion of the debate to which I refer appears in *Hansard*, Vol. No. 88, page 412. Mr. Gair, who was a member of the legal profession, interjected while Mr. Isaacs, the Attorney-General, was speaking on the Bill—

Mr. GAIR.—But in your Bill you draw no distinction between a married and a single person.

Mr. I. A. ISAACS.—No, the Bill does not; £2 a week is put as the amount, and it is very difficult to discriminate between cases of married and single men. In England, in Scotland, and in New Zealand no such distinction is drawn. It would be very difficult indeed to draw a distinction between a man without children and another with only one child, and so on.

There are a number of difficulties to be overcome in giving effect to Mr. Angliss's desire. The case of a widower with a number of children has to be considered as also has the case of a widow with a number of children. Are those persons to be left without sustenance if the wages of the widow or widower are attached? If Mr. Angliss's amendment were agreed to the whole of the wages of a widower with six children could be garnisheed, whereas a proportion of the wages of a married man could not be garnisheed,

although he might have the wherewithal to pay the debt.

The Hon. Dr. HARRIS.—What is the definition of "a married person"?

The Hon. H. I. COHEN.—A person in the actual state of matrimony. A divorcee is no more a married person than a widow or a widower. There are certain difficulties in the way of giving effect to Mr. Angliss's amendment, and I think it only fair to point them out to the Committee.

The Hon. W. ANGLISS.—Provision could be inserted in this clause and clause 4 to protect the wages of a widow or a widower.

An HONORABLE MEMBER.—With children dependent on them.

The Hon. H. I. COHEN.—There is not much difference between a widower without children and a single man so far as this amendment is concerned.

The Committee divided on Mr. Angliss's amendment (the Hon. W. H. Edgar in the chair).

The CHAIRMAN (the Hon. W. H. Edgar).—My attention has been drawn to the fact that Mr. Saltau has crossed from the right hand side of the Chamber to the left hand side. He should resume his seat.

The Hon. W. J. BECKETT.—And I claim his vote for the "Noes."

The Hon. H. H. SMITH.—The numbers had been tallied.

The CHAIRMAN.—I think that the matter should be allowed to pass on this occasion. Mr. Saltau may have acted quite innocently, but it is against the Standing Orders for any honorable member to leave his place after the Committee has divided until the numbers have been announced. I understand that the Minister of Forests will not press his claim to Mr. Saltau's vote.

The result of the division was—

Ayes	14
Noes	8

Majority for the amendment	6
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AYES.	
Mr. Abbott	Mr. Richardson
" Angliss	" Saltau
" Bath	" Tyner
" Davis	" Zwar.
Dr. Harris	
Mr. Hitchcock	Tellers:
" Keck	Mr. Brawn
" McGregor	" Smith.

NOES.

Mr. Beckett	}	Mr. Williams.
„ Cohen		
„ Disney		Tellers:
„ Jones		Mr. Beggs
„ McNamara		„ Kiernan.

The clause, as amended, was agreed to. Clause 4 was consequentially amended and adopted.

Clause 5—

Nothing in this Act shall affect the provisions of section one hundred and ninety of the Railways Act 1915, or section forty-four of the Water Act 1915, or any other enactment or law under which salary wages or other payments are not liable to attachment.

The Hon. R. H. S. ABBOTT.—I think we should omit this clause, so as to put all public servants, railway men, and employees under the Water Act in the same position as other employees.

The Hon. H. I. COHEN.—The effect of omitting the clause would not be what Mr. Abbott desires. The people referred to in the clause are already exempted.

The Hon. H. H. SMITH.—Then why put in the clause?

The Hon. H. I. COHEN.—It is only put in for greater precaution, so that the lawyers will not be able to say hereafter that the position is uncertain.

The clause was agreed to.

The Hon. W. TYNER.—I propose the following new clause:—

This Act shall come into operation on the first day of January, One thousand nine hundred and twenty-eight.

My object in proposing the new clause is to give storekeepers and others an opportunity of knowing that this measure is coming into operation. They will have an opportunity of taking legal proceedings if they so desire.

The Hon. E. L. KIERNAN.—I hope the Minister will not accept the new clause. I think most honorable members have sympathized with the married man whose wages are likely to be garnisheed, and with the poor unfortunate wife and children who will have nothing coming to them at the end of the week. It is humanitarian to protect the wives and children in these cases, and we should be humane enough to allow the protection to apply before the first of January next.

The Hon. H. F. RICHARDSON.—You don't want to protect the poor tradesman.

The Hon. E. L. KIERNAN.—I do not think there is a great deal in it so far as he is concerned. The number of trades-

men who issue garnishee orders is very small. They are mostly issued by money-lenders, and, perhaps, cash order firms.

The Hon. J. H. DISNEY (Honorary Minister).—I hope Mr. Tyner will not press his new clause. It has just crossed my mind that the Christmas season will soon be here. Probably it will be some few weeks before the Bill can take effect.

The Hon. E. L. KIERNAN.—It will have to go back to another place, and probably three or four weeks will elapse after that.

The Hon. J. H. DISNEY.—Yes. Therefore, I suppose it is immaterial whether or not the new clause is agreed to.

An HONORABLE MEMBER.—Put the Bill under the table.

The Hon. J. H. DISNEY.—It will give some small measure of relief, and I hope the consciences of honorable members will so trouble them that they will vote for a more far-reaching Bill later on.

The new clause was agreed to.

The Bill was reported to the House with amendments, and the amendments were adopted.

On the motion of the Hon. J. H. DISNEY (Honorary Minister), the Bill was read a third time.

SWINE COMPENSATION BILL.

The Hon. J. P. JONES (Minister of Public Works).—I move:—

That this Bill be now read a second time.

This is a Bill that is designed to give owners of swine similar relief to that which is afforded cattle owners under the Cattle Compensation Acts. The necessity for providing compensation for pigs destroyed on account of particular diseases arose through the serious outbreak of swine fever that was discovered on the 22nd of February last. The loss incurred by owners has been very heavy. Their claims for some measure of compensation similar to that provided under the Cattle Compensation Acts have been put to the Government by deputations representative of pig owners all over the State. Inasmuch as we already have an Act that provides for compensation for the owners of cattle destroyed by Government agency on account of disease, the demand for a Swine Compensation Bill is justified. The Bill has been drafted on similar lines to the Cattle Compensation

Act and provides for a fund for compensation purposes to be built up from contributions on the sales of all pigs and carcasses of pigs. It is proposed in this Bill to fix a stamp duty on all sales of pigs and carcasses of pigs at 2d. in the £1 or any fraction thereof realized from such sales. It is necessary to have this higher duty on swine. Honorable members know that in the case of cattle the stamp duty is 1d. in the £1.

The Hon. G. M. DAVIS.—Have you any reason why the amount in this Bill should be 2d.?

The Hon. J. P. JONES.—The reason for the higher duty in the case of swine is that the Bill provides that compensation shall be payable for swine fever, swine plague, swine erysipelas, and tuberculosis. Those diseases involve heavy losses. That is especially so in the case of swine fever, because it is seldom possible to avoid the destruction of the entire herd that is affected. There is also a large sum to be provided for retrospective compensation as from the 22nd of February last. Exact figures cannot be given as to the amount which will be needed for compensation in the event of the Bill being passed for the destruction of pigs on account of swine fever since the commencement of the outbreak, as no valuation of pigs subject to destruction was made prior to the Government's announcement of its intention to introduce a Bill to provide compensation. It may be stated that the amount that will be involved in payment for the destruction of pigs suffering from swine fever up to date is about £8,000. All the figures are not yet in, but I am advised that when all the valuations are made, the sum will exceed £8,000. It is impossible to set down the actual requirements to meet compensation claims yearly. Allowing, however, for a reduction in the current outbreaks of swine fever consequent on control measures in operation, the estimated amount to compensate for losses from swine fever and allied diseases is £7,000. This figure will vary according to the prevalence or otherwise of swine fever. A further sum of £5,000 is the estimated amount needed to meet claims in respect of carcasses of pigs condemned for tuberculosis provided that no compensation is paid when the head only is condemned, making the total required for all purposes £12,000. Of the £5,000 that is set down in respect of tuberculosis, 40

per cent. would be paid out of the Treasury funds, as in the case of the Cattle Compensation Acts, leaving the net estimated sum of £10,000 to be provided from the Swine Compensation Fund. Provision is made in the Bill for advancing from Treasury funds any sum that is required to meet claims for compensation—such sum is to be a charge on the Swine Compensation Fund until repaid to the Treasurer when the fund is in credit. The yearly revenue from the swine stamp duty is based on the number of pigs and carcasses of pigs sold during the year. Complete returns showing the number of pigs sold at all centres in the State during the year are not available, but from the figures obtained in respect of the metropolitan market and the principal country centres, the following estimate has been arrived at:—Average number of pigs sold at the metropolitan market, 125,000; at Ballarat and north-western markets, 100,000; at Geelong and western district markets, 75,000; at Bendigo and northern markets, 50,000; at Gippsland and district, 50,000; the north-eastern district, 50,000, making a total of 450,000 pigs sold annually. The revenue that will be produced from the stamp duty is estimated at £10,987. The number of carcasses of pigs sold yearly as carcass meat is estimated to be 26,000. These would include porkers, which would be sold at an average of 70s., from which the stamp duty would be £666. The total estimated revenue from sales of pigs is £10,987, and from the sale of carcasses £666, making a total of £11,653. The Department allows for declines in sales for various reasons, and default in stamp payment, and they leave the estimated revenue at £10,000. The Bill that we have to consider is divided into two principal parts. The first section deals with swine, and the diseases for which compensation will be payable. The second deals with the formation of a Swine Compensation Fund administered by the Treasury in conjunction with the Stamps Act. Clause 3 provides for the administration of the Act by the Department of Agriculture. Clause 4 sets out the compensation payable to owners for pigs condemned under part 13 of the Health Act at abattoirs or destroyed on the farm. Orders for the destruction of pigs may be given by stock inspectors, dairy supervisors, registered veterinary inspectors (in respect of destruction and in respect

of carcasses) meat inspectors under the Health Act, or medical officers of health. The diseases for which compensation is payable are set out in sub-clause (2) of clause 4. They are swine fever, swine erysipelas, swine plague, and tuberculosis. The compensation paid for pigs destroyed on account of swine fever or swine erysipelas or swine plague shall be payable out of the Swine Compensation Fund established under the Bill. In the cases of tuberculosis, 40 per cent. of the compensation shall be payable out of the Consolidated Revenue. Clause 5 makes provision for the amount of compensation to be paid, and is similar to the section in the original Cattle Compensation Act. It provides that the market value shall be paid if after destruction the pig is found to have been free from disease, and that seven-eighths of the market value shall be paid if the pig is found to have been diseased. The maximum sum is not to exceed £15 per pig. Clause 6 makes provision in the event of a dispute arising between the owner and the officer for the Minister to appoint an impartial person to determine the value of the pig destroyed. Clause 7 makes provision for methods of application for compensation. Sub-clause (4) deals with cases in which only the head is condemned. Paragraph (c) of sub-clause (4) disqualifies certain owners from receiving compensation. Clause 8 places complete power in the hands of officers of the Department in certain circumstances. Clause 10 is important, and deals with the retrospective provision which dates back to the 21st of February, 1927. Clauses 11 to 16 deal with the stamp duties. Clause 17 refers to proceedings when the burden of proof is on the owner. Clause 18 contains a general penalty, and clause 19 sets out how regulations shall be made. I think that I have adequately explained the Bill and its objects. Inasmuch as the Cattle Compensation Acts have proved of great benefit, I think that honorable members will all agree that this measure will be of assistance to those who raise pigs. It has always struck me as extraordinary that we do not raise more pigs in Victoria than we do. It is a remarkable industry in other parts of the world. I cannot understand why it does not attract more people in this State than it does. This Bill may give assistance to the industry. If it does it will be a good thing. Apparently pigs suffer from many diseases, and it appears to me

to be in the interest of good government to provide such a fund as will be set up under this Bill. Honorable members are acquainted with this type of legislation, and I should like to take the Bill through all its stages to-night, but if there are any objections we must adjourn the debate.

The Hon. H. I. COHEN.—This House has already affirmed the principle of the Bill in a similar measure. I do not propose to raise any objection to it at this stage. I think that there may be some discussion on the Bill in the Committee stage. I understand that some honorable members are prepared to debate the measure now. I suggest that the Bill be carried to the Committee stage, when an adjournment should be granted. I have endeavoured to consult the wishes of honorable members, some of whom would like the opportunity of interviewing people in the trade, regarding certain of the clauses. I have nothing further to add.

The Hon. H. F. RICHARDSON.—I should like to compliment the Ministry on its having introduced the Bill. I attended a meeting of pig-breeders in Geelong, at which a resolution was carried asking the Government to take action in the direction of compensating owners for losses sustained as the result of swine fever. I suppose that most honorable members know that the whole of the fund is to be derived from the pig-owners and no money is to be found by the Government.

The Hon. H. I. COHEN.—Except in the case of tuberculosis.

The Hon. H. F. RICHARDSON.—Quite so, but not in the case of swine fever. An amount of £8,000 is to be paid to people who suffered very serious losses as the result of the destruction of their pigs during the swine fever epidemic. I know of cases in which great hardship was occasioned. There were instances in which there were only a few cases of swine fever, and the whole of the pigs owned by the people concerned were immediately destroyed. Of course, I know that it is a highly infectious disease and pigs die very quickly from it. I remember the outbreak of swine fever which occurred some 20 years or more ago. It was prevalent in Geelong district, and pig-raisers sustained great losses. For many years a charge of 6d. per head has

been made when pigs have been purchased by bacon-curers and butchers. This charge has covered the losses which have accrued when pigs have been condemned in the slaughter-houses and bacon factories, not because of swine fever, but by reason of other diseases. It was pointed out when the system was first introduced that claims for compensation would be avoided. Claims for losses had continually been made to stock agents. The owners said that their pigs were condemned, and a good deal of trouble ensued. Very often pig-raisers were paid their accounts, and afterwards the agent found that some pigs had been condemned. The levy of 6d. per head was made to overcome such difficulties, and afterwards the pig-raisers had no claim whatever, no matter how many pigs were condemned. The charge proposed under the Bill will, no doubt, bring in a large sum of money. The Minister stated that about 450,000 pigs were sold annually in the State. I noticed that he expressed surprise that the number of pigs reared was not greater than it is. If we could only mill more of our wheat here and supply more offal to the pig-breeders at a reasonable rate, a greater number of pigs could be kept. The present position, however, is that a large amount of our wheat is exported; very little is milled. Often pollard is nearly as dear as flour. In the Warrnambool district the Nestlé's factory purchases nearly all the milk, and consequently very few pigs are kept; the skim-milk that once was obtained from the factories is not now available. There is one provision not made by the Bill, and that is compensation for the destruction of piggeries. Not only were pigs condemned and destroyed, but instructions for the burning of the pig-sties were given by the inspectors. I know that it is claimed that many pig-sties are worth very little, but nevertheless there are many very good types of sties. The kind which it is usual to erect at the present time has a brick or cement floor, and costs a few pounds. The Bill should have provided compensation for the destruction of sties.

The Hon. J. P. JONES.—It would be very difficult to assess their value.

The Hon. H. F. RICHARDSON.—I do not know that it would be more diffi-

cult to value a pig-sty than a pig. In the Melbourne district there was a man who collected a large amount of waste from hotels and other places to feed his pigs, and some fine sties that he erected were destroyed. However, the Bill is a step in the right direction, and I trust that it will be passed quickly. The people whom it will benefit have suffered loss, and are waiting for the Bill to reach the statute-book.

The Hon. F. W. BRAUN.—I also intend to support the Bill, and I wish to compliment the Government on its introduction. Swine fever is a most insidious disease, and once it appears it is almost impossible to eradicate it without destroying the herd. Some people who discovered that one of their pigs was affected had to kill all the pigs they had. They objected to doing so. However, when we know that an infectious disease is transmitted even by straw in a cart, the only way to deal with it is to destroy all the contacts. I hope that the measure will pass to-night, because it has been looked for by those who lost heavily owing to the epidemic of swine fever. I trust that honorable members will relieve the anxiety of those people.

An HONORABLE MEMBER.—Will the measure be retrospective in operation?

The Hon. F. W. BRAUN.—Yes. A swine fever epidemic is rare. We may say that it pays a periodical visit. Several years separated the last outbreak and the previous one. The charge proposed in the Bill will accumulate a fund which will represent a large sum in a few years, in the event of there not being a further epidemic of swine fever in the meantime. I suggest to the Minister that provision should be made that in the event of the fund reaching a certain sum the charge be reduced by half. To the man who has a large number of fat pigs the proposed charge would work out at 1s. per head, because most fat pigs fetch £5 or more. It is no use accumulating a big fund unless it is required. As I have said, swine fever comes only at certain periods, whereas pleuro in cattle stays for many years. I hope that the unofficial Leader will assist the passage of the Bill to-night.

The Hon. G. M. DAVIS.—I, too, should like to congratulate the Minister upon the introduction of this Bill. It is a

measure that is necessary and fair. As Mr. Richardson says, there has been in the past an arrangement among the stock and station agents whereby they have charged the vendors 6d. per head on pigs sold at 25s. or more. Consequently, the proposed levy will not fall very heavily on those who are engaged in the pig-raising industry, and it will prove of immense benefit in cases in which pig-raisers have suffered serious losses owing to the depredations of swine fever and other diseases. The charge of 6d. a head more than covered any losses sustained owing to diseases among pigs, and the condemnation of pigs sold in the Melbourne yards and elsewhere. I think that the Bill is a very good one, but I agree with Mr. Brawn that as time goes on 1d. in the £1 will cover the amount required by way of compensation for pigs that are destroyed. I am doubtful whether we could provide now that when the fund reaches £10,000, £15,000, or £20,000, the amount charged should be reduced by half, or whether that provision should be made later in an amending Bill, as has been suggested in connexion with the Cattle Compensation Act.

The Hon. R. H. S. ABBOTT.—I think this is a matter in which the Government has risen to the occasion very promptly and properly. The Minister of Agriculture made a promise to a deputation of pig-raisers, and has honoured that promise. When an epidemic occurs there is usually a great destruction of animals, and in the case of the epidemic of swine fever, valuable buildings were destroyed. The result was that hardship was caused to many pig raisers. There were a number of cases of hardship in the district which I represent, and many valuable pigs were slaughtered. The provision, which the Bill makes, will give great satisfaction to pig-raisers and breeders generally, and many of them who suffered severe losses in the recent epidemic will take up the industry again with renewed vigour. In the northern parts of the State the pig is instrumental in paying the water rates to the State Rivers and Water Supply Commission, and those who are engaged in the industry should be encouraged. Mention has been made by Mr. Richardson of the difficulty of obtaining fattening feed, such as pollard,

at a reasonable price. The price of feed is an important consideration in the pig-raising industry. I noticed a report in a newspaper recently that something like 10,000 tons of pollard were to be shipped from South Australia, where not many pigs are reared, and sold at a loss of £4 a ton, because there was not the market for it in Victoria at the price—£8 per ton—fixed by the millers. That was due to the destruction of pigs arising from the swine fever epidemic. It seems to be rather unfortunate that this kind of thing should be deemed to be necessary or advisable in connexion with the sale of a valuable product. With respect to the payment of 6d. per head, which sellers of pigs have been forced to make for many years past, and which has gone entirely into the pockets of the bacon-curers, I should like to be informed whether that impost will be done away with after this Bill has become law.

The Hon. G. M. DAVIS.—My word, it will.

The Hon. R. H. S. ABBOTT.—It should be done away with, but whether the Bill will have that effect or not I cannot be sure. It would be well to provide that, when the fund has exceeded £10,000, the duty should be reduced automatically. It is quite right that steps should be taken to ensure that the whole of the people concerned throughout the State contribute to provide compensation. Too often this kind of thing is left to the other fellow. Persons who are hit by an epidemic are apt to be left to face the whole of the loss, while others who happen to be a few miles or a few hundred miles away from the scene of the outbreak refuse to contribute anything. I hope that when Mr. Angliss speaks he will be able to give some indication why it is that more pigs are not raised in Victoria. I am inclined to think that the figures which the Minister quoted do not cover the whole of the case. There are many pigs bought and sold which are never put through the market. They are raised privately and are sent, after private negotiation, to the curing establishments. One of the reasons why pig-raising has not been popular as an adjunct to farming is to be found in the very low price given by curers, of whom there are an insufficient number. Perhaps

Mr. Angliss may be able to tell the House why the carcasses of pigs, and bacon, are not shipped to England. We know that there is an enormous demand for bacon in the Old Country, for it is a very popular item on the breakfast table of practically all classes. It may be necessary in Committee to make one or two amendments to the Bill, especially in the direction of providing for the automatic reduction of the duty when the fund has accumulated beyond the sum of £10,000; but I am convinced that the measure will be very useful to pig-raisers throughout the State.

The Hon. W. ANGLISS.—I have looked very carefully through the Bill, and I should like to move the adjournment of the debate for a week, in order to give it still further consideration, but I understand that other honorable members are anxious that it should be passed to-night. The Cattle Compensation Act has worked splendidly, and no loss has been incurred by any one. There will be a complication in respect of this measure, however, for this reason: the residue of the carcass of a bullock is worth, generally, from 15s. to 35s., depending on the beast. The residue of the carcass of a pig, however, is practically worthless, as there is no hide. A bacon pig may be worth up to about £5. If there is to be imposed a stamp duty of 2d. in the £1, then an average payment covering the whole of the pigs sold, and amounting to 7d. or 8d. a head, would fully cover all requirements for the building up of the compensation fund. In all cases, the value of the pig should be given to the owner in full. In connexion with the Cattle Compensation Act, when a beast has been destroyed, the owner is given the full value, less the residual value. In the case of destroyed swine, however, there is no residual value; the cost of killing is greater than the value of the carcass.

The motion was agreed to.

The Bill was read a second time, and committed.

Clauses 1 to 3 were agreed to.

Clause 4—(Compensation payable to certain owners).

Sir FRANK CLARKE.—Subject to the Minister's explanation of this clause, I think that I have come upon a rather curious point. The clause is similar to a section of the Cattle Compensation Act,

so that any error in this clause would also of necessity be contained in that Act. Paragraph (a) of sub-clause (1) provides that compensation shall be payable to the owner of a pig destroyed by order of an inspector of stock. Paragraph (b) provides for compensation to an owner of any carcass or portion of a carcass condemned at any abattoir by a meat inspector as unfit for human consumption because of disease. Paragraph (c) makes provision for compensation to the owner of any pig destroyed by order because it is suffering or suspected of suffering from disease; while paragraph (d) provides for compensation to the owner of any carcass or portion of a carcass outside a meat area where the services of a meat inspector are not available. I want to know whether an owner can claim compensation for a pig that died of disease before the inspector had reached the spot to examine it and give an order for it to be destroyed. Suppose that a man goes out in the morning and finds one of his pigs dead with all the indications of a disease that should be notified. I do not believe that it would be legal, under this measure, for compensation to be paid. I do not see that the Department could be called on to pay compensation.

The Hon. W. ANGLISS.—It does not pay, in such circumstances, under the Cattle Compensation Act.

Sir FRANK CLARKE.—But the officer of the Department who is attending the Minister in connexion with this measure this evening has just informed me that the Department does pay.

The Hon. W. ANGLISS.—Well, we shall have a lot of money to collect.

The Hon. J. P. JONES (Minister of Public Works).—I understand that the practice is that, where an owner reports that his pig is diseased and the animal dies before the inspector has arrived on the scene, compensation is paid. If the inspector is quite satisfied that had he been there he would have ordered the destruction of the pig—or of the beast, in the case of the Cattle Compensation Act—he would recommend the payment of compensation. Of course, as Sir Frank Clarke has said, that procedure is not quite in accordance with the law.

Sir FRANK CLARKE.—Suppose that the pig is found dead before the report is put in.

The Hon. J. P. JONES.—In that case, compensation would not be paid. One of the objects of this legislation is to encourage the reporting of disease. An owner, for his own protection, would report a case the very moment that the presence of the disease was noticeable. In such circumstances the Department would act in a common-sense way, and, if the inspector was unable to examine the pig before its death, he would recommend the payment of compensation.

The Hon. M. MCGREGOR.—In nine cases out of ten the report is made in the first instance by the local inspector. Instances have occurred in my own district where, as a result of departmental inspectors being so much occupied through an outbreak of that unfortunate disease—pleuro-pneumonia—an inspector has not been able to get to a place where the existence of the disease has been notified before the beast has died. In rare cases of that kind compensation has been paid. There is no possibility under the Cattle Compensation Acts of a man obtaining compensation when making a claim after cattle have died. I take it that the position will be much the same in regard to swine should this Bill pass.

Sir FRANK CLARKE.—I am entirely sympathetic to the practice adopted by the Department, but I do think that our legislation ought to be so worded that the Treasurer, the Government, or the Department of Agriculture, as the case may be, shall not be forced to pay away money when they have, apparently, no legal authority to do so.

The Hon. M. MCGREGOR.—It is like an ordinary death. A doctor is called in. The patient dies before the doctor's arrival. He gives a death certificate.

Sir FRANK CLARKE.—The point is that the Minister said the payment was not strictly legal, but that it was made. It is not pleasant to think that the Government, when paying away money, is doing so illegally, its only excuse being that the money is paid away in a good and worthy cause. The proper thing to do is to so phrase our legislation that the money that has to be paid will be paid legally.

The Hon. W. ANGLISS.—The position is this: Hundreds of cattle die each

year from disease in respect of which the Department pays nothing. The reason for the non-payment is that the disease has not been notified, and the bullock or cow has died in the cattle-yards, or at the abattoirs. The inspectors consider that death from disease under such circumstances is not covered by the Act. In the case mentioned by the President, the Department is notified that the disease has broken out in a herd, but by the time the inspector gets to the place some of the cattle have died. It is only a proper thing that payment should be made in such cases, seeing that the Department has been notified of the outbreak of disease.

Sir FRANK CLARKE.—That is not my point. There is a notification of disease in the herd. You cannot notify regarding every individual animal in the herd.

The Hon. W. ANGLISS.—Where animals have died from disease, and the Department has had no notification of the outbreak of disease, compensation is not paid.

The Hon. M. MCGREGOR.—It must be recognized that when there is an outbreak of pleuro-pneumonia among cattle, or of swine fever among pigs, we should require ten times the number of inspectors that are available to visit every place where the disease has broken out. There is sometimes considerable delay before the inspector can get to a place where pleuro-pneumonia or actinomycosis has broken out.

Sir FRANK CLARKE.—Suppose the disease is reported after the beast has dropped dead?

The Hon. M. MCGREGOR.—The first report of the disease is made to the local council. Then an inspector visits the place and reports to the Department. Unless there is evidence that the beast was seen by some officer before its death, compensation is not paid.

The Hon. Dr. HARRIS.—I think that the practice that has been followed is quite just. The owner of a sick beast sends in a report. If the inspector cannot get to his place in time to see the beast alive, then the Department pays. But the onus is on the owner of the beast to report the disease upon its outbreak. Once the Department gets the report of the disease before the death of a beast, then the onus is on the Department. Compensation is then

paid, otherwise the Department does not pay compensation.

The **Hon. G. M. DAVIS**.—The statement just made is perfectly correct. The officers who administer the Cattle Compensation Acts are careful and conscientious men. They safeguard the interests of the Department fully. There is no fear of an abuse of that legislation as at present administered. I have come in contact with inspectors in my own district in connexion with the destruction of animals on dairy farms, and the general complaint is that the prices fixed by the departmental officers are not commensurate with the cost of the animals. The Cattle Compensation Act is well administered, and, if this Bill passes, it will, I think, be the same with the Swine Compensation Act. All that is necessary is to notify the Department of the outbreak of disease. The Department goes fully into the matter. The inspector visits the place to see that everything is in order before payment of compensation is recommended.

The **Hon. H. KECK**.—The amount of money proposed to be collected under this Bill is £10,000, a fairly large sum. During 25 years we have had only three outbreaks of swine fever, one of which was not at all serious. However, I am pleased that the Bill has been brought forward, and I am satisfied that it will be passed practically in its present form. Compensation is to be made retrospective. Forty pigs had to be destroyed at Bendigo almost before it was generally known that swine fever had broken out. The effect of the Bill will be to help to stamp out the disease. Therefore, I have much pleasure in supporting it.

The clause was agreed to.

Clause 5—(Amount of compensation.)

The **Hon. W. ANGLISS**.—The clause provides, *inter alia*—

Subject to this Act the amount of compensation payable pursuant to this Act in respect of a pig ordered to be destroyed because such pig is suffering from or suspected of suffering from disease shall be—

- (b) if after destruction such pig is found to be diseased—seven-eighths of the market value (subject to such deductions as are hereinafter specified) of such pig:

I move—

That in paragraph (b) the word “seven-eighths” be omitted.

Under the Cattle Compensation Acts the owner of an animal that has had to be destroyed is paid full compensation. It is assumed, apparently, that the value of the offal after the carcass of the pig is destroyed will be one-eighth of the value of the pig. But that is not the case. The cost of treatment would be greater than the actual value of the offal.

The **Hon. H. F. RICHARDSON**.—I hope that the Committee will not agree to the amendment. We have to bear in mind that a tax is to be collected from all the pig breeders throughout the State. Liberal compensation is proposed under the clause. There is a strong feeling that the stamp duty of 2d. in the £1 is too high. If we are going to give the full market value of the pig, it is doubtful whether the amount derived from the taxation proposed will be sufficient. During hot weather hundreds of pigs die when being carried from one place to another in trucks. That is a loss that the unfortunate owners have to meet. It is the best pigs—the fat pigs—that die as a result of heat. Sometimes in very hot weather they die in their pens. The alteration suggested by Mr. Angliss is a vital one.

The **CHAIRMAN** (the **Hon. W. H. Edgar**).—I would point out that compensation is in certain circumstances to be paid out of the Consolidated Revenue. The effect of the amendment would be an increase on the burden of the taxpayer.

The **Hon. W. ANGLISS**.—The compensation is paid out of a stamp duty.

The **Hon. J. P. JONES** (Minister of Public Works).—I hope that Mr. Angliss will not persist with his amendment. If he will look up the Cattle Compensation Act he will see that this provision has been copied from it. Mr. Angliss is under the impression that the Cattle Compensation Act allows the payment of the full market value of a beast that is destroyed by way of compensation. So it does, and so does this Bill in certain cases. If after destruction of the pig, the animal is found to be free from the disease, the market value is to be paid in full. But if after destruction the pig is found to be diseased, then, in that case, as under the Cattle Compensation Act, seven-eighths of the value of the animal is to be paid. I think Mr. Angliss will see that what is proposed is very fair. After all, we can-

not provide for a much smaller division than one-eighth. It leaves the owner the responsibility of one-eighth of the value of his animal. If a pig is worth £2, the owner has to bear 5s. of the loss. If it is worth £4 his loss will be 10s. As Mr. Richardson has pointed out, if the full value were paid for diseased pigs which are ordered to be destroyed the fund would become depleted much more rapidly than it would under the present circumstances, and instead of 2d. it might be necessary to increase the stamp duty to 2½d. I hope the honorable member will not persist in his amendment.

The Hon. M. MCGREGOR.—I also hope that Mr. Angliss will not persist in his amendment. A liberal allowance is provided in the way of compensation. The maximum amount is £15. The maximum amount for a bullock is £25. In administering the Cattle Compensation Act I am pleased to say that the Department of Agriculture is endeavouring to save the residual value of a destroyed beast. In many country districts the residual value of a cow or bullock may be as high as £2 10s., and this amount is saved to the owner by the beast being slaughtered at abattoirs and not simply left in a paddock to be skinned. If the owner of a beast which has been destroyed has to bury the carcass we know that he will not dig a very deep hole.

The Hon. W. ANGLISS.—I have already pointed out the difference between the value of the carcass of a cow or an ox that has been destroyed and the value of the carcass of a pig. There is no residual value in the carcass of a diseased pig which has been destroyed, and the owner ought to be compensated to the full extent. The value of the hide of a cow or an ox is, as a rule, at least one-eighth of the total value of the animal. Under this Bill the owner will get only seven-eighths, as against the full market value.

The Hon. J. P. JONES.—There is the constitutional aspect of this matter. We cannot accept an amendment that increases the burden on the people.

The Hon. W. ANGLISS.—But the amendment I propose does not increase the burden on the people. The compensation comes out of a fund which is not provided by the Government, but by the owners of the stock.

The Hon. J. P. JONES.—In some instances 40 per cent. of the compensation will come out of the Consolidated Revenue.

The Hon. W. ANGLISS.—That is only in cases of tuberculosis. We could get over that difficulty by making a special provision in regard to tuberculosis. At the present time an owner may be charged 1s. per beast, while to-day the charge is not more than 6d. The charge may even amount to as much as 2s. 6d., and I think the owner is justified in expecting to be compensated to the full value of the beast destroyed.

The Hon. M. MCGREGOR.—Only a small number of pigs that come to Melbourne are destroyed. Most of them die on the farm.

The Hon. W. ANGLISS.—I may point out that under this Bill the owner of a pig that dies on a farm will not be compensated. An owner is only to be paid for pigs which are certified to be diseased. I consider that if a stock-owner is to be asked to pay increased fees he is entitled to get the market value of any beast that may be destroyed.

The Hon. Dr. HARRIS.—While I am opposed to the amendment suggested by Mr. Angliss, I hope the Minister will see that the rights and privileges of this House are preserved. I absolutely disagree with the ruling of the Chairman.

The CHAIRMAN (the Hon. W. H. Edgar).—I have not given any ruling.

The Hon. Dr. HARRIS.—You have suggested one.

The CHAIRMAN.—I am perfectly in order. If the honorable member will look at sub-clause (4) of clause 11 he will see that I am right. That sub-clause provides for a payment out of the Consolidated Revenue if the fund is insufficient at any time to meet the demands for compensation.

The Hon. Dr. HARRIS.—I am here to preserve the privileges of this House. If the Chairman of Committees is going to rule continuously that any Bill which comes before us which increases the burden of taxation cannot be amended, I do not know where we will be. All legislation increases the burden on the people. I am positive that we have lost some of the privileges of this House as the result of one or two rulings that have been given during the last two or three weeks. I simply rose to say that as a member of this House I

object to these rulings. I consider this House has a perfect right to amend Bills unless they are absolutely in the form of a taxation measure. I am going to see, as far as I am able, that we shall have that right. We have always had it till the last two or three weeks, and we should continue to have it. I hope the Leader of the House will see that it is his duty to preserve our rights and privileges.

The CHAIRMAN (the Hon. W. H. Edgar).—I should like to inform honorable members that I have allowed the fullest discussion on every Bill that has come before us—and, perhaps, I have given too much latitude. If I had strictly enforced the Standing Orders possibly I should have shortened the debates. The position is quite clear in regard to this particular matter. I am as jealous of the rights and privileges of this House as any one else, and I have at no time weakened in my rulings in regard to them. For the future I must apply the rules more strictly, which will probably shorten debates considerably. It is not fair for Dr. Harris to have spoken as he has done. Let me read section 56 of the Constitution Act to him—

All Bills for appropriating any part of the revenue of Victoria and for imposing any duty, rate, tax, rent, return, or impost shall originate in the Assembly and may be rejected, but not altered, by the Council.

That is very clear, and if the honorable member will read sub-clause (4) of clause 11, to which I have already referred, he will see that I have acted rightly.

The amendment was negatived, and the clause was agreed to, as were the remaining clauses and the schedule.

The Bill was reported to the House without amendment, and the report was adopted.

On the motion of the Hon. J. P. JONES (Minister of Public Works), the Bill was read a third time.

POUNDS BILL.

The House went into Committee for the further consideration of this Bill.

Consideration was resumed of clause 2—

In section nine of and in the Second schedule to the principal Act for the word "Threepence" there shall be substituted the words "Two shillings (where the land trespassed on is in a city town or borough) or Threepence (where the land trespassed on is not in a city town or borough)."

The Hon. J. P. JONES (Minister of Public Works).—When this Bill was before the Committee on the last occasion, Mr. Richardson raised an objection in relation to this clause. Since then I have consulted the secretary of the Municipal Association, and he has informed me that his association is prepared to accept the amendment which I shall move. I move—

That all the words after the word "words" be omitted, with the view of inserting the words "Five shillings (where the land trespassed on is in any city in the metropolis within the meaning of section six of the Melbourne and Metropolitan Tramways Act 1918) or Two shillings (where the land trespassed on is not in any city in the metropolis aforesaid but is in any other city or any town or borough in Victoria or is in any area which is within the municipal district of any shire and set forth in a by-law made by the council of the shire for the purpose and declared therein to be a populous or residential area), or One shilling (where the land trespassed on is not in any city town or borough or area aforesaid)."

I do not think it is necessary for me to explain the amendment at any length. The trespass fee is to be 5s. in any city in the metropolis, or 2s. where the land trespassed on is in any other city, town, or borough, or in any area of a shire declared by the council to be a populous or residential area. The fee in the case of land not in any city, town, borough or populous or residential area will be 1s. I think that the arguments which honorable members advanced in regard to this clause contained a good deal of weight. I have endeavoured to meet their wishes, and to frame an amendment which I believe will secure the sanction of another place. I hope that Mr. Richardson will approve of my amendment.

The Hon. H. F. RICHARDSON.—

This matter was discussed at a meeting of the executive committee of the Municipal Association, which was held to-day. I explained the position to my fellow members on the committee, and the feeling among them was in favour of the amendment. They considered, however, that there was no necessity for the council of a shire to make a by-law declaring a populous or residential area. It would be sufficient, they thought, if that were done by special resolution of the council. If the reference in the amendment to a by-law was excised, I think it would meet with the approval of every member of the executive committee of the association. It must be remembered that those gentlemen

represent various groups of municipalities in different parts of the State. They expressed the opinion that the same measure of protection should be given to the country districts as to populous areas. The representative from Mildura said that it did not matter whether the fee for trespass was 2s. or 5s. He stated that the council of the Town of Mildura had made a by-law fixing the trespass rate at £1. I understand that in Geelong City the trespass rate is 10s. or £1. The members of the executive committee made it clear that they did not desire to see the Bill sacrificed for a particular amendment, because it contained provisions for which the municipalities have asked for years, but they would prefer the councils to have power to declare a populous or residential area by special resolution, instead of by by-law.

The Hon. J. P. JONES (Minister of Public Works).—If the Committee will accept the amendment as I have moved it, I will undertake to see if the provision which Mr. Richardson desires can be inserted before the Bill passes in another place. If I were to allow an amendment to be moved on my amendment, I would have to consult the Parliamentary Draftsman as to its wording. I promise Mr. Richardson that I will ask the draftsman whether provision can be made to obtain what Mr. Richardson desires.

The amendment was agreed to, and the clause, as amended, was adopted.

Clause 3 providing, *inter alia*—

(1) Any animal which is impounded and is found—

(a) to have been abandoned; or

(b) to be decrepit or diseased, or to be seriously injured or disabled—

may be destroyed on an authority, in writing, signed by a justice.

The Hon. J. P. JONES (Minister of Public Works).—I move—

That after the word "justice," the following words be inserted, "after inspection of the animal by him."

This amendment is in accordance with a suggestion which was made by Dr. Harris and other honorable members. I do not think that any objection can be taken to it. It provides that before a justice gives his authority for certain reasons for the destruction of an animal impounded he shall inspect the animal.

The amendment was agreed to and the clause, as amended, was adopted.

The Bill was reported to the House with amendments, and the amendments were adopted.

On the motion of the Hon. J. P. JONES (Minister of Public Works) the Bill was read a third time.

ADJOURNMENT.

The Hon. J. P. JONES (Minister of Public Works).—I move—

That the House at its rising adjourn until Tuesday, October 25.

The motion was agreed to.

The House adjourned at 10.40 p.m., until Tuesday, October 25.

LEGISLATIVE ASSEMBLY.

Tuesday, October 18, 1927.

The SPEAKER (the Hon. O. R. Snowball) took the chair at 4.36 p.m.

CONTRACTS FOR GOVERNMENT WORKS.

PREFERENCE TO AUSTRALIAN AND BRITISH WORKMEN.

For Mr. LINTON (Boroondara), Mr. Groves (Dandenong) asked the Premier—

If in all future contracts for the Government by private contractors for road construction and repairs, railway and tramway construction, building of bridges, water supply and irrigation works, &c., he will have a clause inserted in the conditions of contract providing for preference in employment to Australian and British workmen?

Mr. HOGAN (Premier).—The answer is:—

In view of the provisions of Treaties of Commerce and Navigation between Great Britain and certain European States, which are operative in Victoria, the legal advisers of the Government point out that compliance with the suggestions of the honorable member for Boroondara would appear to involve a discrimination inconsistent with the provisions of such treaties.

RAILWAY DEPARTMENT.

ELSTERNWICK LEVEL CROSSING.

Lieut.-Col. FORREST (Caulfield) asked the Minister of Railways—

If he will lay on the table of the Library the file relating to the abolition of the level crossing at Glen Huntly-road, Elsternwick; together with the plans in connexion therewith prepared by the Railway Department?

Mr. TUNNECLIFFE (Minister of Railways).—The answer is:—

The file of papers relating to this subject is forwarded herewith. The preparation of plans and estimates of the cost of a scheme involving the lowering of the railway tracks and the Elsternwick station in order to abolish the level crossing is being proceeded with, vide letter to the Town Clerk, Caulfield, dated 23rd May, 1927, but for the reason set out in that communication some considerable time will elapse before the plans and estimates can be completed.

DEBATE ON THE BUDGET.

The House having gone into Committee of Supply, the debate (adjourned from October 12) on the Budget, submitted by Mr. Hogan (Treasurer) on September 20, was resumed.

Mr. CUTHBERTSON (*Albert Park*).—The taxation proposals embodied in the Budget to adjust the finances for the current year can scarcely be characterized as either unreasonable or excessive. Indeed, I consider them rather moderate, and just what one would expect from a Labour Government—that is, a Labour Government in office but not in power. Personally, I am not in favour of minority rule, and I understand that there are quite a number of other members of this House who hold the same view. Minority rule never achieves anything great. I think that courage and character in matters of policy are nearly always lacking where the numbers are against the occupants of the Treasury bench. Therefore, the reason why this year's Budget lacks those two essentials is very evident. We all realize that it is not a true-blue Labour Budget. New fields of taxation are continually being exploited, and one wonders sometimes just what will happen when, eventually, there are no more new fields to exploit, as must be the case sooner or later. I sometimes think that it would be a splendid thing for the country if, for a given period we were to live strictly within our income—if the Government or Parliament would stand up and say: "For the next five years"—or whatever the specified period might be—"we are determined to live within our income, and, at least, no new taxation will be imposed during that period." Certainly, I do not think that any Government is justified in proposing fresh taxation until all avenues by which economy may be reached have been fully and finally availed of. In regard to the

present Budget, the Government has not satisfied honorable members that it has completely exhausted all means of economizing. The honorable member for Prahran and other members who have spoken on the Budget, have referred to the out-of-date public buildings in which many of our public servants have to work. As a rule out-of-date surroundings mean out-of-date methods. Environment often makes or mars the man. I am perfectly convinced that if our public buildings were remodelled and enlarged, so that all Government activities could be housed under one roof, and the kindred services co-ordinated, not only would there be greater satisfaction among the officers concerned, but there would be greater efficiency, and I have no doubt that there would be a saving of many thousands of pounds annually to the State. The Government have introduced during the present session a Bill for the establishment of a State Agricultural Bank. I understand that the idea is to provide a separate institution.

Mr. ALLNUTT.—I hope a separate institution will be provided.

Mr. CUTHBERTSON.—If it is, it will be a failure from an economical point of view. The State Savings Bank at the present time has branches throughout the metropolitan area, as well as in many other parts of the State. The Treasurer has already indicated that he regards that bank as being very well managed. Notwithstanding that fact, the Government proposes to establish a State Agricultural Bank, which will be run as an entirely independent concern. We have already a well-managed institution, and it would be the gravest mistake, from an economical point of view, for the Government to do what is proposed.

Mr. HOGAN.—The honorable member is only guessing, and he knows that in certain places it is unwise to guess.

Mr. CUTHBERTSON.—The Treasurer must have changed his mind on this subject. It has been repeatedly stated in this House that the Government intended the State Agricultural Bank to be run as a separate institution.

Mr. HOGAN.—I don't think it will be. Anyhow, there is no need to debate the matter now. The honorable member will have plenty of opportunities to do so when the State Agricultural Bank Bill is being discussed.

Mr. CUTHBERTSON.—We ought to be intent on adopting business methods, and if the Government proposes to establish a separate institution it will certainly not be acting on sound business lines. The honorable member for Wonthaggi severely criticized the management of our railways. I do not think his criticism is justified. Considering the ramifications of our railways, the hundreds of thousands of train miles which are run every year, and the enormous amount of goods and passenger traffic—millions of passengers are carried annually with comparatively few accidents—I think, speaking generally, that we are getting efficiency in the present management of this big Department. For a considerable time past a better feeling has prevailed throughout the branches of the Department than was formerly the case. Instead of criticizing Mr. Clapp, the chairman of the Railways Commissioners, we ought to commend him for the business methods he has introduced into railway management, and we should do all we can to help him in his great work.

Mr. JACKSON.—Coupled with the other Commissioners.

Mr. CUTHBERTSON. — Yes, of course. I think that to-day we are getting more satisfaction, so far as railway management is concerned, than we have ever had in the history of this State. As I have said, there is a better feeling amongst the men, and all seem to be working for the good of the State in a much better way than was the case some years ago.

Mr. McKENZIE.—You are inconsistent. You are talking about economy in one breath and standing for expensive management in another.

Mr. CUTHBERTSON.—I am not standing for expensive management.

Mr. McKENZIE.—That is what is going on.

Mr. CUTHBERTSON.—I say that the management was never better than it is to-day, and that we should endeavour to help the men we have selected to manage the Department, instead of continually criticizing them—not adversely criticize them—just now, at any rate. It has been found, in the past, impossible to get men in Australia to successfully run our railways.

Mr. HAYES.—It is a question whether we can or not.

Mr. CUTHBERTSON.—At any rate, that has been the opinion of past Governments, and in Mr. Clapp we have one of the best Railways Commissioners we ever had.

Sir WILLIAM McPHERSON.—He is an Australian.

Mr. CUTHBERTSON.—That is so; but he has had a great deal of experience abroad, and the result of that experience has been applied to the running of the railways of this State. He is making a success of this great undertaking of ours. I regret that the Minister of Railways has seen fit to do away with the bonus system in the Newport Workshops. That is a great mistake. It means that some men are being deprived of money that they could earn without doing an injustice to any of their fellow workmen. We are not likely to get anywhere as a manufacturing nation if we do not improve our present method of production. It is necessary to have a system of bonuses, or some other system, to increase production, if we are going to take our place among the nations of the world as a manufacturing country. If some equitable system of piece-work could be established without doing an injustice to any section of the community, we should be more likely to succeed than we are at the present time. It ought to be possible to set a certain standard for the comparatively slow man, to enable him to earn at least the basic wage. It would be no injustice then to offer to other men some system of bonuses for extra production, by which their earnings could be increased and the output generally improved. I would go so far as to say that if a man could do in 36 or 38 hours sufficient to earn the basic wage, and there is not a sufficient demand for the manufactured goods to warrant him being further employed, he should be able to receive piece-work rates for that particular week. An equitable system of piece-work would be in the best interests of this State. Honorable members have only to look at the progress report which has been presented by the Industrial Mission which recently visited America. Apparently something on the lines of what I suggest is being carried out in that great country, and that is one of the reasons why America, from an industrial point of view, is such a successful nation to-day.

Mr. COTTER.—I understand that if a person in America asks where the old men are, a cemetery is pointed to.

Dr. ARGYLE.—That is an old gag—older than the honorable member.

Mr. JACKSON.—The question is—is it true?

Mr. CUTHBERTSON.—The honorable member for Richmond knows that men representing the industrial portion of the community were members of that mission.

Mr. COTTER.—You should not anticipate what will be in its report.

Mr. CUTHBERTSON.—The mission has already presented a unanimous report, and I am going to quote a portion of it.

Mr. COTTER.—You are quoting from what appeared in the newspapers.

Mr. CUTHBERTSON.—What I am quoting from is the official report, which has been signed by all the members of the mission. It is stated that the whole of the United States of America seems to be working intensely, and that "efficiency" is the watchword of all concerned. I direct attention to the following extract from the report:—

The mission found that the growth among employers and employees of the realization of their mutual dependence upon each other has been most marked in the last five years. It was about 1922 that it first began to be generally recognized by the representatives of both labour and capital that each must consider the other's point of view, that the manufacturer would not work without profit, and that the workman must obtain sufficient wages to enable him to live decently. Employer and employee then settled down to work. The employer set out to improve his buildings and plants and markets, and the employee set out to increase his earnings by increasing his production. The result was that the nation's purchasing power revived, trade increased, the earnings of workmen rose, and this in turn increased the demand for goods. Two economic facts have since been increasingly recognized in the United States, namely, that increased earnings mean increased purchasing power, and that cheaper production means an increased range of buyers.

Mr. COTTER.—What have you been quoting from?

Mr. CUTHBERTSON.—From a report which appeared in the *Argus*, and it is stated that the report has been signed by all concerned. The secret, to a large extent, of the success of the United States of America as an industrial nation is that an intense patriotism permeates the workmen throughout that country.

Mr. MURPHY.—They must look for something more than mere patriotism.

Mr. CUTHBERTSON.—I think that patriotism for Australia should permeate the workmen of this country. Of course,

they have to earn a living, but they should also look at the country's point of view, and by giving efficiency and increasing production they will increase the prosperity of this State.

Mr. JACKSON.—It is necessary that there should be patriotism on the part of both the employer and the employee.

Mr. CUTHBERTSON.—I quite agree with that. If we had patriotism displayed only by the employee and not by the employer, no good would result. We ought to endeavour to promote a better feeling between the employer and the employee, and unless we do so we shall never get anywhere as a manufacturing nation. Members generally are impressed with the idea that we must have population beyond that resulting from the natural increase. We must endeavour to increase our population quickly with the right kind of people. The Government will be well advised to take steps to participate in the scheme which has been put forward by the British Government, in conjunction with the Commonwealth Government, for the purpose of providing for migration from Great Britain and settlement in Australia. I understand that a previous Government submitted five schemes for settlement in various parts of the State, and if they are carried out it will be a fine thing for Victoria. With the carrying into effect of these schemes, and the continuance of the splendid work done by the State Rivers and Water Supply Commission, the extension of the operations of the State Electricity Commission throughout the State, and the building of roads, room and work could be found for a continuous stream of immigrants from the Old Country.

Mr. JACKSON.—Did not the honorable member for Rodney, when Premier, say that there was no land available for the settlement of immigrants in this State?

Mr. CUTHBERTSON.—I do not know whether he did or not, and I am not concerned about that statement. What I am concerned about is that five different schemes, which mean the expenditure of considerable sums of money, have been prepared for the settlement of people in various parts of this State. A commission is still in existence considering these schemes, and an expenditure of over £500,000 is involved in making preparation in this way for bringing of immigrants from Great Britain and settling them in various parts of Victoria.

Mr. COTTER.—At the present time we are settling most of our immigrants in Richmond and Collingwood.

Mr. CUTHBERTSON.—That is because we do not make the country sufficiently attractive. The high wages which are obtainable in the city, compared with those which prevail in the country, bring about an inevitable drift to the city.

Mr. COTTER.—What are you going to do to keep the sons and daughters of men living in the country at work there when they grow up?

Mr. CUTHBERTSON.—It is not my place to announce a policy for that purpose.

Mr. COTTER.—Your party was in office a long time, and did nothing.

Mr. CUTHBERTSON. — My party may have been, but I was not here as a member of that party. In the course of his Budget speech, the Treasurer intimated that it was intended to make reasonable provision in anticipation of a deficit for the present year. The honorable gentleman said he anticipated that the loss on soldier settlement for the next year would be £1,000,000, and that he proposed to ask the Commonwealth Government to take over that liability.

Mr. HOGAN.—I said that was the deficit on soldier settlement last year. We do not know what it will be this financial year.

Mr. CUTHBERTSON.—The honorable gentleman said that he intended to ask the Commonwealth Government to take over the liability on soldier settlement, and that the totalizator was to be introduced for the purpose of assisting to meet the deficit.

Mr. HOGAN.—All sources of the deficit.

Mr. CUTHBERTSON.—I think the honorable gentleman mentioned that he intended the revenue from the totalizator to meet the loss on soldier settlement. The Ministry's intention in introducing the totalizator is, I understand, to obtain additional revenue. It was not for that reason that it was established in New Zealand and certain States of Australia. Mr. Richard Seddon introduced the totalizator legalization measure in New Zealand many years ago, with the specific object of controlling and curtailing gambling. The same reason was advanced when various Australian States adopted it. The fact remains that since the introduction of the

totalizator in New Zealand and Australia the effect has been not to minimize gambling, but to increase it.

Mr. MORLEY.—That is questionable.

Mr. CUTHBERTSON. — I do not think there is any doubt about it. I can supply figures which I think will convince any reasonable man that the effect of the totalizator has been to increase gambling. In New Zealand, the investments on the totalizator were £500,000 in 1893, the first year after its introduction. In 1926 the investments had increased to £8,605,582. In New South Wales £1,129,000 was invested in 1918, and £2,662,981 in 1926. In that State the bookmakers operate alongside the totalizator. The figures for South Australia show that investments increased from £500,084 in 1915 to £1,616,445 in 1926. Any person who knows anything at all about racing and betting must admit, if he goes about with his eyes open, that the introduction of the totalizator means an increased volume of betting. Two sections of the community want the introduction of the totalizator in Victoria. The first consists of a fairly large number who know nothing about racing, but who think that the totalizator will minimize gambling, which they consider is an evil. That section requires only to be educated to be convinced that its view is a fallacy. Even the members of the Housewives' Association who heard the totalizator question debated by the honorable member for Barwon, who favoured its introduction, and the honorable member for Nunawading, who opposed it, decided practically unanimously against the totalizator.

Mr. TUNNECLIFFE.—Who won the debate?

Mr. CUTHBERTSON.—The honorable member for Barwon may have made the better speech, but he had the worst of the argument. The Housewives' Association was represented on the deputation which waited on the Treasurer last week to protest against the introduction of the totalizator. The other section who favour machine betting are those persons who are not satisfied with the odds they obtain from the bookmakers. They think they will get better odds from the totalizator. That view is also a fallacy. The totalizator will retain 10 per cent. or 12½ per cent. of the money invested. If the bookmakers could make 10 per cent. or 12½ per cent. on their turnover they would

make fortunes in a very short period. If the totalizator retains 12½ per cent. of the money invested, it means that it takes 2s. 6d. out of every £1, or £1 out of every £8 invested. The totalizator never loses, but the bookmaker does lose sometimes. On the average, the bookmaker pays better odds than the totalizator.

Mr. TUNNECLIFFE.—For a man who does not bet, you have an uncanny knowledge of the system.

Mr. CUTHBERTSON.—I have discussed this question with many people, and I have found that the man, who does not bet as a rule, supports the totalizator on the assumption that it will minimize gambling. I take it that the Ministry does not agree with that view.

Mr. TUNNECLIFFE.—I think I agree with it.

Mr. CUTHBERTSON.—But the Government does not intend to introduce the totalizator for that reason. Its intention is to obtain additional revenue from it. Almost every member of the present Ministry opposed the Totalizator Bill that was introduced in 1922. The Premier was one of the chief opponents of it. Now, for the reason that the Government needs additional revenue, Ministers propose to introduce legislation to legalize the totalizator. It is my view that the introduction of the machine in Victoria will do an enormous wrong to the community. I am associated with many sports, and I do not think that I can be accused of being a "wowsler," but I can see many objections to the legalization of the totalizator. If the Government's measure is enacted, it will authorize the expenditure of probably £500,000 on the setting up of a huge gambling machine which will give to the youth of this community a greater opportunity and more encouragement to bet. I am satisfied that if the Ministry introduces this measure, and it is enacted, Ministers will be sorry for the rest of their lives for that action. The Ministry has refused to sanction betting on tin hare coursing, which was a wise decision, yet it proposes to set up a huge gambling machine in this State in the form of the totalizator.

Mr. TOUTCHER.—Could not the legislation provide that no person under the age of 21 may bet on the totalizator?

Mr. CUTHBERTSON.—I suppose the measure could include that provision, but I am sure that it would not be observed by many persons under 21 years of age.

As I have explained, the totalizator measure was introduced in the New Zealand Parliament by Mr. Seddon with the object of curtailing gambling. It is on record that, when Mr. Seddon realized that the totalizator was not having that effect, he regretted his action and endeavoured to have the measure legalizing the totalizator repealed. Sir Richard Baker, who was responsible for the legalizing of the totalizator in South Australia, realized after its introduction that it was not minimizing gambling. Three years after the enactment of the legalizing legislation, he introduced a Bill in the Lower House with the object of repealing the measure. The Bill was passed in that House, but was lost in the other Chamber. Those two gentlemen realized that the introduction of the totalizator had increased gambling instead of curtailing it, and they endeavoured to undo the evil that had been done. I shall be very sorry indeed if money raised by means of the totalizator is used by the Government for the purpose of meeting the State's liabilities.

Mr. GREENWOOD.—Particularly if the Government intends to apply the money towards meeting the loss on soldier settlement.

Mr. CUTHBERTSON.—Yes, that will make the position worse. If the Government were to introduce a measure for the legalization of the totalizator for the purpose of raising revenue, it would be tantamount to the establishment by the Government of huge drinking palaces for the purpose of encouraging the youth of the community to drink, and thereby bringing more revenue to the State. I consider that the legalization of the totalizator is wrong in principle, and I hope that the Government will change its mind and not introduce the enabling measure.

Mr. MORLEY (*Barwon*).—I desire to invite the Government's attention to the annual grant which is made for the purpose of developing Victorian tourist resorts. Last year only £1,235 was spent out of loan money for this purpose. The loan expenditure in 1924-25 was £14,254. The tourists who visit our State represent a splendid asset. A large amount of Government money has been spent on the development of Mount Buffalo, by the construction of roads, the establishment of a Government chalet and other improvements. It is now one of

the leading tourist resorts of the State. The only trouble is that the cost of reaching it, and the charges made for accommodation at the Chalet are so high, that ordinary people cannot afford to spend a holiday there. Daylesford, Mount Macedon, and the Grampians are other tourist resorts which are suffering because of the lack of good roads to those districts. It is also very difficult to obtain the assistance of Government money in developing favorite tourist resorts along the coast. I consider that the Tourists Resorts Committee is one of the best bodies that has been appointed by a Government. The chairman, Mr. J. M. Reed, has a wide knowledge of the State, and he is continually visiting various tourist resorts. He arouses the interest of the local people in the development of their district, and induces them to raise money to supplement the Government grant. The great work the Committee is doing should receive more assistance from the Government. I hope that the Government will increase the grant for tourist resorts this year, so that they may be opened up and developed. They represent one of the finest assets the State possesses. The road in the Polwarth electorate that goes through Apollo Bay will, in time, be one of the greatest scenic roads in the world. People who have travelled over it recognize that.

Mr. McDONALD.—The Country Roads Board has done good work.

Mr. MORLEY.—Yes; there is a certain amount of work which the Tourists Resorts Committee can do in the development of tourist resorts, and I hope that the Government will increase the amount available for the purpose this year. I notice in the Budget papers that the Geelong Harbour Trust is debited by the Government with £174,000 for interest. The Trust says that it does not owe the Government any money. It has been stated that the Trust has a contra account, and, in fact, that the Government is in debt to the Trust, or that the two accounts balance equally. It seems to me that there is something very wrong so far as the position in respect to the Trust is concerned. The honorable member for Geelong had a nice private meeting with the Premier regarding the matter. According to the *Geelong Advertiser*, the Premier, who is also Treasurer, promised that he would

make available £60,000 or £70,000 for the purpose of putting the railway in order. I notice, however, that the meeting that was held was adjourned until a reply should have been received from the honorable gentleman. The Railway Department has informed the Trust that the latter cannot take trucks over the railway line. The Trust has had to close the line. The Trust says that it had not been warned, but we find, according to the press, that it was warned some time ago.

Mr. ALLAN.—What is the reason for closing the line?

Mr. MORLEY.—The line is out of repair.

Mr. McDONALD.—I suppose the honorable member is referring to the line to the railway pier.

Mr. MORLEY.—According to experts it will cost £70,000 to put the line in order. From the decentralization aspect the closing of the line was one of the worst things that could have happened. According to the press, 50 or 60 men who had been working on the wharfs at Geelong had to go elsewhere to look for work. Notwithstanding all the agitation and the representations of the Geelong Harbour Trust, the mayor, also big meetings that have been held in Geelong, we are unable to ascertain definitely what the Government intend to do, but we find that the honorable member for Geelong can approach the Treasurer in regard to the matter. The biggest part of the Trust's territory is situated in my electorate, but I was not invited to see the Treasurer on the occasion in question, nor, so far as I know, was the honorable member for Grant, in whose electorate the Trust also has territory. It is time that the Government put matters on a solid foundation and that something was done for the development of the Trust's territory. Who is in the wrong I am not going to attempt to say, but it is a crying shame to think that a body of men should be attempting to carry on the work of the Trust without funds and without any help from the Government.

Mr. TUNNECLIFFE.—The Trust had a reasonable amount of assistance from the Government in the past.

Mr. WALTER.—The Trust owes the Government £174,000.

Mr. MORLEY.—The Trust does not owe the Government anything. Last year I spoke in this House with reference to Sparrowvale farm. The Trust has sold

the whole of the stock that were on the farm. I do not know what the proceeds of the sale were. I asked why, if the Trust owed the Government £174,000, the latter did not take over the farm and the stock upon it. If that had been done an agricultural college could have been established without the expenditure of one shilling. According to the press, the Trust is now leasing the farm to someone, and that will mean tying the matter up for a number of years.

Mr. WALTER.—You would not dream of putting a dairy college down there.

Mr. MORLEY.—The Trust had some of the finest dairy stock in the State on the farm, and they brought the biggest prices ever brought by dairy stock in Victoria.

Mr. WALTER.—That is not correct.

Mr. MORLEY.—It is correct. Record prices were received for the cows and the stud stock. I want the Government to get busy, and to put the Trust on a proper footing. The people of Geelong should know whether the Railway Department, the Trust, or the Government are in the right. I should also like to know if the Treasurer is going to spend £70,000 in putting the railway in order. The people concerned are expecting a letter from him every day, and, as I have said, the last meeting that was held was adjourned until a reply was received from the honorable gentleman. I was not at the interview with the Treasurer, and nothing has been disclosed as to what happened there. I did not intend to say anything regarding the proposal to legalize the totalizator in this State, but opponents of the proposal have gone to a certain amount of trouble to make statements in support of their opposition, and I cannot let those statements go without having a word or two to say regarding them. I have always been a consistent supporter of the legalization of the totalizator, and I have inspected the machine in operation in every part of Australasia, with the exception of New Zealand. I ask the honorable member for Albert Park, who is one of the best judges of a racehorse I know, to tell me if he has inspected the totalizator?

Mr. CUTHBERTSON.—I have seen it in operation in two States.

Mr. MORLEY.—The honorable member has probably seen it in operation in New South Wales and South Australia. I have seen it in operation in those States

and also in Western Australia and Tasmania, as well as in France. Wherever I have had the opportunity of doing so, I have observed the totalizator in operation. I may remark that, according to the press to-day, it has been determined to legalize the totalizator in Ireland. Of course, that does not make it any better. The argument that the totalizator would increase gambling cannot be substantiated. The people of Victoria are bigger gamblers than those of any other State in the Commonwealth. More betting goes on in Victoria, and there are more members of the underworld and crooks here than in any other State. We receive these people from the other States. Immediately the totalizator is put into operation in another State the members of the underworld there have no chance. They have to clear out, and they are all in Victoria to-day. That statement will be borne out by the police reports. Victoria has received members of the underworld from all the other States. Immediately they are prosecuted they set up the defence that they are employed in connection with race-courses. If a report were obtained from the police of Victoria, and reports were also obtained from the police of other States, it would be found that Victoria is the greatest gambling State of the Commonwealth. Go to any organization you like in Victoria—to the Newport workshops, to the stations, to any club in Melbourne—and I will guarantee that you can get from £500 to £1,000 on any horse you like.

Mr. TUNNECLIFFE.—Do you say there is gambling in the Newport workshops?

Mr. MORLEY.—Yes. There are bookmakers everywhere. Go round the city and suburbs on a Saturday afternoon; go to any "pub," or anywhere else in the State, and you will find bookmakers. I am trying to show that without the totalizator the people of Victoria are the biggest gamblers in Australia. If honorable members could propose a course that would put down gambling altogether, I would support them, but when I am told that the totalizator would increase gambling, I disagree. There is no means of definitely ascertaining the amount of gambling that goes on in Victoria, but in a recent press article the following statement was made:—

It will be remembered that the secretary of the Victorian Bookmakers' Association recently furnished a statement in which it was shown that the fielders' turnover on Victorian courses

amounted to no less than £50,000,000, or more than six times as great as that of the "awful example" the Victorian public is exhorted to avoid.

According to the secretary of the Victorian Bookmakers' Association, we are the biggest gamblers without the totalizator, and with it we could not be any worse. I can assure the honorable member for Albert Park and the honorable member for Nunawading that they made a big mistake when they stated that the totalizator would increase gambling. In my opinion, it would not do so.

Mr. CUTHBERTSON.—There are 150 more bookmakers in New South Wales than there are in Victoria.

Mr. MORLEY.—That may be so, and yet the people of Victoria are bigger gamblers than the people of New South Wales. I feel sure that after the totalizator has been established in this State the bookmakers will, in time, be eliminated.

Mr. McDONALD.—That has not happened anywhere else.

Mr. MORLEY.—What hurts me is to think that members of the deputation that waited on the Premier should have said that those who support the establishment of the totalizator are supporting the increase of gambling facilities for women and children. I ask honorable members whether they have ever seen a child make a bet on a race-course. The tens of thousands of women who go to races are ladies. How dare the objectors to the totalizator insult those women? They have been given the right to vote. We make them justices of the peace, and members of the Police Force, and yet they are to come under a blackfellows' Act, as it were, and be told that they cannot make a bet, just as blackfellows are told that they cannot have a drink in an hotel. It is a crying shame. The parrot cry that the totalizator would increase gambling amongst women and children should be stopped.

AN HONORABLE MEMBER.—That will be good stuff for your debate with the women next week.

Mr. MORLEY.—Only this week I wrote to one ladies' association telling them that I was surprised at their attitude. I suppose that some of the finest friends the honorable member for Albert Park has in his electorate are ladies, and that they were the best workers for him.

Mr. CUTHBERTSON.—I did not suggest such a thing as you have indicated, but

the Premier said he could put a provision in the Bill making it illegal for women and children to bet on the totalizator.

Mr. MORLEY.—The honorable member was at the deputation.

Mr. CUTHBERTSON.—I did not discuss the ladies at all.

Mr. ANGUS.—I was at the deputation too. The matter mentioned by the honorable member for Barwon was not brought forward by the honorable member for Albert Park.

Mr. CUTHBERTSON.—The honorable member for Barwon was not at the deputation.

Mr. MORLEY.—I do not mind deputations being held in opposition to the totalizator, as long as the speakers keep to facts. I do not want them to state that I am going to vote for something that will increase gambling amongst women and children. You never see a girl or a boy betting at the races. Last Saturday there were thousands of people at the Caulfield races—the most orderly people in the world. There was not a drunken person to be seen, nor was there any disorderly conduct. Some people say that terrible things will occur if the totalizator is legalized. Members of Parliament are among the biggest punters. They, and their wives and families, have just as much right to go to the races as anybody else. Certain honorable members are trying to chastise the Ministry because it proposes to bring in a Bill to legalize the totalizator. I admire it for that. I also admired the Allan-Peacock Government when it announced that it would bring in such a measure, but it did not get an opportunity to do so. I hope that the present Government will get that opportunity. Things have altered since 1922, when I first spoke in this House on the subject. Then we had a surplus, but the last financial year has resulted in a deficit. We should obtain £500,000 a year through the introduction of the totalizator, and it would prejudice nobody. Take last Saturday's races. The bookmakers got all the money. Had the totalizator been in operation, all the earnings of the machine, less 10 per cent., would have been returned to the people. There are some people who do not understand what the totalizator is. They seem to regard it as a kind of shop. The totalizator is a mechanical thing, that does not walk about nor invite anybody to

come to it, nor does it give credit to anybody.

Mr. COYLE.—It does not stiffen horses.

Mr. MORLEY.—No. What is the curse of racing to-day? It is the booking of bets—betting “on the nod.” I began to advocate the introduction of the totalizator when a clerk I employed in this city was sentenced to six months’ gaol for robbing me of £250. That happened all through betting “on the nod.” The book-maker should have served the sentence. He came every day, and the clerk plunged more and more. That is one reason why I have been advocating the totalizator.

Mr. GREENWOOD.—Wipe out the book-makers.

Mr. MORLEY.—Can the honorable member show Parliament how to abolish horse-racing? Horse-racing is the king of sports, or, at any rate, the sport of kings. The King, the Prince of Wales, and other leading men own horses. Revenue is to be obtained from horse-racing, and this is the only State that does not raise revenue from this source by means of the totalizator.

Mr. HOLLAND.—Tin hare racing will be the sport of democracy.

Mr. MORLEY.—I do not know much about tin hare racing. I inspected the totalizator in Western Australia. The only objection I had was that it was being used at night time at the trotting races. Here the people go to Flemington, Moonee Valley, Caulfield, or some other course in the day time. Although the introduction of the totalizator would provide revenue here, it would not increase gambling. I feel sure that it would be in the interests of the people, and result in larger stakes being offered, as it has done in New Zealand. Nobody can truthfully say that bookmakers carry on their calling on the sly in New Zealand as they do in South Australia. If a man makes a bet in the Dominion, and is caught, he is imprisoned, not fined. What is the result? The authorities have done away with book-makers there. In South Australia book-makers are fined £50 or £100. They pay the fine and return to their old practices at once.

Mr. GREENWOOD.—But you would allow the bookmakers to go on here.

Mr. MORLEY.—The honorable member was praising the racing clubs the other day, and condemning the

Government. All of a sudden, he left the women and children alone, and suggested that the poor racing clubs would not get enough money. Let honorable members read *Hansard* on that point. I do not know whether the Victoria Racing Club has interviewed the honorable member, and suggested that, if he could get a higher percentage from the totalizator he would receive a life membership ticket. I feel sure that the totalizator Bill will be agreed to when it is considered by Parliament. The broad-minded men in this House know that revenue is wanted, and will act accordingly, notwithstanding how they voted last time. Threats to bring forward quotations from previous speeches have been made, and no doubt they will be interesting. Still, if the Bill is passed, the Government will get an additional revenue of from £400,000 to £500,000 per annum, which is required for the development of the State.

Mr. KEANE (*Coburg*).—I have listened with some interest to the remarks of the honorable member for Albert Park, in his criticism of the Budget. He has spoken of piece-work. He and other honorable members have advocated that system as the panacea for all evils. As one who has worked as a cooper, I know something of piece-work. Those workers who have had experience of piece-work would not go back to it if they could avoid doing so. It brings out everything that is mean and contemptible in men in their dealings with each other. It makes men slaves in their efforts to increase their earnings, regardless of the consequences to the labour market. I have seen the system operating in my trade. As it operated there, so it operates in every other trade. Men who previously were prepared to produce a good article, are ready to make inferior things in order to increase their earnings under the speeding up system. That state of affairs appears to be a desirable one to some honorable members. When the question of unemployment was under discussion, one honorable member said, “Why not have piece-work? That is a remedy for unemployment.” When that honorable member was making a speech on the subject of the rural industry in which he is engaged in Mildura, he pointed out that some of the settlers had let their vineyards to Greeks, who had followed the intense culture methods adopted in their

own country. The Greeks had assumed control of the land and had undertaken to keep the vines in order provided they were permitted to cultivate between the rows. I think that honorable member was inconsistent. If he advocates piece-work in industry, he should advocate it in regard to the cultivation of the soil. Why should he object to the methods of the Greeks when they are applied to the men on the land? I have already said that piece-work brings out all that is brutal and mean in men. In the coopers' yards I have seen staves that were not all straight, and men on piece-work have selected the best for themselves, and left the crooked ones for other workers. In the trade that is termed "lowsing" the timber, or picking the best of it. Other men were actually prepared to sacrifice their meal hour by taking only 20 minutes, so that they could return to work as quickly as possible. The honorable member for Richmond said that in the United States of America if one asked what had become of the men employed on piece-work at the time when they should have been in the prime of life, the reply given was that they were in the graveyard. The honorable member for Toorak said that was a hackneyed statement, and had been used before the honorable member for Richmond was born. I have read industrial histories, and also different authorities on piece-work in the Old World and in America. The consensus of opinion is that under piece-work, a man is done when he reaches his 50th year. Those of us who have had experience of piece-work can imagine that that is so. Those who have not had to work under that system from early in the morning until the finishing bell, cannot appreciate the objection to piece-work. Piece-work prompts men to get as much as they can for themselves without considering whether any of their fellow employees may be thrown into the ranks of the unemployed. Where piece-work has been applied under the share system in the dairying industry, as low as 1½d. per gallon has been paid to men by companies whose premises are not far from Melbourne. Under piece-work the fastest man generally creates the standard rate for any trade. After it has been in vogue for a time, the average worker becomes dissatisfied because he cannot earn what the fastest man does. Despite what the advocates of the sys-

tem say, piece-work is no good at all for the average worker. The system leads to men practising many deceptive tricks, and the loss of any natural desire to produce a good article. Under piece-work the quantity is the main object. The employer is not concerned about quality. I venture to say that, in the boot trade, in the old days, when men took a pride in their work, a better article was produced than we obtain under the modern system. The honorable member for Albert Park also said that this Government, or any other Government, should practice economy. It all depends upon what meaning one places upon the word "economy." I quarrel with the present Government because I think it is practising too much economy. I consider Australia is considerably blessed, inasmuch as there are here all the potential sources of wealth to be found in any country; in fact, we have even more here than elsewhere. Australia is in process of development, and if we talk about the need for economizing, we must remember that in developing this country, we must try, as far as possible, to make it fit for people to come to. Some of my honorable friends on the Opposition side of the House wish to bring people out here before proper preparations are made for them. They talk about immigration, and at the same time they advocate economy. I contend that a Government which does not encourage the development of the country along the lines I have suggested, and does not make it one fit for the reception of population from overseas, does not carry out its duty. Personally, I should like to see our Government, or any other Government, launching out into a big scheme of developmental work, preparing the country for new arrivals, whom—according to some honorable members on the Opposition side of the House—the Labour party wishes to prevent from coming here. As far as the Labour party is concerned, it has no desire to preclude people from the other side of the world from migrating to Victoria. I am not, however, in accord with certain forms of migration—the migration of foreigners to this country, for instance. I believe that foreigners are going to lower the standard of living which Australians enjoy here. There are quite a number of people who are apathetic on this question at the present time. They

seem to believe that foreigners will not make any serious difference to the present standard of living. I had an interview with a gentleman the other day—the purpose of it I shall not mention here. I asked him what his desire was, and he explained it to me. Eventually I found that he was speculating on the misfortune of those unfortunate men who come out here from Italy and Greece. Apparently he was employing them at a sweated wage, and he wanted the Government to assist him. I told him that I could not be a party to that sort of thing, and that, consequently, I could not assist him. As far as British migrants are concerned, I could not have any logical objection to any of them coming into Australia to improve their positions in life. My mother and father came here for that purpose, and, therefore, I could not object to other people doing so. I do contend, however, that we must be prepared to make some preparation for the new arrivals. That is not going to be done by preaching economy, and saying that the Government should not be spending money. It will be accomplished by spending money wisely and judiciously in opening up the country and preparing the land. When that is done, we shall be acting fairly to the people who desire to come to this country, and also to the Australians already settled here. No injustice will be inflicted on any one. We want more development, and we do not want to flood Victoria with tradesmen or men of the labouring class, who, when faced with the question of obtaining the necessaries of life, seek work where it can be obtained only at a lower rate than that paid to Australians. When certain honorable members preach the desirability of immigration and the expansion of population, and at the same time talk of the present Government economizing, and the necessity for economy generally, then they display an inconsistency. As a follower of the Government I am pledged to follow it, and will follow it, but I think that it is carrying economy a little too far. I should like to see something of a constructive nature put forward, particularly in regard to the preparation of the country for the reception of immigrants. The two subjects are far removed, but I now wish to refer to our penal establishments. I represent a constituency in which is located the largest

Mr. Keane.

gaol in Victoria. At this stage I should like to say that I was particularly struck by the remarks made by the honorable member for Upper Yarra a few nights ago, concerning the more modern and humane methods of treating our prisoners. As Parliamentary representative of the district in which Pentridge gaol is situated, I come into contact frequently with the officers, and have visited the gaol on many occasions. I think it is the duty of all members of this House, if they have not done so in the past, to take the earliest opportunity of investigating the workings of the prison. I am satisfied that the staff is a fine one. I am also satisfied that when honorable members compare the remuneration paid to the staff with that which the police are receiving, they will agree with me that the men in the Penal Department are not receiving anything like a fair return for their services. The honorable member for Upper Yarra spoke, not at any length, upon the more modern and humane systems of treatment of the men and women who are unfortunate enough to be in the Coburg establishment, and other similar institutions in Victoria. When we look back, say, 30 or 40 years, and compare the present methods of treating prisoners with those in vogue in those days, we can congratulate ourselves upon the fact that we have discovered that the penalties that were imposed in the days gone by—although they may have proved effective in some cases—are not to be compared with the methods adopted at the present time. In days gone by many people said that the penalties were not sufficiently heavy. There has been a sharp division of opinion among criminologists and others who have studied the subject. In some cases a more severe penalty has been advocated, and it has been suggested that if the specified punishment were not sufficiently severe, the prisoner should be flogged. Again, there was another centre of thought which held the view that, after all, the subject embodied a question of psychology—a necessity to study the minds of the prisoners. Those who held that view thought that if we could do that the result would be that an improved and more humane system of treatment could be found. Between the two sections of thought something was evolved, and, consequently, if the treatment of prisoners in our penal establishments to-

day is compared with that adopted in earlier years it will be realized, I think, that the better and more humane system has produced much more satisfactory results. The fact is that there is not so much crime nowadays as in days gone by, when a more primitive method was adopted in our gaols. I have read a great deal about the different systems obtaining in other parts of the world, and I am perfectly satisfied that the more humane methods of recent years have been much more effective in decreasing crime throughout the world. If one reads O. Henry and others, who have placed themselves in personal touch with the prisons of America and of Australia, one must realize that there are men confined in those establishments who have a great amount of good in their make-up. If we could but discover that good in every case, more excellent results might be achieved. Such methods have been studied and are being put into operation in our prisons, and to no greater extent than in the Pentridge stockade. The effect there has been very advantageous. I was speaking on one occasion to a man who was formerly a penal warder. He told me that at one time there was in the gaol a prisoner of very brutal instincts. The governor of the gaol issued an instruction that no single warder was to be allowed to approach that man. The warders, he said, should go in pairs and be armed with batons. My informant, who thought that the prisoner had some good points, went down to the cell and saw the prisoner. The prisoner clenched his fists and stood against the wall, apparently getting ready to assault the warder. The warder said, "Loosen your hands, old man, I am not going to assault you. I want to reason with you. You know you are here for a number of years, and you know that the methods adopted here are sufficient at any time to break you if it is desired to do so. I know that the man previously in charge of you did not give you a fair deal, but I am prepared to give you a fair deal. Now, put down your hands, and take a bucket and a broom. Remember that the system will beat you, and not you the system. Clean up your cell like a sensible man." The cell was in a filthy condition. The prisoner broke down and cried like a child. After he had wept for a time, he took his bucket and without any further instruction from the warder cleaned up his

cell. The governor of the gaol came along and said to the warder, "I shall charge you. I issued instructions to you not to approach that man unless you were accompanied by another warder and carried a baton. You know what a brute he is." The warder asked the governor to look into the man's cell. After the governor had complied with that request, he called the warder aside and said, "I do not intend to charge you. You have adopted the proper method." The method that warder adopted in connexion with that particular man—a perfect brute to all intents and purposes, and one who had been incited by men who had no knowledge of psychology or criminology—has been applied in hundreds of cases since. In that particular instance, and, no doubt, in very many other cases, the prisoner, after having been treated in a friendly manner became an entirely different type of prisoner. What is the remuneration paid to the men in charge of the prisoners? What are their conditions? To my way of thinking, their conditions are absolutely deplorable when we come to realize the class of men with whom they have to deal. The police to-day enjoy very much better conditions than do the warders who, to some extent, carry out similar duties. The policeman is sometimes in very grave danger of meeting with violent assault in the street, but it must be realized that 95 per cent. of the people are law-abiding citizens. On the other hand, every man in the Pentridge stockade is a criminal, or a potential criminal, and in many cases they have no respect for human life. Some of the prisoners will, no doubt, be there almost for the term of their natural life. The men who have charge of them are always in danger. It can be said that 95 per cent. of the men in the gaols cannot be trusted at any time, and that many of them might, if given an opportunity, resort to a brutal attack on a warder. Policemen are superannuated at the age of 55 years—I think that that applies to senior constables and constables—although inspectors can remain in the force until they have reached the age of 60 years. The prison warders, however, who perform a much more difficult task than do the policemen, must reach the age of 65 years before they can retire on superannuation. This comparison, to my mind, shows that the conditions for the

penal staff are not good enough, especially when it is recognized that they have to handle all classes of people. Many of the prisoners are in a fearfully diseased state when they reach the gaol. There are vagrants of all sorts, literally covered with vermin. The penal staff have to see that those men are cleansed, and the task is a very disagreeable one. I sometimes speak to the Inspector-General of Penal Establishments, and he told me recently that he is well satisfied with his staff. In all common fairness, it should be recognized that these men are performing a task equal to, if not greater than, that carried out by policemen, and I think that they should be placed, as far as salaries and general conditions are concerned, on a similar basis to policemen. The police did not always have the advantages they now enjoy. It was due to the strike that they obtained their present conditions. Even so, they have always worked in more favorable circumstances than those which have applied to the duties of penal and asylum warders. Many of the asylum warders have had to work under scandalously bad conditions. They have had to take care of insane persons, who at times have attacked and injured them, and who, by the nature of their malady, are unable to take care of themselves physically, so that the warders have had to look after them as though they were infants. I know of the case of one man who was employed as a warder in an asylum at a wage which was less than the amount of money obtainable from the Children's Welfare Department by the mother of five dependent children. By that comparison I do not suggest, of course, that the allowances available to mothers through the Children's Welfare Department are too liberal. That Department is in every way fine and helpful; its officials are performing wonderfully good work among the poor of our community. Although a sum of £82,000 more than that which was devoted last year to hospital purposes is indicated in the Budget for disbursement, I am not satisfied that we are doing enough for our hospitals. The first consideration of any Government should be the health of the people. We are very much behind the other States in regard to the treatment of the sick. We have not a sufficient number of hospitals for the care of

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the sick and injured poor. We should build new hospitals instead of adding wings to existing institutions. New hospitals are wanted in the country as well as in the city. I should like the Government to announce its determination to erect new hospitals for the treatment of the sick poor, irrespective of the question of where the money is to come from. For that reason I trust that the Government will not proceed to practise the class of economy which the honorable member for Albert Park has advocated.

Mr. CUTHBERTSON.—I have not advocated any means of economy which would reduce the vote for hospital purposes.

Mr. KEANE.—The honorable member talked about the need for providing money so that we might have a proper system of road construction.

Mr. CUTHBERTSON.—I certainly advocated that.

Mr. KEANE.—That cannot be brought about under any system of false economy. To talk of economizing in these days, when there are so many men walking our streets in search of work, when there are so many poor people unable to obtain relief in our hospitals, and when there are so many people who are desirous of going on the land and becoming primary producers, is of no use to me. Money must be found for some things that are essential to the very life of the community. The Government would be wise to make even greater endeavours than have been indicated in the direction of raising additional revenue. I shall now deal with another subject. There are many people in this community who are under the impression that there is a speed limit for motor vehicles. Pedestrians know very well that there is no limit. Municipal councils may erect notices within their boundaries to the effect that the speed limit is so many miles an hour, but there is no means of enforcing a limitation. Many motorists are speed maniacs. When one reads of the terrible toll of life by motoring accidents and considers those records in conjunction with the reports of prosecutions for fast and reckless driving, one is surprised that the Government does not take immediate steps to tighten up the law and insist on a strict limitation of speed. Before motor cars came into existence, there were notices at

various crossing places for the special benefit of "cabbies," who might have given their horses a good feed of oats, and were inclined to lay on the whip. Drivers of vehicles were warned to "walk over crossings," and if the poor old "cabby" or any other person exceeded a speed of 10 miles an hour he was liable to be prosecuted for furious driving. There are wealthy motorists to-day who repeatedly ignore such regulations as there are, and in so doing risk the lives and limbs of many people besides their own. They willingly pay their fines when prosecuted, because they look on such payments in the light of taking out a licence to enable them to continue to travel at excessive speeds. Something must be done in the direction of discouraging recklessness on the highways, particularly in the metropolitan area. Only by the limitation of speed can we hope to bring about a reduction of the terrible record of deaths and injuries due to speed hogs. There was a case at Caulfield some months ago in which a little girl was killed. A family was out motoring when something went wrong with the car, and those in it got out on to the road to ascertain what was the matter. A woman motorist dashed past, knocked a little girl down, and killed her. The driver was the daughter of a wealthy man. She was tried for manslaughter and acquitted. Recently that same woman was fined £2 for driving her car at an excessive speed. So long as magistrates continue to inflict fines instead of imposing terms of imprisonment without the option of a fine, these daily and almost hourly motoring accidents will continue to occur. Imprisonment is the great deterrent.

Mr. LINTON (Boroondara).—Prior to the presentation of the Budget, I think that all members of the House extended to the Treasurer a certain amount of sympathy in that—as he himself reminded us—he had an empty Treasury. Reference to the Budget, however, discloses that the total receipts for 1926-27 were £26,377,928, and that the estimated receipts for 1927-28, over which the Treasurer has absolute control, amount to £27,177,706. That is a greater amount than any State Treasurer has had to handle in the history of Victoria.

Mr. TUNNECLIFFE.—What about the expenditure side?

Mr. LINTON.—I am dealing now with revenue particularly, because it is on that

that the Treasurer has to build his Budget. It is most unfortunate, from the point of view of Victoria, that the Treasurer, supported by several of his responsible colleagues, has on almost every conceivable occasion emphasized that the State Treasury is empty, and that he does not know where to turn for money. Ministers appear to forget that, being the official mouthpieces of the State, their utterances are cabled abroad to the financial centre of the Empire, where there is a possibility of Victoria's credit, which to-day is exceedingly high, being jeopardized. I feel sure that Ministers do not make these statements with the intention of doing such injury to the State. Seeing that he has budgeted for such a huge income for the present financial year, the Treasurer should think twice before saying things which are bound to be detrimental to Victoria's credit. Only last week, referring to a speech of the honorable member for Rodney, the Treasurer accused the honorable member of being a most awful pessimist. The honorable member was justified up to a point in certain statements that he made; but if the Treasurer is not a pessimist of a calibre at least equal to the honorable member for Rodney, as he appears to be in view of his constant references to the bankrupt state of our affairs, then I am sorry that I should do him an injustice.

Mr. HOGAN.—I do not altogether remember saying that we were bankrupt.

Mr. LINTON.—The Treasurer has inferred that he has an empty Treasury.

Mr. HOGAN.—There was no inference about that.

Mr. LINTON.—But the estimated income for this year is a record.

Mr. HOGAN.—I have not said that we were bankrupt, but I have said that we have an empty Treasury.

Mr. LINTON.—The Treasurer has said that on more than one occasion. This Parliament may be said to be practically a board of directors. The members of the Ministry are the managing directors of the biggest financial and commercial undertaking of all in the State. We are given the responsibility of managing the affairs of the State in accordance with its income, and we have to give consideration to every aspect of our income and our expenditure. If a board of directors controlling a large business presents a balance-sheet, and the shareholders point out that they are trading

at a loss, it becomes the responsibility of the managing director to introduce economy and to increase efficiency in order that the loss may be wiped out and a profit shown. That is the job that ordinary financial or commercial men frequently have to face. I maintain that is equally our job in managing the affairs of the State as a responsible Parliament. If the board of directors of a business concern decided that in order to square the ledger, and ensure a profit for the ensuing year, it was necessary to increase the price of the commodities that they traded in, it would not help them. It would only put the concern further in the mire. But what do we find in connexion with the affairs of State? When there is a loss on our railways we say, "We will increase freights and fares to the public." When there is a loss on our tramways, we say, "We will increase the fares." In other words we say, "We will increase taxation." It is time that we took a fair and square business view of these matters. We should say, "We cannot go on increasing the price to the public in order that we may square the Government ledger." The ledger can be squared in other ways. We know that certain economies, not incompatible with an increase of efficiency, can be introduced in several Government undertakings. I maintain that it is the responsibility of the Ministry to endeavour to investigate every avenue of economy before it decides to increase the burden of taxation that the community has to bear. I think we have gone far enough with taxation in State affairs. Every time we increase taxation we retard industry. We cannot go on increasing taxation indefinitely. I have before me a statement of finance issued by the Taxation Office. This statement shows that we have in Victoria a population of 1,694,479. The number of individuals who paid direct taxation were, in 1922-23, 123,768; in 1923-24, 153,519; in 1924-25, 127,818; and in 1925-26, the last taxation year, 139,183. The present Ministry proposes to increase the burden of taxation still further on the very small number of people, 139,183, who contribute direct taxation. At the same time it is proposed to relieve an enormous number of people who contribute nothing in direct taxation at all. It means that very many people are

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given representation without payment. I say that the time has arrived when we should seriously consider whether it is advisable to increase the burden of taxation on the handful of people who pay direct taxation. If we increase taxation, let us distribute the taxation more evenly. Our wage earners can undoubtedly afford to contribute a small sum per week, per month, or per quarter as is done in other places by means of a stamp put on a receipt for wages.

Mr. EVERARD.—The people pay a good deal in indirect taxation.

Mr. LINTON.—We cannot avoid paying indirect taxation through the Customs, but we can increase direct taxation. My point is that the people who pay direct taxation should not be saddled with a further burden. The freest section of the community as far as the taxation burden is concerned, is the bachelor section. When I say bachelors, I refer to unmarried men of 23 years of age and upwards who, thanks to the laws of this country, are in receipt, in many cases, of very high wages. They are asked to contribute only the same taxation as are men with wives and families.

Mr. CUTHBERTSON.—Certain allowances are made in income tax in respect of children.

Mr. LINTON.—Fortunately there are allowances in respect of the children of married men, but I am referring to the bachelors. If the Treasurer is looking around for a new field of taxation, he can find one in the bachelor section of our community. I do not think that many bachelors would take exception to such a tax. If a married man has an income of £500 a year, and an investment returning him £100 a year, he is taxed very heavily on that extra £100. I maintain that the bachelor should pay a tax equivalent to the ordinary property tax of the average married citizen.

Sir WILLIAM MCPHERSON.—What about old maids?

Mr. LINTON.—I think they are penalized sufficiently already. The Leader of the Opposition, when speaking on the Budget last week, stressed the importance of copies of the Auditor-General's report being in the hands of honorable members before they criticized the Budget. This is my first session in Parliament, and I appreciate the value of that suggestion. It would also be of

great advantage to honorable members if we were given an opportunity of perusing carefully our Auditor-General's report before we considered the balance-sheet of the State. No board of directors would present to their shareholders a balance-sheet unless they had first received a certified copy accompanied by an auditor's report, and I do not think there is any difference between the auditor's report on an ordinary commercial undertaking and the Auditor-General's report on the State undertakings.

Mr. HOGAN.—It is not practicable to give the Auditor-General's report simultaneously with the presentation of the Budget. He, of course, cannot be supplied with a copy of the Budget before it is submitted to Parliament, and he desires to know what is in the Budget before he completes his report.

Mr. LINTON.—Either the Treasurer must have had a very good idea of what the Auditor-General was going to state in his report, or the Auditor-General must have had a very good idea of what the Budget would contain.

Mr. HOGAN.—Speaking for myself, I had no idea what statements the Auditor-General would make, and I did not show him my Budget speech before it was delivered in this House.

Mr. LINTON.—There are certain passages in the Auditor-General's report to which I propose to refer. He states—

The recurring rises in the revenues may be indicative of progress and general prosperity, but as all sources of the expenditure show large increases, it is evident the requirements of the State demand an ever-increasing income, a condition that cannot be relied upon to continue indefinitely.

If we stop to consider that warning by the Auditor-General, good must, I think, result from it. The Auditor-General has his fingers on the financial pulse of every department. He is in close touch with the Ministry, and with the financial advisers of the State, and I think we should, as a Parliament, heed the warning given by such a responsible officer. He points out that the disbursements over receipts last year amounted to £661,409 1s. 4d., and he shows us on page 13 of his report, that the uncollected balance from our Income Tax Branch at the close of the financial year was £368,208 15s. 1d. That is a big sum of money to be outstanding in one branch in one financial year. Of course, it will come into the next financial year. My point

in referring to it is that it is a pity an effort is not made to collect in any financial year the whole of the taxation due in that year. Had that been possible the actual deficit of the State would have amounted to only £293,200 6s. 3d. instead of £661,409 1s. 4d.

Mr. HOGAN.—The honorable member is not quite correct. There were arrears left over from last year.

Mr. LINTON.—I think I made that point clear. I maintain that it is not good management to carry over a big balance of uncollected taxation from one financial year to another.

(At 6.30 p.m. the sitting was suspended until 7.36 p.m.)

Mr. LINTON.—Before the dinner adjournment I was dealing with the question of taxation, and I suggested to the Treasurer that he should take into consideration the advisability of taxing the bachelors of this State. If he would impose a tax on the personal exertion income of bachelors at the same rate as applies to income from property the State would derive a considerable amount of revenue without any inconvenience to the bachelors themselves. I am opposed to any increase of taxation at the present time. The public of this State have been expecting a reduction in taxation rather than an increase, and rightly so.

Mr. CAIN.—You are advocating an increase in taxation.

Mr. LINTON.—On one particular section only, and that section can afford to pay it.

Mr. CAIN.—How do you know?

Mr. LINTON.—That ought to be obvious to the honorable gentleman.

Mr. CAIN.—Supposing a bachelor is starting a business, would you tax him?

Mr. LINTON.—In reply to the honorable gentleman I would say that if a married man is starting a business he has to pay taxation. He has to support his wife and family and educate his children, and is put to many expenses which the bachelor escapes. Other speakers have mentioned the fact that they see very little evidence of economy in the Budget proposals. We all agree with many of the promises which the Treasurer has made in regard to economy. We look for economy to be exercised without the sacrifice of efficiency, without retarding the progress of the State and without interfering with developmental works.

There are other avenues for affecting economy. There is one in particular to which the Auditor-General has referred. That officer deals with the increase in the expenditure on motor cars and on telephones used by public servants. There is no doubt that officers who are supplied with telephones make use of them for domestic calls at the expense of the Government. On page 8 of his report the Auditor-General says—

The expenditure on travelling expenses, motor hire, telephones, and overtime has a tendency to expand beyond the expected or normal increase. Attention has been given to the expenditure on motor hire, which it is expected will be substantially reduced. A closer scrutiny and supervision of claims for travelling expenses, allowances, and overtime would probably mean a reduction in these costs.

The health of the community is a matter that has given me a great deal of concern for a long time. I think I am right in saying that the basis of the wealth of the State is the health of the community. It is interesting to review what we are doing in this House. We have certain proposals for legislation on the notice-paper, and we have already passed Bills dealing with various aspects of the life of this country. We are spending a considerable sum of money on conserving forests, and providing compensation for the destruction of diseased pigs and cattle. We are also providing money for irrigation works, for the construction of bridges, the conversion of cable tramways, and the building of new railways. We propose to spend £180,000 on forests, and £263,000 on the Law Department. In view of the expenditure in these directions it is reasonable to draw the attention of the Committee to what we are doing in regard to the preservation of the life of young children. While we are spending colossal sums of money on the various activities I have mentioned, we find that, during the years from 1921 to 1925, we lost in this State 11,127 children under the age of one year. We can appreciate the fact that a considerable amount of work—largely honorary—is being done by the Bush Nursing Association, the Children's Welfare Department, and other capable organizations. Still there is a terrific lot to be done if we are going to preserve the greatest asset we have—the children of this State, born and expected. Numbers of children are dying largely through the ignorance of their mothers. The

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Government has made provision for spending £9,500 on Infant Welfare Centres during the next twelve months, but I ask honorable members is that sum adequate to protect the lives of the children who are now dying in our midst? Dr. Dale, medical officer of health, in an article which was published recently, deals with this important question. He referred to the number of deaths of children in the metropolitan area, and he said that—

The year 1926 was one of the most favorable the city has experienced, yet, in that year the deaths of infants under one year numbered 136, giving an infant mortality rate of 77 per 1,000, which is higher than that for the whole of London—slums, fogs, unemployment, and all.

This is an important question, and it should receive the immediate attention of the Government. If we can afford to spend the colossal sums we do in conserving forests and building railways and bridges, we should undoubtedly give more attention to the conserving of the most valuable and the most beautiful thing we have in this community. As I have said, I am satisfied that a large number of the deaths are caused largely through the ignorance of young mothers, and I think it is desirable that the Government should consider the establishment in various parts of the State of health advisory bureaux, where young mothers could get advice how to bring up their children.

Mr. FROST.—We have them now.

Mr. LINTON.—Only in limited numbers.

Mr. FROST.—We have them in Maryborough.

Mr. LINTON.—A child in one part of Victoria is as important to the State as a child in another part. I want to see health advisory bureaux established throughout the length and breadth of Victoria.

Mr. HOGAN.—The Government is providing on the Estimates an amount for child welfare which is £20,000 more than was provided last year.

Mr. LINTON.—A large amount of money needs to be spent on child welfare. I am dealing now with the necessity of educating young mothers in the rearing of healthy children, and I urge the Government to consider this matter carefully. My suggestion is that a book should be prepared at Government expense setting out useful information in language which

the average young mother can understand.

Mr. HOLLAND.—As is done in New Zealand.

Mr. LINTON.—Exactly. The cost of the publication of the book I suggest might be high, but the results would be very beneficial to the State. I go further and suggest that this book on health should be presented by the Government to every woman shortly after her marriage. I was pleased to note in the Estimates that provision is made for an increased hospital vote of £43,000. In my opinion, this additional vote will not be sufficient to maintain the high standard of our public hospitals. Many of them are short of accommodation for the sick; they are struggling under a burden of debt. The overdrafts of the metropolitan public hospitals alone are to-day £100,000. The annual interest on that amount is approximately £7,000. That is a load of which the hospitals should be relieved as soon as possible. Hospital accommodation should be increased promptly to cope with the rapidly increasing population of the State. The time has arrived when the finances of our hospitals should be placed on a firm footing, so that the members of the committees associated with the management of the institutions will be relieved of their ever-pressing worries. Our hospitals are largely dependent upon public charity. Heavy calls are made from time to time on the community, and those persons who support the hospitals regularly by voluntary contributions are generally those who obtain no direct benefit from the service of the hospitals. Those persons who subscribe to hospital appeals and work in the interests of those appeals could not obtain accommodation in a public hospital if they desired to enter it. I do not think it is right that in a State such as Victoria is our public hospitals should be dependent on charity for their maintenance. Realizing the great importance of financing our public hospitals properly, and for that reason only, I am inclined to support the legalization of the totalizator, provided that the Treasurer will give an assurance that an adequate proportion of the revenue obtained from the totalizator will be definitely ear-marked for the purpose of relieving the public hospitals of their load of debt. It is only on those condi-

tions that I will support the legalization of the totalizator, accompanied with the gradual elimination of the bookmaker. If it were not for those circumstances I would not advocate that a certain proportion of the proceeds of the totalizator should be absorbed in the State's revenue.

An HONORABLE MEMBER.—What do you mean by the elimination of the bookmaker?

Mr. LINTON.—I mean that no new bookmakers' licences should be granted after the legalization of the totalizator. The bookmakers would then be gradually eliminated. Connected with the management of our public hospitals is an important phase which I do not think is fully realized by honorable members and the public. I refer to the shortage of nurses. It is little use advocating the erection of more public hospitals when the existing institutions cannot obtain sufficient nurses for their needs. There is a sound reason for this shortage. It is a disgrace for a community such as ours is to expect decent, well educated, big hearted young women to work from twelve to fifteen hours per day in hospitals for a miserable pittance, as low as 8s. per week in many cases, when they commence their training. The hospital nurses are wonderful women, and they should receive for their services remuneration which is equal to that received for other valuable services rendered to the community. I consider that the Government should take a hand in this matter, and devise some means by which encouragement will be given to those magnificent girls who enter the profession of hospital nursing. The present hospital committees cannot overcome this serious difficulty with the present incomes of the institutions. It is the intention of the Government to establish a State Agricultural Bank. In my opinion, there is no evidence of economy in this proposal, because we have in existence an institution of which I think we are proud, and which could carry on the work of an agricultural bank efficiently. I refer to the State Savings Bank of Victoria. I believe that if the charter—the articles of association—of that institution were widened it could carry on successfully the functions of an agricultural bank. The State Savings Bank has the necessary facilities for this work, and its management is in good

hands. If it were entrusted with the work of an agricultural bank, the State would benefit, and money would be saved. Another instance of economy to which I wish to draw attention is one in connexion with which I think I shall have the sympathy of honorable members. The economy that has been secured in this matter is only £1,000, but it appears to me to be an unjustified economy, and I ask the Ministry whether it is only another instance of the tearing up of "a scrap of paper." This economy affects a body of honorary workers who have rendered a wonderful service to this State. I refer to the New Settlers League. For some time the Victorian Government has been giving to the League a subsidy, the Commonwealth Government granting a similar amount. The present Ministry proposed to reduce the Victorian subsidy by £500, but on referring to the Estimates I was surprised to find that the subsidy was to be reduced by £1,000—from £1,500 to £500 per annum. I have before me a copy of the migration agreement which was made between the British Government and the Commonwealth Government, and I have also a copy of the agreement which was made between the Commonwealth Government and the State Government for the purpose of carrying out the first agreement. The latter agreement was signed on behalf of Victoria by the honorable member for Rodney when he was Premier, and I remind the present Premier that he and his Ministry have, therefore, become a party to the agreement, paragraph 22 of which states—

The State Government shall, where necessary, establish in some country district of the said State, a reception depot at which assisted migrants can be received, and at which, if required, they will be given training facilities, and shall establish an adequate after-care organization in the said State.

Paragraph 24 provides—

The State Government shall, in consultation with the Commonwealth Government re-organize, where necessary, the methods at present employed by the State Government in the reception, absorption, training, settlement, after-care, and housing of assisted migrants in the said State.

The after-care of migrants is emphasized in that agreement. The function of the New Settlers League is to look after new settlers in any district of the State, whether those settlers came from overseas or any part of Australia. The League cannot carry out the conditions of the agreement,

Mr. Linton.

nor see to the after-care of new settlers, if it is not supplied with adequate funds in accordance with the arrangements under which it undertook to do the work. I suppose that the Government could not obtain the services of the men and women who are in charge of the New Settlers League for £10,000 per annum. They are doing their work in an honorary capacity, and they are doing wonderful work for the State. In carrying out its functions to safeguard the interests of new settlers, the League has investigated many aspects of settlement. One has some connexion with a Bill which is now before Parliament dealing with land and business agents. We who have been connected with the New Settlers League know that certain dealings in land in which settlers from overseas have been involved have been more or less criminal so far as the Closer Settlement Board is concerned. We know that new settlers have been persecuted. The League has had to fight the battle, not only for settlers from overseas, but for Australian settlers, and now we feel that, because we have fought the battles of these people, our League has been fined £1,000 for carrying on its good work.

Mr. HOGAN.—I think a promise was made on behalf of the Development and Migration Commission that our share of the subsidy was to be £500.

Mr. LINTON.—The honorable gentleman informed the New Settlers League that the subsidy would be cut down, but I did not think that it would be reduced by £1,000. After consultation, the honorable gentleman said that he would leave the amount at £1,000 instead of £1,500. The amount is in the Estimates at £500 instead of £1,000, but we maintain that the activities of the League are increasing at such a rapid rate that, if the Government wants it to be of value in carrying out the conditions of the Migration Agreement, it should receive an increased subsidy. There are no people outside the clerical staff, and those who visit the settlers in the country, who derive any salaries at all from the League. The office bearers are not paid. To-day the League is financially embarrassed, and we are very seriously considering the position.

Mr. HOGAN.—I have a lot of sympathy for you.

Mr. LINTON.—Although the Government may wish to practise economy,

I say that in order to do so they are not justified in tearing up "a scrap of paper," and breaking an agreement that this State has made with the British Government. That is what it amounts to, in my opinion. The agreement is here if the Treasurer cares to see it. The question of land settlement in the country is one on which we have to concentrate, and one that interests every person who has any thought for the future prosperity of the State. We know that there are fewer people on the broad acres of Victoria to-day than there were ten years ago. There is a drift to the city which is very much to be regretted. There are many reasons for it, and the principal reason, in my opinion, is to be found in the conditions under which new settlers have to live in the country. The Minister of Lands, on his trip to the Mallee last June, discovered tucked away in one corner of the State 500,000 acres of land which, I understand, the officials did not know of. That land is Mallee land, most suitable for settlement. I maintain that the time has arrived for the Government to tackle land settlement scientifically. We know that we have vast areas of land suitable for settlement, but the practice to-day is to put people on the land, and to ask them to clear it, and build their own homes—tin shanties or hessian huts. I maintain that the Government should clear the land, either by contract or by day labour, in anticipation of settlement, and build homes suitable for the people to go into. They should be able to give their children a decent covering for their heads.

Mr. McLACHLAN.—Where is the money to come from?

Mr. LINTON.—The cost of clearing would be very little, and the value of the land would be increased by its being cleared, while production would be immediately increased. I consider that the time has arrived for us to go in for a scientific system of rural housing. That could be done under a rural bank or the State Savings Bank, if the latter is allowed to function in this connexion. One reason for the drift from the country to the city is the lack of decent housing conditions for country settlers. The reason a number of farmers in the country cannot give employment to people is that they have not accommodation for employees. I think the Treasurer knows that.

Mr. HOGAN.—That is one of the reasons.

Mr. WALTER (to Mr. Linton).—That is rather a hard statement to make.

Mr. LINTON.—It applies in many cases. If we give increased facilities for housing, particularly to new settlers, it will increase the happiness of the settlers, and give more employment to people whom we bring out here to place in the country. I have before me particulars of the schemes which have been approved of under the Migration Agreement by the Commonwealth Government on behalf of the State Government. The schemes approved of represent the sum of £1,084,000. In connexion with these schemes a tremendous amount of land is to be cleared for settlement purposes. To-day we send people to places where they have to clear their own ground, and build their own homes. That means that they break their hearts before they start to produce anything. The whole question of land settlement wants reviewing very carefully. We must admit that there has been a considerable number of failures on the land in this State, and that is largely attributable to the fact that we have brought people here who have never previously had any farming experience. They are given six weeks at Elcho Training Farm, and are then given a block of land; and we expect them to be successful. No person can make a success of farming with only six weeks' experience, nor can a person make a success at chimney sweeping with only six weeks' experience. We should not allow these people to come here and take up land with such short experience, because that means contributing to their failure, and their undoubted ruination. I hope sincerely that the Ministry are going to give some consideration to the Ross report, which was presented to the previous Government just before the general election. If that report, or a certain proportion of it were carried out, and a Board of expert business systematizers appointed to carry out Mr. Ross's recommendations, I believe that we would get very rapid and satisfactory results. I strongly urge the Ministry to consider very carefully the various aspects of that report, and particularly the reference to the Closer Settlement branch. I should like to say that nobody in Victoria appreciates more thoroughly than

I do the departmental head of the Lands Department, Mr. McIver, but we all must recognize that he has for years been trying to do too much. The load he is carrying is too great for anybody to carry. I should like to comment on various statements that have been made by the Premier in reference to the proposed abolition of the Agent-General's Office in London. One has to go to the Old Country to appreciate the value of that office, and the value to the State of having a representative at the seat of the Empire. It is as well to recognize that the Agent-General's Office puts through a tremendous amount of business for this State. It attends to the raising of loans and exercises other functions, and it is run for less than £10,000 a year, including all travelling expenses and salaries. Its purchases alone on behalf of the State Government approximate £250,000 per annum. Looking at the matter purely in a commercial light, the cost of running the office is very much less than 5 per cent. of the amount of purchases, and I maintain that there are very few commercial houses that could run an office in London on a 5 per cent. basis. I contend that the Agent-General's Office in London is most essential, and we should appreciate the fact that it has obviously been run very economically.

Mr. HAYES (Melbourne).—I desire to say a few words on the Treasurer's Budget proposals. The Government have been criticized from the Opposition side of the House in connexion with some of their proposals, and they have been called all sorts of names. They have been called an economy Government on the one hand, and, on the other hand, they have been criticized for proposing to increase the income tax. So far as I am concerned, I regret that the Government have not proposed a greater increase in the income tax, because the hospitals of this State, at the present time, are in a very bad way indeed, and, so far as I can see, the only way in which we can give them any assistance is by increasing the income tax. The amount of money that has been allotted by the Government for hospital accommodation—£82,000 above the provision last year—may seem large, but a far greater amount is required. The Government claim that about 500 additional beds will be available in the near future in the hospitals in the metropolitan area.

That is all very well, but we have to look a little further. The population of the State is increasing, and, as a result, our hospitals are being overcrowded. It is a matter of impossibility for many sick people to secure accommodation in the hospitals of Melbourne at the present time. The Government are making provision for 500 additional beds, but we have to ask ourselves where they are going to find the nurses necessary to staff the various institutions. I claim that something will have to be done to provide better conditions and wages for those women who adopt the profession of nursing. We shall be unable to induce women to adopt that profession if we do not increase the rates of pay. Conditions that prevail in the metropolitan hospitals today are scandalous, and I am surprised to think that the controlling bodies of those institutions should ask the nurses to work for the wages that are paid, and under the conditions that obtain. In connexion with the nurses at the Queen Victoria Hospital, a serious anomaly exists. After a period of three years they have to transfer to other institutions in order that they may obtain certificates of competency. That is an anomaly that should be rectified. It is not fair and just to ask women who devote themselves to the noble profession of nursing, after having served for a period of three years, to transfer to another institution in order that they may obtain the necessary certificates. This question has been discussed with the Minister of Public Health, but, so far, nothing has been done to remove the anomaly. I ask the Government to take the matter up seriously, and to see that matters are rectified. Women who go in for the nursing profession should receive every consideration from the State, and I appeal to the Government to see that they receive that consideration which is their due. Women who enter on a course of training as nurses at a hospital should be able to obtain a certificate of competency at that hospital, without having to enter another institution. That is the case in connexion with the hospitals in the metropolitan area, apart from the Queen Victoria Hospital. I cannot see that there is any great difficulty in the way of removing the anomaly of which I have spoken, and I trust that it will be removed at an early date. So far as wages and conditions generally are concerned,

the nurses in the hospitals are entitled to every consideration, and I hope the Government will take the necessary steps to see that the wages and conditions are improved during the forthcoming year. I desire to congratulate the Ministry on the amount of money that has been set aside for the maintenance of children who come under the Children's Welfare Department. In the Budget the amount is shown as being £20,000 over the previous year's figures, and the Treasurer said, in addition—

Consideration will be given to increasing the payments for children maintained in orphanages and other charitable institutions.

I am quite certain that the Government will not be doing anything wrong in making extra provision for those orphans, who are unable to assist themselves. The allowances that have been granted by Governments in the past in respect of children in orphanages have been very low indeed. Certain orphanages are credited at the rate of 2s. per child per week. It is a crying shame that the Government should ask those in charge of such institutions to accept only 2s. per child per week when other States pay much more. The New South Wales Government makes a grant of 5s. per child, or over 100 per cent. more than is paid in Victoria. I am certain that this Government will give the orphanages fair consideration. If their inmates were placed with foster-parents, the State would have to pay from 8s. to 15s. per child. I appeal to the Treasurer to see that these institutions get better treatment. If he does so, his action will have the approval of every honorable member. Another question that I desire to discuss is that of the extravagance of the Railway Department. That extravagance is made manifest in the Auditor-General's report. Some time ago, I drew attention to the loss incurred on the *Victorian Railways Magazine*. I regret that the Auditor-General's report contains no comment on that matter. That publication is losing about £8,000 per annum. I ask the Minister of Railways to see whether a certain amount of economy cannot be practised in this connexion.

Mr. TUNNECLIFFE.—We have reduced the cost by £2,000 already.

Mr. HAYES.—I think the way in which the publication is prepared is too expensive. I asked a question on the

13th of September in regard to the circulation of the *Victorian Railways Magazine*, and was told that it was 32,000 per issue. Of that number, 31,130 copies are supplied gratis. I have no objection to the employees getting free copies, but the magazine, which is well put together, should be printed on cheaper paper. That would save a very large amount of money. I now desire to draw attention to the loss sustained on the Mount Buffalo Chalet last year. A few years ago honorable members raised serious objection to that concern being taken over by the Government. It was previously under private control. I think that the person who was then in charge could show the present management points in the running of the establishment. The following comment concerning Mount Buffalo Chalet appears in the Auditor-General's report—

The capital cost is now £106,522; an additional £6,073 was added to cost during the year. The working account is credited with £25,430, and charged with stores, freight, &c., £8,757; superintendence, salaries, &c., £15,019; interest, £5,739. The loss for the year was £4,085. The loss in 1925-26 was £846.

This question should be gone into, and no losses should be incurred. If the people who visit Mount Buffalo are not prepared to pay an adequate amount, the sooner the Government gives up the Chalet the better. If the Railways Commissioners are allowed to continue their present practices, the loss may reach £6,000 or £7,000 per annum. I now wish to refer to the Railways Betterment and Publicity Board. Its cost is far above what it should be. I do not think that any good has been gained by the establishment of that body. Last year, salaries, travelling expenses, and incidentals represented £8,913, and the bonuses £2,913, or a grand total of £11,826. Surely it is not necessary for this expenditure to be incurred for the little return that is obtained. The Auditor-General mentions some of the proposals for which bonuses were paid. They include—

	£	s.	d.
Suggestion for increasing charge for towels from 1d. to 2d. ...	2	2	0
Inserting "men" in lieu of "gentlemen" ...	1	0	0
Iron or brass shield on lock at wicket gate ...	1	0	0
Fire buckets at signal boxes ...	1	1	0

The bonuses ranged from 10s. to many pounds. In my opinion, some of the proposals are ridiculous. If the Board

cannot do better work than it is doing at present, it should be abolished. The Auditor-General draws attention only to the amounts paid for small items, presumably because of the ridiculous nature of the suggestions. Another question that should receive attention, in view of the Government's advocacy of economy, is the increase in the number of offices in the Railway Department for which the pay is over £500. No doubt the following comments in the Auditor-General's report are correct—

Offices over £501.—Only the offices carrying salaries of £501 and over are included in the schedule attached to the Railway Estimates submitted to Parliament. In 1924-25, the salaries for these offices amounted to £152,731. In 1926-27, the amount was £216,064. There was an increase of 90 in the number of offices.

It looks as though the Department was running mad, so far as some of the big jobs were concerned. I can hardly believe that 90 new offices, carrying salaries of over £500, have been created during the last twelve months. I ask the Minister of Railways to make a careful investigation regarding this matter. It proves that the Railways Commissioners are not practising economy. It is very easy to conduct a Department if one is prepared to pay salaries of over £500. The Ministry has intimated that no salaries beyond £500 are to be increased in the Railway Department. I do not agree with the mandate of the Government to stop the increases in the salaries of those who were entitled to them. If the officers have a right to the increases they should get them, and no Government should withhold them. When it comes to the lower ranks, the Railways Commissioners are prepared to put every penny of the Department's money into a fight in the Commonwealth Arbitration Court against increased wages. The Commissioners fight an application for an increase of 2d. for those men, but they are prepared to shell out money like peas when it comes to increased salaries for men receiving over £500.

Mr. TUNNECLIFFE.—I hope you are not referring to this Government.

Mr. HAYES.—It is not fair to stop the increases to the men on the lower rates of pay. I am certain that the Government will see that the position is rectified. I trust that the Minister of Railways will state why the new positions to which I have referred were created.

Mr. TUNNECLIFFE.—That was prior to June. The number of offices has not been increased by this Government.

Mr. HAYES.—This Government is allowing a section of men who are worth £600 a year to do their work for £499. The Commissioners are not prepared to bring forward recommendations for promotions, and ask for Ministerial approval. The way in which the Railways Commissioners are conducting the Department is scandalous. They try to override the Government, and they should be put in their places. I regret that no mention was made in the Budget of the employees who were debarred from the benefits of the Superannuation Act. Members now sitting on the Ministerial side of the House raised serious objection to the position brought about by the Allan-Peacock Government which introduced that legislation. It was understood that the Act would be retrospective to 1920, but it dated back only to 1924. As a result of that, about 300 railway employees were deprived of superannuation rights. Members on both sides of the House made inquiries why justice was not done. We regret that no amount has been set aside for those men. There is an amount of £582,843 in the Superannuation Fund. The Government should give consideration to the old employees. They have been good and faithful servants, and are just as much entitled to superannuation as are the younger men in the Service. The same applies in other Departments. Old servants have been, so to speak, left out in the cold, and the young men who have joined the Service are receiving what the old hands fought for. I am quite sure that the Minister does not agree with that state of affairs. The amount required to do what I have suggested would be not more than £20,000. Surely that would not be too much to ensure a payment of £2 a week to the men.

Mr. TUNNECLIFFE.—It would cost £600,000 to provide what the men are asking for.

Mr. HAYES.—I cannot see that. When a member of the Opposition in this House, the Minister advocated that the old employees should receive the benefit, and it is only fair, now that he is in a

position to give the men what they are asking for, that he should seriously consider the matter. I ask that the Government should pay attention to the requests that I have made. I do not think the question of economy should be considered in relation to education, hospitals, and provision for orphans. Let it be set aside in regard to those matters.

Mr. ANGUS (*Gunbower*).—I had not intended to take part in the debate until this evening, when the honorable member for Albert Park referred to the proposed agricultural or rural bank. Before I deal with that, I wish to emphasize—as other honorable members have emphasized—the necessity for economy. I do not give the same interpretation to that term as some honorable members have. My idea of economy is a wise and judicious expenditure of borrowed money at this particular time. We want the Government to recognize its responsibilities to rural producers. It should realize that there are millions of acres in the northern portions of Victoria where conditions are so bad that the stock has been turned on to crops to graze. An adequate advance is needed to enable the farmers concerned to re-work their areas and fallow again for the next season. Every additional acre that can be put under crop next year will be a national asset. A few days ago the Premier declared that £10,000 had been advanced for fallow in the Mallee. He would not then credit the information given to him by certain honorable members to the effect that the amount was altogether inadequate, and that sufficient money was required to enable farmers whose crops were to be a failure to work their land and keep their horses in good condition. A wise borrowing of money at this particular juncture to enable this to be done would be real economy. Cutting small expenditure in the Public Service may be wise, of course, but I do not describe it as economy. We should take a broader outlook so that the State can be carried through the stress of a drought.

Mr. McKENZIE.—How are you going to economize?

Mr. ANGUS.—As I have said, by wisely expending money at the present time, giving work to the farmers and their employees, and thus keeping the industry

going. That is true economy, and we want it at present. What is the Government doing to assist in that direction? It promised the establishment of an agricultural bank. The Bill to give effect to that promise was originally the third or fourth item on the notice-paper. The agricultural bank was to be divorced from the State Savings Bank, and was to be a bank to prove of assistance to those who needed it.

Mr. A. HUGHES (*Hampden*).—If the Government did not promise it, it implied it.

Mr. ANGUS.—Yes. It was promised both on the hustings and in this House. The Bill is now the sixteenth item on the notice-paper, and the primary producers who want to take advantage of such assistance as the bank would render are becoming anxious, because they cannot get the money to maintain their holdings properly. There is a rumour now that the Government proposes to establish an agricultural bank along the lines that the last Government proposed. There is a proposal to have an agricultural bank governed by the directors of the State Savings Bank.

Mr. TUNNECLIFFE.—Was not that a proposal which you supported last year?

Mr. ANGUS.—No. I endeavoured to instil into the minds of the members of the House at that time the wisdom of divorcing the proposed agricultural bank from the State Savings Bank. We need an agricultural bank that would be free of conservatism. I used similar words last session. I stated then that it was essential in the best interests of those who invested their money in it that the State Savings Bank should be conservative, and keep its financial position above suspicion. If an attempt is made to save money by incorporating the agricultural bank with the State Savings Bank, no lasting good will result. What we require, as I stated in the last Parliament, is a bank that will take up the work of the Closer Settlement Board and the State Rivers and Water Supply Commission in respect of the collection of money from those who are settled under the provisions of the Closer Settlement Acts and the Discharged Soldier Settlement Acts. I held that the liabilities should be taken over, and that men who have an equity in their properties, but cannot make any progress because that equity is only 20 per cent. to 25 per cent., should be financed. It is even better to

keep people on the land than to place them there, although both objectives are desirable. The Government has turned from the course which it originally intended to pursue. It is rumoured that the question was hotly debated in the caucus meeting, and that by fifteen votes to thirteen it was determined that the proposed rural bank should be incorporated with the State Savings Bank.

Mr. MORLEY.—Who told you that?

Mr. ANGUS.—A little bird, and it had nothing to do with the totalizer. We have a Government which said that it would do great things for the primary producers. What has it done up to the present? It has given the primary producers £10,000 to make provision for the drought period which is with us and to provide fodder for horses and for the fallowing of land.

Mr. FROST.—I think that proposal was made before the drought.

Mr. ANGUS.—I think that it was made before the Government knew anything about drought conditions, but not before drought conditions prevailed. There is a great difference between what the Government knows and what other people know. In any wise proposal to economize and to keep the wheels of progress moving, the Government will have my support. I shall not support it in regard to a rural or agricultural bank which will be merely a greater *Crédit Foncier* establishment. We have had for years experience of the *Crédit Foncier* system, and legislation enabling the State Savings Bank to lend up to 70 per cent. of the value of properties. We have had instances of valuers inspecting properties and assessing them at 70 per cent. of their true value. Advances of 70 per cent. on that 70 per cent. of value have been made.

Mr. A. HUGHES (*Hampden*).—Come over here, brother, and sit with us.

Mr. ANGUS.—No. The honorable member for *Hampden* should come over here and sit with Opposition members. This is the right place for any one who is opposed to the proposals of the Government relating to land settlement. The honorable member will find things more comfortable on my side of the House. There are other matters in regard to which I think the Government would be wise to take a definite step forward. I have already mentioned areas in which sheep are graz-

ing on the crops. Many of those sheep will be in good fat condition in the course of the next two or three weeks. What is happening at present? Stock is being bought at a low price in Melbourne, and put into freezing works by the speculator. The result will be a loss to the farmer. I suggest that the Government should adopt the same procedure as did a previous Government. The Ministry in which Mr. Oman was Minister of Lands—some said Minister of Fat Lambs—enabled the producers to place their mutton and lamb into freezing works and advanced money for that purpose. But we find that the Government is adopting the recommendation of the Royal Commission which investigated the affairs of the co-operative meat freezing works, and that all those works— with the exception of those at Ballarat—have been closed. The Bendigo freezing works should be opened at the present time, in addition to those at Ballarat. It is unwise to take stock from the north, where they are fattening on crops, and truck them all the way round to Ballarat. Both Ballarat and Bendigo freezing works should be opened at least temporarily, and money advanced to the graziers to enable them to place the carcasses in the works, so that they can hold them there if they wish. Another way would be to enable those freezing works to enter into competition, and purchase for future sale the excess fat stock available at present. That would be a boon to the consumers of Melbourne and other centres in the State, and at the same time be of help to the producers.

Mr. MCKENZIE.—Your side of the House would tell us at once that that would be interfering with private enterprise.

Mr. ANGUS.—I am not perturbed about that. I am putting forward what I think would be a means of helping both the producers and the consumers, and I know that there are many on this (the Opposition) side of the House who have ideas and ideals similar to mine. I believe that if steps were taken to do the same now as was done when Mr. Oman was Minister of Lands, the necessary Bill would have a swift and easy passage.

Mr. TUNNECLIFFE.—We have advanced about £70,000 already.

Mr. ANGUS.—That is all right. I am not criticizing the Government for what it has done. I say that the Government should have permitted the

opening of the other freezing works as well as those at Ballarat.

Mr. TUNNECLIFFE.—The best expert advice is against your opinion.

Mr. ANGUS.—The Commonwealth Savings Bank, or the State Savings Bank should be prepared to advance money at the present time to preserve the equity that the settler has in his land, and to ensure his remaining on his holding. What will be the outcome of this drought unless immediate action is taken? More and more people will be drifting from the country to add to the unemployed in the city. Time is the essence of the contract. I urge the Treasurer to adopt a sane measure of finance for the producers. We must safeguard the interests of the wheat-farmers.

Mr. A. HUGHES (*Hampden*).—The soldier farmers, too.

Mr. ANGUS.—The soldier settlers, particularly. But not alone are the soldier settlers affected by the drought. All the farmers north of the Dividing Range have been more or less severely hit. I fear that I made an over-estimate when I said that there might be a harvest of something like 20,000,000 bushels. I am quite certain now that there will not be anything like 20,000,000 bushels of wheat this year. Such crops as we have we should encourage the farmers to cut for hay so that they may preserve their stock, and assist in the general stocking up again after the drought. If the Government is wise it will proceed with its Bill for the establishment of a rural bank immediately. Otherwise the settlers, under pressure of their urgent requirement of money, will harvest their wheat, when, if they could obtain advances, they would cut it for hay, and so save their stock. We are not feeling the pinch now. That will be apparent about Christmas time, when feed has become exhausted. We should enable the wheat-farmers to go in for the scientific working of their land, to prepare in the best possible way for the next harvest, to which we look forward with confidence, in the belief that it will be as bountiful as this has been sparse. We should keep every settler on his holding, irrespective of what it may cost the State. We cannot go on building up the cities if we do not retain our rural population. We cannot hope to get as

good settlers from overseas, or from those of our own people who desire to go on the land, as those who are now engaged in primary industry, and are struggling against the exigencies of a period which they have insufficient to tide them over.

Mr. HOLLAND (*Flemington*).—It is with a certain degree of diffidence that I rise to speak to-night, because I feel that I cannot add anything to the debate which would be illuminating. I also feel that a considerable amount of time has been wasted. The great Cecil Rhodes, when he lay dying, took stock of his life's efforts, and realized how far he had fallen short of his ideal for bringing about a greater South Africa; and he said, "So little done, so much to do." I realize that we have only a couple of months before this House will go into recess. We should push on with all the important legislation that has been promised. As I sat here last Thursday through what was termed "Grievance Day," I thought that if the Government was wise it would devote each Thursday henceforth to public business. I do not desire to curtail the rights or privileges of honorable members, but when all is said and done they merely devote "Grievance Day" to the ventilation of their complaints, the reports of which are then forwarded to the Departments concerned. What is to prevent honorable members from visiting, or from communicating by letter with the Minister, or the head of the Department concerned? They would achieve the same results.

Dr. ARGYLE.—Except that they would lose the publicity.

Mr. HOLLAND.—If they wanted that, so far as concerns the recording of their utterances in *Hansard*, perhaps they could hand a statement of what they intended to say to *Hansard* for inclusion in the records. On the day after to-morrow honorable members are to be given opportunities to deal with their private Bills. When one reads through the list of contentious measures set down for Thursday one realizes how poor is the chance of any of those Bills being placed on the statute-book. Very few Bills introduced by private members ever become law.

Mr. WETTENHALL.—One in 25 years.

Mr. HOLLAND.—Just so! The Government, from to-day onwards, should

declare every day a Government business day.

Mr. ARGYLE.—What would you have said last year if the Government had made such a proposition?

Mr. HOLLAND.—I heard the honorable member talking last week in a most interesting fashion. It reminded me that on one occasion I was walking along Russell-street when I heard a coloured man singing. As he was making himself a bit of a nuisance a young constable arrested him. The words of the street singer's song ran something like this—

It is better outside, looking in,
Than it is inside, looking out.

The honorable member for Toorak was outside, looking in, and he was taking pleasure in giving the Treasurer a caning. He appeared to realize that he was better off outside looking in than during the previous year, when he was inside, looking out. I, for one, am prepared to sit for an extra day each week so that the Government's programme of important legislation may be dealt with.

Mr. WETTENHALL.—So say all of us.

Mr. HOLLAND.—Reference has been made to the fact that the rural population is in urgent need of the assistance than can be given after the rural bank has been established. The Bill for the creation of that institution is one of the important measures that the Government was pledged to bring down this session. I feel sure that it will proceed with that measure, and that the Bill will be passed.

Mr. ALLNUTT.—Let us hope that it will be made an independent institution.

Mr. HOLLAND.—No doubt, the fears of the honorable member will be set at rest. I have read with a good deal of interest the draft of the proposed agreement between the Commonwealth and the States; but in the course of my reading of it I was reminded of an utterance of Gladstone, to the effect that the surest and easiest route to a lunatic asylum was by the study of finance. I am beginning to agree with that statement. In the main, I believe that it is a splendid agreement, and that it is in the best interests of the whole of the people of Australia. I think it will assist in the unravelling of the financial tangle into which the Commonwealth and the States have got themselves. State Treasurers, in future, will not be able to rush off to London to borrow money. There are one or two clauses of the agreement with which

I do not agree; but on these I hope I may receive enlightenment, in the course of the discussion. Sometimes we wonder why certain of the States prefer to borrow money in America rather than continue to deal with the Old Country. I have been reading a review published in *The Nation*. It deals with a publication bearing the title *Australian Finance*, written by Sydney Russell Cooke and E. H. Davenport. *The Nation* states:—

Australia's total wealth is officially computed at about £3,000,000,000. Her net public debt (of which nearly half was floated in London) amounted in 1925 to £965,000,000, or £164 per head. It has trebled since 1902. Even in that year it greatly exceeded, in volume per head, that of the most heavily indebted European country. During the same period, population has advanced only 40 per cent. Between 1913-24, debt per head increased by 150 per cent., the value of production per head (according to the official statistics) by only 54 per cent. The growth of debt has outstripped that of population and production. This is disquieting, since production in the form of surplus exports must, in the long run, repay the debt, if it is ever to be repaid, and for the last five years Australian exports have fallen short of imports in value on the average by more than £7,000,000. Actually less wool, in volume, is produced in Australia now than was produced on the average during the years 1909-1913; and this notwithstanding a succession of good seasons. Meanwhile, £18,000,000 of public debt mature next year; and £474,000,000 in the years 1927-41. In the past Australian maturities have almost invariably been met by conversion, i.e., by re-borrowing; and according to a statement made last year by the Commonwealth Minister for Trade and Customs, the whole of the interest on the foreign debt was in 1925 met by new borrowing. These facts provoke the inquiry: What would happen if no new loans were forthcoming? Australia's capacity to meet the service of her debt out of unassisted revenue would then, for the first time, be put to the test. Facts such as those cited above about the balance of trade and a decreased rate of production inspire some apprehension as to the result; nor is this lessened by the account which the authors give of the way in which the loan moneys have been spent.

That needs some consideration. The arrangement between the Commonwealth and the States, if exploited in the right spirit, will go a long way towards restoring that confidence in the credit of Australia as a whole which existed in the Old Country some years ago. We have been told repeatedly during the debate that had the Opposition of last year supported the Allan-Peacock Government's betting turnover tax proposals, the deficit that confronts us to-day would have been non-existent. In my opinion, it is unstatesmanlike to try to balance the ledger by taxation on gambling in

any shape or form. I can understand taxation on gambling for the purpose of financing social reforms. The question of the introduction of the totalizator has been well discussed. Personally, I have an open mind on the totalizator question, though I do not bother either the bookmaker or the totalizator.

Mr. MCKENZIE.—Have you any vices at all?

Mr. HOLLAND.—We are told that open confession is good for the soul, but it is extremely doubtful whether my present audience would care to hear my confession. There is a big demand for the totalizator. I take the same view of this subject as is taken by the honorable member for Boroondara. I should be quite prepared to support a measure for the introduction of the totalizator, provided that all the profits were to be used in establishing and developing hospitals. A characteristic of the Australian is his love of gambling. Recently I read an essay on what the non-British Australian has done in the development of Australia. There are people in this State of Nordic origin. We are reminded by the essayist that Roman historians commented on the fact that the Nordics were given to gambling. That love of gambling has come right down through history. The public are urged to support the introduction of the totalizator in the belief that the bulk of the profits derived therefrom will be used for the maintenance and development of our hospitals. Here let me refer to what the Queensland Government has done in the way of utilizing profits from gambling for the maintenance of charities. The Queensland Government, realizing that it was a national characteristic to gamble, and being averse to having the weaknesses of the Australian people exploited by private enterprise, established what is known as the Golden Casket Art Union. This art union has been in operation for some six years. The profits that have been made by "Tattersall's" during 30 years must have been enormous, seeing that the profits on the Golden Casket Art Union have amounted to £4,000,000. Of that amount, close on £2,000,000 has been devoted during the last five years to the erection of a chain of hospitals, particularly maternity hospitals, and

ante-natal and post-natal clinics. As a result the infantile mortality rate has been greatly reduced in Queensland. I find, from the last annual report on the subject, that in Queensland no application for a bed in a hospital has been made in vain by any person suffering from any disease or in need of a surgical operation. Contrast that state of affairs with the long list of persons waiting for admittance to hospitals in this State. In the metropolitan district alone, 2,000 people are awaiting admission into our public hospitals. Many require surgical operations, but are compelled to wait. The honorable member for Boroondara referred to the large number of infants who die within twelve months of birth; but he did not refer to the large number of women who lose their lives in the performance of what should be a natural function—that of giving birth. It has been pointed out by Professor Marshall Allan and Dr. Munroe that where there are maternity hospitals distinct from general hospitals, the atmosphere of which is permeated with disease, the young mothers pass through the pangs of childbirth without the attendant discomforts and risk. It is a travesty on our civilization that so many young mothers die in childbirth. In Queensland, as the result of the establishment of separate and distinct maternity hospitals, properly equipped and staffed with persons trained in midwifery, magnificent results have been obtained. The woman about to become a mother reports to the maternity hospital. If she is not able to report from time to time, a specially trained nurse calls upon her. Medical scientists tell us that it is essential that childbirth shall take place in a proper institution. In Queensland, thanks to the ante-natal and post-natal clinics, the maternity hospitals, and public health centres, the health of the community has gained enormously. That has been made possible by the profits derived from the Golden Casket Art Union. The people will have their gamble.

Mr. COTTER.—Will they gamble on tin hares?

Mr. HOLLAND.—They seem to want to do so. If the totalizator is introduced in this State, it should be controlled by the Government. To-day we hand over hundreds of acres of our public reserves to racing clubs. Those clubs

erect barriers, and force the people to pay a tribute in order to pass them. The people are charged for entrance to the flat at Flemington. I understand that an assurance was given that the money received from that source would be spent on improvements to the flat. As a matter of fact, even the ordinary decencies of life are not provided. On the flat there is a lack of lavatory accommodation, and it is a common sight to see men lying face downward on the turf trying to ease themselves in that way because of the lack of proper accommodation. In my opinion, the State should take over the totalizator, and utilize the profits from it in giving help to the sick people of the community. I have here some interesting figures on the totalizator in New South Wales. The total amount invested last year on the totalizator in the metropolitan district was £2,459,316. The amount returned to investors was £2,119,282—86.17 per cent. The Government commission was £221,341—9 per cent. The commission to clubs amounted to £86,075—3½ per cent., and under the heading "Fractions" we have the amount £28,509, or 1.16 per cent. I believe that also went to clubs. Unclaimed dividends amounted to £4,109. These figures are taken from the New South Wales Auditor-General's report. There is no indication of even the fractions going to hospitals. The profits were divided between the State and the racing clubs. On the question of education I agree with the Leader of the Opposition that the time has arrived when we should appoint a Royal Commission to investigate our present system. We spend a large amount of money on education, but I agree with the honorable member for Melbourne that we cannot expend too much in that direction—that is, of course, if the expenditure is wise. When the Minister of Labour was speaking on the Apprenticeship Bill, he pointed out that 80 per cent. of the students in the junior technical schools failed to complete the third year of the course. He also indicated that the same state of affairs practically existed in the senior technical schools. There seems to be a general tendency to decry our education system and a thorough investigation into it from the primary school to the University would produce good results. I do not think the Government realizes its responsibility to subsidize the

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University to a greater extent than is proposed.

Mr. MCKENZIE.—A free University is what we want.

Mr. HOLLAND.—That is so, and it is not too much to look forward to. In Western Australia every boy and girl who indicates ability can go from the primary schools through the secondary schools to the University free of all fees, and with all requisites supplied. We cannot spend too much money in providing for children to go from the primary schools to the University. I hope the Government will realize its responsibility in this direction to a greater extent than it has done.

Mr. WETTENHALL.—Is there any provision in Western Australia for free board and lodging for the students you have referred to?

Mr. HOLLAND.—I could not say.

Mr. WETTENHALL.—That is one of the biggest items of expenditure.

Mr. HOLLAND.—It is certainly one of the biggest items.

Mr. MCKENZIE.—A Labour Government is in power in Western Australia, and you may be sure they have provided for that.

Mr. HOLLAND.—It is set out in the Budget speech that provision is being made for increasing the number of school medical officers and dental officers, and that medical inspection and dental treatment will be provided for all children attending school. That is a very wise provision to make. I was looking at a recent report of the Education Department, and in the part dealing with medical inspection it is stated that 50 per cent. of the young children attending State schools are suffering from minor ailments of the ears, eyes, nose and teeth. These ailments have the effect of making the child appear dull, and it is obvious that the medical examination should be followed by treatment. At the present time parents are informed of any ailment which the medical examination discloses, and it is left to the parents to have their children dealt with by their own doctors. A proper system would include treatment as well as inspection. In Queensland every child is medically examined as soon as he begins to attend school, and particular attention is paid to the teeth. Last year I think there were about 48,000 extractions, and about a similar number of fillings. We should emulate the

example of the Queensland Government in this respect. I listened with a great deal of interest to the speech of the honorable member for Kew. He impresses one as giving a great deal of attention to the preparation of his speeches. He reminds me of an honorable member of the Commonwealth Parliament—Mr. Glynn, who was for many years the representative for Angas, a South Australian constituency. In days gone by, when the Labour party was in office, Mr. Glynn delivered a carefully prepared speech on the motion for the second reading of Bills. His criticisms were always fair, and amendments which were subsequently made in Bills were based upon his recommendations. I was particularly interested in the remarks of the honorable member for Kew about the balance-sheet issued by the Railway Department. He indicated that he had gone carefully into the details, but seemed to be thwarted at every effort to find out what was the true position of affairs. I feel quite satisfied from the speeches which have been delivered by the honorable member that sooner or later he will take up a commanding position in this House. He referred to suggestions which had been made for national control of many undertakings. I am one of those who believe in national control, and I accept the view that if a State instrumentality cannot compete with private enterprise, there is something radically wrong either in the management or in the work of the employees. It may be that the employees are not giving a fair return for the wages they receive. The Queensland Government takes up the attitude that if a State instrumentality cannot successfully compete with private enterprise, the undertaking must be abandoned. I believe that our Railway Department, on the whole, gives splendid service to this country. It is a remarkably big undertaking, and we must recollect that many miles of tracks are laid for the purposes of developing the State. If we were to charge freights and fares based upon the cost of construction, we would have to pay increased prices for many commodities. If there is a loss on the railways it should be made up out of the general revenue. I believe that the Railways Commissioners and the employees in that great Department are giving us excellent service. I also accept the view of the

honorable member for Kew that the Commonwealth cannot continue much longer to provide bounties to assist production, nor can the State Government continue much longer to expend large sums of loan money. It is desirable that we should try to find other means for developing the resources of this country. There is no doubt that the States look too much to the Commonwealth Government for assistance, and that too much loan money is being expended. I was in New South Wales last week, and I learned that many State instrumentalities there are being conducted successfully. There is no reason why they should not be equally successful here. I was for a number of years in a Commonwealth Department, and frequently I had, as the representative of the organization to which I belonged, to wait on the head of the Department to ventilate certain grievances. I always went on those missions with the idea that I was not only a representative of an organization, but as a member of the Commonwealth Service I was a part-owner of the industry with which I was connected. I regarded it as part of my business to give the best service I could, because I felt I was personally interested in the undertaking. It is only by taking up an attitude of that sort that we can make a success of our State instrumentalities. I believe that employees of State instrumentalities, generally speaking, are actuated by the same motive, and that we can make these undertakings successful.

Mr. EVERARD.—Do you think the trams will stop running on Saturday?

Mr. HOLLAND.—I do not think so. I hope they will not. I have also been reading a report on the Wonthaggi coal mine, which is a State instrumentality. It is set out in the report that since its inception 7,723,646 tons have been got out of that mine. This production has considerably affected the prosperity of the State. It has meant that £7,500,000 has been kept in circulation in this State which would otherwise have been sent elsewhere. That is a vindication of the value of a State instrumentality, and it shows that when such instrumentalities are conducted on proper lines, they can be made a success, and advance the best interests of the community. The Leader of the Opposition referred to the necessity for an inquiry into the conduct of

our Public Service. He pointed out the inadequacy of the accommodation, and said that we cannot expect the best service from our officers under present conditions. I entirely agree with that statement, and I know there are a large number of officers who are also in accord with it. There are public officers, some of them holding high positions, who have intimated their willingness to have an inquiry made by members of the Public Service, and they undertake that if the recommendations are given effect to, thousands of pounds annually will be saved. I agree with the Leader of the Opposition that we want up-to-date accommodation for our officers, and I think that the opportunity should be given to these men to make the recommendations which have been hinted at. We certainly want a general clean-up in our public Departments. The honorable member for Nunawading referred to the excellent speech which was delivered by the honorable member for Port Melbourne on the unemployed question. I heartily agree with the opinions of those honorable members. Unemployment is a big problem, and we must face it. As the honorable member for Nunawading said, it is better to provide work than to give a dole. I believe the time has arrived when we should make a complete survey of the potentialities of this country. There is plenty of room for development, not only in the country, but in the metropolitan area. There are large areas in the metropolis which are not sewered, and a lot of work of this sort remains to be done in the country districts. In other ways there is opportunity for a great deal of employment. I believe that if we made a survey of what Victoria will be like ten years' hence, and started to work now to prepare plans and specifications to meet the conditions which will then prevail, we could, immediately we were faced with unemployment, put on men to carry out certain improvements, and in that way provide a great deal of work for men who would otherwise be unable to get it. The financial aspect certainly enters into the question, and I believe that under the British Migration Agreement cheap money is offered to the States for developmental purposes. I agree with the honorable member for Gunbower in his statement that it is false economy not to pro-

ceed with developmental work in the country districts. The labour of farmers and farm workers should be utilized for this purpose when they are idle. Every effort should be made by the Government in the interests of the State, and the generations to come, to mitigate the scourge of unemployment. It is a tragedy to see thousands of men walking the streets of Melbourne, able and willing to work, and unable to obtain employment. The Government should realize its responsibility in this matter and introduce a scheme of unemployment insurance such as is operating in Queensland. It is a contributory scheme, and it was of great assistance to Queensland during the last drought, which hit that State hard.

Mr. WETTENHALL.—The Commonwealth Government has promised to introduce a scheme almost immediately.

Mr. HOLLAND.—It has not promised to introduce a scheme of unemployment insurance. I have read carefully the report of the Royal Commission on National Insurance, and I found in it no reference to any intention to introduce unemployment insurance. Suppose such a scheme were introduced in this State. If, subsequently, the Commonwealth Government considered it wise to include unemployment insurance in its scheme of national insurance, then the State scheme could be transferred to the Commonwealth. I commend the Chief Secretary for the Government's intention to increase the payments on behalf of boarded-out children, but I regret that we have not in this State a widows' pension scheme such as is in operation in New South Wales. Under that scheme, widows and their children obtain pensions. Those pensions enable the mothers to remain in their homes and give to their children the care and attention which is necessary for their proper bringing up. The mother's place is in the home. Unfortunately, under the Victorian system, the widowed mother is in many cases compelled to go out and work in order to obtain money to supplement the small allowance made to her by the Government for her boarded-out children, and thereby obtain sufficient to keep the home going. I consider that adequate sustenance should be guaranteed to the widowed mother to enable her to stay at home and give her whole attention to her children.

Mr. PRENDERGAST.—We do that, so far as we can, in the administration of the Children's Welfare Department.

Mr. HOLLAND.—I give the Government credit for that, and I commend the Chief Secretary for the action he has taken to increase the amount paid on account of boarded-out children. Out of his generous heart he proposes to provide more relief to the mothers of these unfortunate children, and also to children in orphanages. I think that more consideration should be extended to a number of ex-railway men who are not covered by the Superannuation Act. I realize that a definite date had to be fixed from which the Act should operate, but even if it were made retrospective to 1921, which is all that these men ask, it would affect only 300 men, and as their numbers would be steadily decreased, the additional cost to the scheme should not be great. These men have given faithful and valuable service to the State for many years. In some cases the men had more than 40 years' service. Solely because the Act was not made sufficiently retrospective they have been deprived of pensions. Municipal councils, semi-government bodies, and many private firms now make retiring allowances to their old and faithful employees. I think that the least the State can do is to make provision for some small pension to be paid to these railway men, who rendered faithful service, and for many years had to struggle on low rates of pay, and often work broken time. If the Government cannot see its way clear to introduce a Bill to amend the Superannuation Act to provide for these men it should at least follow the example of the Melbourne and Metropolitan Board of Works, the Melbourne Harbour Trust, and a number of municipal councils and private firms, and provide retiring allowances for these railway men. Because of the low rate of pay they received, and the high cost of living during the last ten years, they were not able to provide for their old age, and many of them are dependent on their children or public charity for sustenance. I commend the Government for its attempt to increase hospital accommodation. That matter should be treated boldly and in a more scientific manner. It is my belief that we shall find it necessary to adopt a principle similar to that in operation in Queensland and New Zealand, where local hospital committees, subsidized by the Government, are responsible for the main-

tenance of the hospitals. Those committees are elected by the ratepayers in the local districts, and they include representatives of the medical and nursing professions. They have executive power. In Queensland the Government guarantees 60 per cent. of the cost of maintenance of the hospitals in each district. The local committees have to obtain the other 40 per cent. of the money required. They can raise the money in various ways—for example, by means of sports gatherings, race meetings, appeals, &c. They have power, also, to strike a rate which is recoverable by law on the unimproved value of land. The cost of hospital maintenance is thereby spread over the whole community, and is not placed, as it is under our voluntary system, on the faithful few who contribute year in and year out to the hospitals. It is not right that we should have to depend on the voluntary system in this State. I do not know what position the hospitals would be in if it were not for the self-sacrificing work performed by the ladies who are connected with the various auxiliaries which raise money and goods for our public hospitals. I have examined the Budget which was brought down by the present Chief Secretary when he was Premier and Treasurer in 1924, and I think that the taxation proposals of the Prendergast Government were well summed up in the following statement:—

Our taxation proposals were built upon the platform of the Labour party. The income tax alteration, as stated by the Labour Treasurer in the House on the 15th of October, 1924, had a twofold object, namely, "to give relief to the poorer class of taxpayer and to place on the more wealthy a fairer proportion of the burden of taxation." We therefore reduced the taxation of all persons earning below £200, allowed a married taxpayer, in addition, a deduction of £100 for his wife, and increased the allowance for each child from £30 to £50. The concessions for wives and children were limited to taxpayers with incomes below £800. Sixty thousand people were thus omitted from the taxation field. The alterations made by these proposals showed that £95,000, taken mainly from wages, were not to be demanded in the future. To make up this sum (£95,000), and to provide for additional revenue, the sum of £495,000 was placed upon those with big incomes and companies who had "the ability to pay," and in stamp duties.

We have to face the financial situation, and abandon the habit of borrowing money to meet renewals of loan expenditure, particularly on the railways. Borrowing must be utilized only for the redemption of loans. The liabilities of the State must be met

by more direct taxation. I have made a comparison between the tax on incomes from personal exertion imposed by the Commonwealth and the various State Governments. I find that the higher taxes which have been levied in some of the other States, particularly New South Wales, have not stifled industry—in fact, some of the States with higher income taxes than Victoria have progressed as rapidly as,

if not more rapidly, than this State. The growth of industries has been greater in New South Wales than in Victoria, and that State shows a greater number of transfers and clearances in the trading banks and a larger amount of the people's savings invested in the savings banks. The comparative statement which I have obtained relating to tax on incomes from personal exertion is as follows:—

Net Income before Allowance of Statutory Exemption.	Commonwealth.	New South Wales.	Victoria.	Queensland.	South Australia.	West Australia.	Tasmania.
£	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
200 ..	Nil	Nil	Nil	Nil	1 1 10	Nil	2 5 8
300 ..	Nil	Nil	1 9 2	1 15 2	3 11 10	4 11 4	6 2 10
500 ..	5 6 4	7 10 0	4 7 6	12 4 0	9 16 10	10 15 0	16 10 1
1,000 ..	30 6 4	28 19 2	22 18 4	60 0 0	32 15 2	37 3 6	45 14 1
2,000 ..	105 0 0	82 10 0	57 10 0	180 0 0	109 16 10	137 1 3	142 3 9
5,000 ..	543 15 0	300 16 8	172 10 0	780 0 0	545 12 6	812 19 4	514 9 1
10,000 ..	1,917 0 0	788 15 0	357 7 6	1,680 0 0	1,108 2 6	2,150 0 0	1,139 9 1

In my opinion, income tax and land tax are the only practicable scientific forms of taxation, because their incidence applies fairly to those who are best able to bear taxation. Many people are forming their businesses into proprietary companies for the purpose, I believe, of evading taxation. An honorable member of another place was speaking to me the other day, and he said, "My solicitor waited on me, and suggested to me that if I were to form my business into a proprietary company I would be able to save hundreds of pounds in taxation every year." My friend told me that he thanked his legal adviser, but said, "No doubt, it is your duty to look after my interests, but I wish to say that if I am in a position to pay income tax on the higher rate as the result of the opportunity that has been given to me in my native State, I think it is only right and fair on my side that I should be prepared to contribute according to my means." Still, large numbers of people are forming their businesses into proprietary companies for the purpose of evading taxation, though that may not be the object in all cases. I believe that if the Taxation Office were to pay strict attention to the large number of people who are deliberately evading their just obligations, possibly the amount of additional revenue received would be so great that there might not be any need for a

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further increase in the income tax. The time has arrived for us to give serious consideration to the question of whether we are going to continue to borrow, and we must also consider the desirability of placing the burden of our taxation on the shoulders best able to bear it.

Mr. GRAY (*St. Kilda*).—I have listened with a great amount of interest to the debate on the Budget, but so far I have heard very little criticism or comment concerning the vast amount of figures relating to finance laid before the Committee by the Treasurer. This, being the first Budget debate that has taken place since I have been in the House, has been rather interesting to me, and I hope it will not be the last to which I shall have the opportunity of listening. As the debate has progressed I have been somewhat reminded of the well known lines of Lewis Carroll—

"The time has come," the Walrus said,
 "To talk of many things;
 Of shoes—and ships—and sealing wax—
 Of cabbages—and kings."

I do not intend to deal with all those subjects, or to refer to as many matters as were dealt with by the last speaker. I shall endeavour to confine my remarks to what I consider a speech on the Budget should embrace—the finance of the State. I sincerely believe that the finance of a State is the most important item in the government of that State,

particularly in its good government. To my mind, the finance of the State is of paramount importance, and, in my opinion, at the present juncture, when we are just getting on to the fringe of a time of financial stress, it is the duty of every honorable member to look into the Budget most carefully, having in mind Budgets of the past and Governments of the past, comparing yesterday with to-day, and at the same time looking somewhat at to-morrow. To me, the Treasurer seems something like Lewis Carroll's *Alice*. He seems to be wandering in a brilliant financial wonderland. Never in the history of the State has a Treasurer had so many millions to play with as the Treasurer will have during the present financial year if this Budget is passed.

Mr. TUNNECLIFFE.—Did you say “to play with”?

Mr. GRAY.—Yes, or to manipulate. The Treasurer will have more money at his disposal than any Treasurer has ever had. That applies not only so far as actual revenue is concerned, but to loan money as well. If the Budget is adopted, he will have £27,000,000 of revenue to use during the financial year, and £8,500,000 of loan money. But the Budget is dependent on the acceptance by this Parliament of the financial agreement with the Commonwealth. To me a phrase in the Budget speech dealing with that subject appeared to be almost a threat. It is as though, in an economic sense, the sword of Damocles were hanging over the heads of the people of this State. The Treasurer told us that if we do not accept the agreement we shall have to find a greater amount of extra taxation. I should say that a Treasurer who was a statesman would have endeavoured to stand up for his rights, and have said to the Commonwealth Government, “We should be getting a very much greater amount from the *per capita* payments than you have been paying us. We are entitled, under the Constitution, under the financial agreements of the past, and under the promises that were given to this State when we came into Federation, to very much bigger *per capita* payments.” Although a great deal has been said about economy in the press and in this chamber, I see very little in the Budget, or in the papers accompanying it, to lead me to believe that

economy is going to be practised to any great extent during the present financial year. We were told a few weeks ago that recruiting had been stopped in the Police Force on the ground of economy. Last year the Chief Secretary's Department spent £1,931,005. The natural decrease in the Police Force through deaths, retirements, and so on is, I understand, about 200 men a year, and recruiting has been stopped. Therefore, it would naturally be expected, seeing that the pruning knife has been so severely used, that this financial year the Chief Secretary's Department would require considerably less than was spent last financial year; but we find that the estimated expenditure of the Chief Secretary's Department for the present financial year is £1,985,874, or an increase of £55,000.

Mr. MURPHY.—Where does that increase come in?

Mr. GRAY.—If the Chief Secretary is cutting down the Police Force and depleting its reserves, I want to know where the increase comes in. He should require £50,000 or £60,000 less in the next twelve months. In the Budget it is shown that £21,000 of the increase of £55,000 is for increased salaries in connexion with the Police Force. If the strength of the Police Force is gradually declining, how is that increase of £21,000 in salaries accounted for? Is the Government giving the members of the Police Force increased salaries, because, if there are fewer men, one would expect the amount for salaries to decline?

Mr. FROST.—There are not fewer men.

Mr. GRAY.—We are told that there are fewer men—that the Government have stopped recruiting, and that the decrease through deaths, retirement, and so on amounts to 200 men a year.

Mr. A. HUGHES (*Hampden*).—The men in the Force are being promoted, and consequently they are getting increased salaries.

Mr. GRAY.—The Government cannot make them all Chief Commissioners, superintendents, or sergeants. There must be some common or garden policemen.

Mr. A. HUGHES (*Hampden*).—Nevertheless, men have been promoted—not by this Government, either. Junior men were placed over the heads of seniors.

Mr. GRAY.—Certainly men have been promoted. I think my argument is logical. If the strength of the Force is decreasing, and the expenditure is increasing, there is no economy being effected.

Mr. JACKSON.—There is an increase of £27,000 in connexion with gaols and police buildings.

Mr. GRAY.—Possibly the Government have it in their minds that the £21,000 to which I have referred will be utilized at a later date to increase the salaries of members of the Police Force.

Mr. A. HUGHES (*Hampden*).—It is not consistent with their economy stunt, anyhow.

Mr. GRAY.—I know it is not, and that is why I am mentioning it. The total increase in salaries in the Chief Secretary's Department is £46,000, of which £21,000 is for the police. There is £5,000 for increased grants to country art galleries, and £20,000 extra for the maintenance of children. I could pick out other instances where I notice that the Government has acted inconsistently with its protestations of a few months ago. I fail to see that the Government has taken Mr. Wallace Ross's report into serious consideration. Although that report contains suggestions which, if adopted, would practically disorganize the Public Service, it has others through which economy without victimization could be effected. I should like to know what serious steps have been taken to practise economy. By economy I do not mean the cutting down of essential services. I wish to know what steps have been taken to stop leakages in the Government services. During the last seven or eight years, we have passed through a period of inflation. Things have been prosperous. I do not say that the Governments have been good. As a matter of fact, I believe that some of those we have had in the past few years have been pretty rotten. Some Governments have had the advantage of prosperous times. The balloon is going down now. We are approaching the time when we shall have to face hard facts. We need the finest brains of this country and the greatest statesmanship to guide this ship of State. Everything is well when we have good seasons, and when revenue is flowing in, and the people do not growl when they have to pay taxes. When hard times come,

statesmanship must be shown. During the past few days, the Premier has given good advice in some of his speeches. This State needs actions, not words. I have not seen many actions. I am looking hopefully to the future when some of the honorable gentleman's words will be put into actions. Mr. Norris, the Auditor-General, who is the financial watchdog of the State, is a man who has the courage to come out and criticize the highest in the land.

Mr. JACKSON.—That is his job.

Mr. GRAY.—He would not do it if it were not necessary. On page 7 of his report, after giving the figures of the receipts and the expenditure, he says—

The recurring rises in the revenues may be indicative of progress and general prosperity; but as all sources of the expenditure show large increases, it is evident the requirements of the State demand an ever-increasing income, a condition that cannot be relied upon to continue indefinitely. The expenditure of revenue and loan moneys last year amounted to £35,963,110, which was an increase of £3,106,276 on the amount expended in the preceding year, and £21,890,130 more than the expenditure in 1917-18.

After giving further figures, he comments—

The figures indicate that for some years the interest charges have been considerably in excess of the earning capacity of the works and purposes to which loan moneys have been applied.

These are very serious words. Mr. Norris is to be complimented on his courage in pointing out the seriousness of the position to the Government and to the public of this State. He then speaks about the railway earnings and the lack of proper provision for the wasting assets of the Railway Department. That is also a very serious matter, which the Government should take into consideration. He comments on the net indebtedness of the State, which has increased by £66,000,000 in the last ten years. He then says—

It may be contended that the expenditure of a large amount of loan money has assisted in the production of wealth and hastened the development of the State's resources, and consequently the State is better able to provide for a larger interest bill; but there are other sources of expenditure which grow with progress and development. The expenditure out of the vote for education alone was £2,294,859 last year, compared with £1,120,026 in 1917-18. When all avenues of outlay are collated, the expenditure last year which would come under the heading of education amounted to £3,070,312. The like expenditure in 1917-18 was £1,319,806. The rapid increase in the cost, and in the number and classes, of educational institutions

may have led to overlapping, which experience and investigation may eliminate.

Several honorable members have suggested that there should be a thorough overhaul of and inquiry into the education system of this State. When we consider the vast amount spent on education, we ask ourselves, Is not some money being wasted? Is it not time that we found out whether we are getting full value for this great sum? I will support any honorable members who suggest that the education system should be overhauled with the object of cutting down expenditure, and increasing efficiency. I should like to refer particularly to the Budget papers that were circulated for the information of honorable members. Looking at page 2, I notice that, excluding the railways and the State Coal Mine, the actual revenue was £11,935,358, whereas the anticipated revenue for 1927-28 is £12,659,093. In my opinion, that revenue will not be realized. The season will not return nearly so much wheat as was expected, and consequently receipts from all sources, including the railways, will be considerably less than is anticipated by the Treasurer. There will be a serious decline, especially so far as the income tax is concerned. After making a general analysis, I do not think that the Treasurer can bank on more than £250,000 increase in his revenue. On turning to the expenditure side, we find that there were special appropriations of £5,017,850 in 1926-27, while the estimated expenditure in that regard for the coming year is put down at £4,809,464, or a reduction of £200,000. I am inclined to think that if the Treasurer saves half the sum, or £100,000, he will be fortunate. I am pleased that the Government have stated that they intend to exercise the utmost economy during the next few months. I notice by the *Herald* this evening that the Treasurer has called a conference of all the permanent heads of Departments with that end in view. I do not wish to criticize on that score, but I think that the conference should have been called three or four months ago, instead of its being left until now. The Government has professed that it will endeavour to economize in every way. The Government is on trial, and I feel certain that the verdict will be given at a later date. I cannot see any signs of economy, either in the Budget papers or

in the Budget itself, except in respect of a few small items which will not affect the position to any material degree. From page 3 of the Budget papers we learn that railway revenue in 1926-27 was £13,373,119, while for 1927-28 it is assumed that the revenue will be £13,449,000. Why is it assumed that railway revenue will increase to that extent? Last year the wheat yield was 46,000,000 bushels, or, to be more correct, nearly 47,000,000 bushels. I think we shall be very fortunate this year if there are 30,000,000 bushels. I should not like to say that the yield will be more than that. If, on the representations from the greatest wheat-growing centres, namely, the Wimmera and the Mallee, it amounts to that figure, I am inclined to think that the railway revenue will be something over £13,000,000. The actual payments to the railways on account of non-paying lines and reduction of freight charges in 1926-27 were £217,930 and £191,000 respectively, whereas the estimates for 1927-28 are £190,000 and £182,012, or an assumed reduction of £27,000 and £9,000 respectively. It would appear that in estimating the revenue the Treasurer has suffered from "expansionitis," but when forecasting the amounts to be contributed by him to the railways during the present financial year he suffered from "reductionitis." Further, if the revenue is to increase, then the amount to be contributed on account of reduction of freight charges must also increase. As the non-paying lines are situated largely in the northern and north-western parts of the State, and the harvest will be a poor one, the payment on account of non-paying lines must also increase. I do not see how the Treasurer can logically say in these papers that he can expect to pay any decreased amount in respect of the non-paying lines. It would appear that the Treasurer has been in a very desperate fix to present a balanced statement, and has, therefore, manipulated his figures so as to secure the desired result.

MR. BAILEY.—What makes you say that he has manipulated his figures? Where is your justification?

MR. GRAY.—In what I have already stated relating to the non-paying lines. Taking the working expenses of the railways, for 1926-27 the actual amount was

£9,900,975, while for 1927-28 the amount is assumed to be only £9,763,153. Why? I cannot understand why the actual working expenses for the present financial year are to be less than for the preceding twelve months. How can the working expenses of the railways be £137,000 less on an assumed increased revenue? The argument is not logical, especially when the Treasurer also assumes that his contribution on account of non-paying lines will be £27,000 less also. It is not common sense to reason that way. On the other hand, if the figures are Mr. Clapp's, then our friend in charge of the Railway Department needs a holiday at Mount Buffalo to clear his clouded brain. The other items on the expenditure side do not call for any special comment except that the estimate on account of interest on loans, being only £110,000 above the actual expenditure of 1926-27, appears to be very conservative. Are we obtaining the full revenue that we ought to be receiving? When the Estimates are considered I intend to speak on several matters which involve a similar question. One will relate to advertising hoardings. I think that the Railway Department is obtaining considerably less from this source than it should do. Now I desire to refer to the State Coal Mine—another great business concern under Government control. The figures for the State Coal Mine are peculiar. They appear on page 3 and page 5 of the Budget papers, and I think that I can say that they indicate peculiarities. In 1926-27 the actual revenue was £660,521, and the estimate for 1927-28 is £697,601, or an assumed increase of £37,000. Consider this in view of the reported decision to work only five days per week, due to over-production. While the working expenses for 1926-27 amounted to actually £595,547, the estimate for the current year is £628,475. If this expenditure is for wages, as opposed to capital expenditure, then it is merely figures. If, however, the increased expenditure is likely to be on account of capital extensions, and not revenue producing, then while the increase in expenditure will materialize, the assumed increase in revenue will not occur. That is only logic. I notice with interest that a considerable amount of space has been devoted to suggestions relating to the income tax. Turning to

Mr. Gray.

page 6 of the Budget papers we find that the actual amount received for 1926-27 was £2,382,991, while presumably on account of increased taxation £2,669,000 will be received for 1927-28. I cannot trace any figures to show what the actual increase will be on the present figures from the new and increased rates, but it is certain that on the present trading and financial position, on the basis of the old rates, there will be a more or less serious falling off in income tax during the present financial year. I propose to ask the Treasurer if he will supplement the income tax figures with a statement showing what will be received on account of the increased rates on private incomes and on account of companies. Personally, I should very much like to see such a supplementary statement. I turn now to stamp duties. The increase from the actual receipts in 1926-27—namely, £1,175,674—to the estimate of 1927-28—which is £1,261,500—is £85,000. It would appear that the increase in stamp duties would be better omitted. At the present time the fortunate position of the State as regards taxation of negotiable instruments has enabled Victorian business interests to secure a larger and larger percentage of the Riverina trade and the South Australian trade on our western border, and this increase in business means more and more income tax, whereas it would appear that while the Government may gain this increased revenue from stamp duties, it will be nullified by a reduction in income tax to a corresponding, and possibly greater, degree. Therefore, considering the small amount involved, the Treasurer would show a real statesmanlike grasp of the position if he were not to press these increased duties on negotiable instruments, but were to abandon them in view of their boomerang effect. Referring to pages 9 and 10 of the Budget papers—“statement showing sources of revenue and its application, 1926-27, and estimate 1927-28”—there is a rather important point missed in connexion with the deficit shown during 1926-27. Apart from the railways, the deficit amounted to £617,611, but this was not an actual deficit, for the following reasons: Turning to the “Particulars,” &c., on page 11, it will be noted that on the right-hand side, under the caption “For Redemption Purposes,” on account of loans redeemed

and contributions to redemption and sinking funds from general revenue, the sum of £608,959 was appropriated, while the sinking fund contribution on account of Coal Mine revenue was £12,472. In addition, there were revenue moneys of £12,274 contributed; and, adding these amounts together, we get a total of £633,705, or, instead of a deficit, a surplus of £16,094—regarded from an absolute stand-point. It is quite true that these contributions are compulsory, but the point I wish to stress is that in the absence of any express statement the idea induced that the State was £617,611 to the bad, apart from the railways, without considering these other items, conveys a wrong impression, especially abroad, and may be costing us an extra $\frac{1}{2}$ or even 1 per cent. on our loan moneys. I suggest to the Treasurer that in future a statement summarizing the exact position on these lines be included in all future Budgets. Here is a matter, economic in every aspect, which may mean a saving in interest in the future. The credit of this State stands very high; its financial shield is almost untarnished. Why not keep it bright and sparkling in the eyes of the world? Turning to page 30, under the statement showing the amounts to be redeemed in Melbourne during the year, £52,000 originally issued at $3\frac{1}{2}$ per cent. will have to be redeemed at 5 per cent. or more; £947,500 at $4\frac{1}{2}$ per cent.; likewise, £450,000 at $4\frac{3}{4}$ per cent., and £200,000 at $4\frac{1}{8}$ per cent. Has the Treasurer made provision in his estimates for these increases in rates, totalling approximately £7,000 to £10,000? In addition, there is £5,500,000 issued at 5 per cent. that might cost $5\frac{1}{4}$ per cent., adding another £12,000, and making a probable increase in the interest account of £20,000 odd, besides cost of flotation, &c. On the other hand, the Treasurer may save $\frac{1}{4}$ per cent. on £370,205 issued at $5\frac{1}{2}$ per cent., and $\frac{1}{8}$ per cent. or $\frac{3}{8}$ per cent. on £7,035 issued at 6 per cent., but these are trifles in comparison. To me, the public debt increase is simply appalling. In ten years it has grown from £79,595,646 to £149,546,965, and it is still soaring. Next year we shall have added another £9,000,000 or £10,000,000. To my mind, no loan should be raised unless the future where-withal for interest and sinking fund is

assured. I think that the Government would be quite safe in raising a sum of £20,000,000, and even up to £40,000,000, for the construction of roads. Honorable members may think me inconsistent in saying that. On the one hand, I say that the increase of the public debt is appalling, and, on the other, I advocate that for the construction of roads we might raise an enormous loan. The latter suggestion is absolutely consistent, because, in motor registration fees, we have an ever-increasing source of revenue which, if it were capitalized, would raise the amount which I have specified, and would provide interest and sinking fund to pay off the sum over a term of years. The Treasurer would be quite safe in borrowing money for the construction of roads, and would be justified in doing so because there would be ear-marked a source of income which, by the expenditure of millions on the proper construction of roads, would increase the revenue very considerably. Motor transport would be popularized to such an extent that there would be a huge increase in the revenue to be derived from it. That would be a sound financial roads policy. I hope to see the day when such a sum will be raised for the construction of good roads throughout the State. We are not preparing for the future, for we are laying down roads which are not of permanent construction. Our money is being blown away in dust within a very few months from the date of our spending it.

MR. COTTER.—That cannot be said of the concrete roads of Richmond.

MR. GRAY.—The Richmond City Council has seriously realized its responsibilities. It is the most progressive council in the metropolitan area, and, indeed, in this State, so far as concerns its road-construction policy. The Richmond ratepayers cannot carry that very unfair burden of road construction. It will be absolutely necessary for the Government to go seriously into this matter with a view to raising sufficient money to reimburse any council, such as the Richmond Council, that has been plucky enough to build up-to-date roads.

MR. GREENWOOD.—Where is the money to come from?

MR. GRAY.—We have the interest and sinking fund absolutely assured in our motor registration fees.

Mr. BOND.—For what period should the sinking fund operate?

Mr. GRAY.—It all depends on what roads are constructed. If we build roads that will last only eighteen months or two years, we are throwing money away.

The **ACTING CHAIRMAN** (Mr. Brownbill).—The honorable member's time has expired.

Mr. GRAY.—I could finish all that I have to say in ten minutes.

The **ACTING CHAIRMAN**.—There can be no extension of time in Committee.

Mr. **McLACHLAN** (*Gippsland North*).—I do not intend to unduly prolong the debate. A great change has come over the finances of the country through the withdrawal of the *per capita* grant. That step was taken by the two parties, the Farmers Union party and the Nationalist party.

Sir **ALEXANDER PEACOCK**.—Are you going to debate the general question?

Mr. **McLACHLAN**.—I am making only a passing reference to the financial agreement. That will come up for consideration at a later stage. The Government's policy has been discussed freely, and exception has been taken to the increase of votes in several Departments. I favour an increase in the vote for soldier settlement, as I believe we should make provision for those men who are to be ejected from their holdings as the result of the decisions of the Advisory Boards. That, to my mind, has brought about a very grave position, and a good deal will probably be said on this subject by the people of the State before it is settled. The men to be thrown out are those who made sacrifices when this country needed them. After their return it was decided that quite a number of them should be placed on the land. We were faced with rather a difficult problem, but it was faced, and for a considerable time it gave the Closer Settlement Board a great deal of trouble. The amounts required to keep the men on the land kept on increasing. As the years rolled by many of the men got into arrears. This was owing to the high prices paid for stock at the outset, and to the fact that very many men who were placed on the land started with no capital. The policy was a new one. Large estates were cut up into smaller areas. Formerly sheep and cattle grazed on those areas. If the land reverted to previous conditions, and were for sale

now, it would bring quite the amount paid at the time of purchase by the Closer Settlement Board, if not more. It may be asked, in that case how is it that the men are falling into arrears? It is an entirely different proposition when a man takes up a closer settlement area under the circumstances the soldier did, without money, from the taking up of a closer settlement area by a thoroughly qualified farmer with money. Many of the soldiers had no money of their own to back their efforts. They had only their energy. Some of them had not had much experience. Some were subject to physical disabilities, and they were handicapped by the cost of implements that they had to purchase. A good deal of criticism is said to have been launched against Mr. McIver. I heard that in the Lands Department to-day. I have been present at meetings held by the soldier settlers since the Advisory Boards sent in their recommendations, and I have not heard one word said against Mr. McIver. On the contrary, the soldier settlers admit that they have received most sympathetic consideration from him. He has been in the Closer Settlement Branch ten years, and during that time has not had a week's holiday. No man could have done more for the soldier settlers than Mr. McIver has accomplished. The Advisory Boards were appointed, not by the present Government, but by the preceding Government. They were appointed as the result of a meeting that was convened by the main soldiers' association, at which representatives were present from all parts of the State. It was stated at that meeting that the soldier settlers, in the event of the Advisory Boards reporting adversely on them, should have an opportunity of appealing against the decisions of the Boards. But from what I can understand, the soldier settlers decided that the decisions of the Advisory Boards should be final. That, of course, was a mistake. In several cases in the Gippsland district soldier settlers asked for a consideration of their cases by the Advisory Board. This was done. Subsequently, some of the soldiers received notices that their leases would be cancelled. Others got notices to the effect that, in the event of their not being able to pay within a certain time certain amounts fixed by the Advisory Board, their leases would be cancelled. Others, again, were told to get out,

and that provision would be made for them to obtain blocks elsewhere—that they had to go out to make room for adjoining soldier settlers. This they have objected to. I am quite satisfied that the soldier settlers in Gippsland—and what applies there applies probably to the whole State—were under the impression that the Advisory Boards were appointed to advise them, and they never contemplated for one moment that an Advisory Board would have the power to declare that leases should be cancelled and soldier settlers ejected. That is where the hardship comes in, and I say that the power, after all, rests with Parliament. Parliament placed these men on the land, and Parliament should have the power to say whether they should be ejected or not. That is the attitude I take up. They would not have been there without Parliament, and to take the power away from Parliament, and vest it entirely in a Board that is not responsible to the people, is not only undemocratic, but is an unjust way of treating men who have hitherto been dealt with by Parliament through the Closer Settlement Board. The soldier settlers are now asking that they shall have an opportunity of appealing against the decisions of the Advisory Boards, but up to the present no encouragement has been given them to believe that their request will be granted. A very important meeting of soldier settlers was held at Maffra a few days ago; another was held at Sale last night; and to-morrow the main association in Melbourne, at a meeting at which delegates will be present from various parts of the State, will deal with the same subject. If Parliament will not act in this matter, it is not in keeping with an institution that is elected by the people; because, after all, the power to set up such a huge institution as soldier settlement could not come from any other source except Parliament. Therefore, Parliament should have the last say in determining this matter. I know it is a most difficult position to place the present Minister of Lands in to determine this matter. He, of course, is the only man who can upset the decisions of the Advisory Boards, which were not the creation of the present Government, and I think that Parliament should give a direction to the Government in the matter. It is the duty of every man in this Parliament to declare himself on an im-

portant question of this kind. We should say whether we are going to allow this important subject to rest at the stage it has reached, and see the men who have made a sacrifice for this country suffer a very grave injustice. I could understand men going off the land of their own free will. If they decided to do that, it would be their own lookout; but the men of whom I am speaking are not anxious to leave their land, and the only thing that the Closer Settlement Board may have against them—the only thing the Advisory Boards may have against them—is the fact that they have not paid enough money to the State. After all, if we analyse the question of who it is that is in debt, I should say that the State is in debt to these men for the sacrifices they made for their country in war-time. So long as the men behave themselves they should be permitted, if they so desire, to remain where they are. Another point is that only 3,000 out of the whole number of soldier settlers asked that the Advisory Boards should inquire into their cases, and, outside of those 3,000 cases, there may be many cases that are considerably worse from a financial point of view. In those instances the men escape. The victims are to be those who, in the entire belief that the Boards were not for the purpose of ejection, but for the purpose of tendering advice, placed their cases before the Board, and in common fairness to those men I think that they should at least have the opportunity of appealing in some way or other. To turn these men out is practically to disgrace them. What crime have they committed? Their only crime is that they have not paid, and many of them have had particularly hard struggles. As I said the other night, I believe that not more than 25 per cent. of all the soldier settlers will be able to acquire their holdings.

Mr. Frost.—Ten per cent.

Mr. McLACHLAN.—I say 25 per cent. as a liberal estimate. What are we to do with the balance of the men? Are they to be treated in the same way as the men who are now being ejected against their will? Time is pressing. The verdict has gone out. We cannot get the Minister to act in the matter, and I again ask the Government to give consideration to the men. At a meeting I was at in Sale last night about 125 or 150 soldier settlers from various parts of

Gippsland were present. It was a well-conducted meeting, and the unanimous opinion expressed was that the men should have an opportunity to appeal against the decisions of the Advisory Boards. That is not asking the Government of this country a great deal, having regard to what the men did for the country when it was in trouble. It was for that reason principally that at this late hour I rose to direct attention to this matter before it is too late and before the men go off their holdings. It is rather a serious position that has arisen through the decisions of the Advisory Boards and through Parliament. At the time when they were appointed, Parliament did not determine what scope they should have, or whether the soldier settlers affected should have the right of appeal. That was the mistake.

Lieut.-Col. FORREST (*Caulfield*).—The hour is very late, and we have had rather a trying day. It was my intention to speak at some length, but I feel I cannot do so at this hour. I should like, therefore, to ask for the adjournment of the debate.

Mr. HOGAN (Treasurer).—I am hopeful that honorable members will finish the debate on the first item of the Estimates to-night. I would remind them that this is the third full day's debate on that item.

Sir ALEXANDER PEACOCK. — In days gone by I have known a Budget debate to occupy a month.

Mr. HOGAN.—Not the debate on the Budget. The honorable member is referring to the Estimates.

Sir ALEXANDER PEACOCK.—No, to the Budget debate. It was so in days gone by.

Mr. HOGAN.—The honorable member is referring to the time when there was no limitation of speeches.

Sir ALEXANDER PEACOCK.—Don't keep us here to-night. We have had a trying day.

Mr. HOGAN.—I know the honorable member has had a trying day, and I have a trying time, too. I am very anxious to get on with the business, and I think three full days is a very fair amount of time to devote to the discussion of the first item of the Estimates. I intimated to honorable members this afternoon that I should like the debate on the first item to be finished this evening. I shall be very much obliged to

the honorable member for Caulfield if he will make his speech to-night. If it is not convenient for him to do that, he will have the opportunity of speaking later on the Estimates. The passing of the first item does not mean putting the whole of the Estimates through. All it does is to put the Budget through. Afterwards the honorable member can speak on any other part of the Estimates in which he is interested when it comes before the Committee.

Sir WILLIAM McPHERSON (*Hawthorn*).—I would remind the Treasurer that it has been customary in the past, when there has been going to be a late night, to let honorable members know about it the day before.

Mr. WEBBER.—No.

Sir WILLIAM McPHERSON.—It is customary, when the House is to have a late sitting, for the Government to notify honorable members beforehand. The honorable member for Allandale will bear me out in that matter.

Mr. HOGAN.—Your Government never let all the honorable members know.

Sir ALEXANDER PEACOCK (*Allandale*).—I appeal to the Treasurer to agree to the adjournment of the debate. A distinct promise was made by the honorable gentleman that he would explain the financial agreement. I have not intervened in the debate, and do not purpose taking up much time, but I ask the Treasurer not to force the issue now, or to keep the few members who are present here till an unduly late hour.

Mr. HOGAN.—I asked the Government Whip, the honorable member for Brunswick, this afternoon to inform honorable members on both sides of the House that we intended to pass the first item of the Estimates this evening.

Mr. JEWELL.—I did that.

Sir ALEXANDER PEACOCK.—The honorable member for Rodney went away under the impression that the first item of the Estimates would not be passed. I want to say only a few words. If the Treasurer goes on now there will be a longer debate on the financial agreement, and he will not save much time. I have never found that any attempt to force things has resulted in an advantage.

Mr. HOGAN.—What about last year?

Sir ALEXANDER PEACOCK.—What about the honorable gentleman, too?

Mr. HOGAN.—You are rich!

Sir ALEXANDER PEACOCK.—The supporters of the present Government kept us up late on various occasions last year. I am sure that no honorable member would say that, during the last twelve or fourteen years, any Government has attempted to prevent honorable members from leaving the House at a reasonable time.

Mr. A. HUGHES (*Hampton*).—Do you remember the night we walked home?

Sir ALEXANDER PEACOCK.—That was due to a misconception. In the interests of honorable members, of the press, and of everybody else, I wish to prevent that from occurring to-night. Only a few honorable members desire to speak. The honorable member for Caulfield, a new member, has preferred a request for the adjournment of the debate. It would be better to concede it now. The press representatives wish to get home. I am sure that it would be in the interests of the Government if the Treasurer were to agree to an adjournment.

Mr. HOGAN.—Then a week will have gone and nothing will have been done. Thursday is private members' day.

Sir ALEXANDER PEACOCK.—The Treasurer knows that the Leader of the Opposition is willing to confer with him. The honorable gentleman distinctly promised that the first item of the Estimates would not be passed until the financial agreement had been submitted. We desire to hear the Treasurer's explanation of the financial agreement. I do not say that that agreement should be passed before the first item of the Estimates is agreed to, but the members of this Parliament, and the people of the State, want to know from the head of the Government the points of and reasons for the submission of the financial agreement, because so much is dependent on it. There was an impression that the Treasurer would explain that agreement before we made progress with the Estimates. He has told me confidentially that until it was signed by the respective Premiers he could not submit it to this Parliament, nor could any of the Premiers submit it in their Parliaments.

Mr. HOGAN.—That is the Bill for its ratification.

Sir ALEXANDER PEACOCK.—I say unhesitatingly that the members of this Parliament and the people of the State are entitled to know from the head

of the Government what the agreement will mean if it is agreed to. The Premier says that the Budget is based on that.

Mr. JACKSON.—Suppose he gave that explanation to-night?

Sir ALEXANDER PEACOCK.—That would not be fair to him. He is already working about fourteen hours a day, and breaking all the principles of the Factories and Shops Act. It would be better to adjourn, and to return here to-morrow to deal with whatever business the Government brings on. The Leader of the Opposition, other honorable members, and I are prepared to help the Premier.

Mr. HOGAN (Treasurer).—I trust that the honorable member for Caulfield who has asked for an adjournment of the debate will forgive this interruption. The remarks of the honorable member for Allandale have some bearing on the decision whether we shall pass the first item of the Estimates to-night, or adjourn the debate until to-morrow or some subsequent day. I regret that there is some misapprehension regarding the promise I made. I assure honorable members that I promised to place the financial agreement before honorable members before we agreed to the first item of the Estimates. In order to keep that promise, I pressed the Commonwealth Government to the utmost extent to expedite the completion of the agreement. Having done that, I was able to place the financial agreement before the House. When the Leader of the Opposition made his speech on the Budget, he had a copy of the financial agreement before him. It has been in honorable members' hands for consideration and debate during the last fortnight.

Sir ALEXANDER PEACOCK.—Surely the Treasurer will acknowledge that the financial agreement needs an explanation.

Mr. HOGAN.—It will be further discussed. There will be a set debate.

Dr. ARGYLE.—Cannot the Treasurer see that if we pass the first item of the Estimates, we shall be committed to the financial agreement?

Mr. HOGAN.—No.

Sir ALEXANDER PEACOCK.—Parliament is entitled to an explanation from the Treasurer.

Mr. HOGAN.—The passing of the first item of the Estimates does not commit any

honorable member to vote for the increased income tax which we outlined in the Budget and intend to bring down. There are many things referred to in the Budget. One is the financial agreement. I have already explained it at considerable length. The first four pages of my Budget speech deal with it. The new taxation proposals, the proposed increases in the income tax, and the proposed increases in stamp duties are all contained in the Budget. The passing of the first item of the Estimates does not involve the passing of the increased income tax nor the increased stamp duties, nor the financial agreement. Subsequently Bills will have to be brought in for the ratification of each of those proposals. No honorable member is committed to any of those proposals by the passing of the first item of the Estimates.

Dr. ARGYLE.—An honorable member may be committed.

Mr. HOGAN.—The House is free to vote against the financial agreement, the increased income tax, the increased stamp duties, or the totalizer, though I do not suppose the honorable member for Barwon wishes to vote against the last-mentioned proposal. All these matters will be brought forward subsequently in specific Bills, which honorable members will be free to support or to oppose. Honorable members will not be committed to support the financial agreement by adopting the first item of the Estimates. If we cannot pass the first item of the Estimates until we have brought forward the Bill for the ratification of the financial agreement, it will mean that we shall have to wait some time.

Dr. ARGYLE. — What is the Budget worth if we do not pass the financial agreement?

Mr. HOGAN.—I think we will pass both.

Dr. ARGYLE.—You think that we will, and that all the other States as well as the Commonwealth will do so.

Mr. HOGAN.—I am sure of it.

Dr. ARGYLE.—That is merely a pious hope.

Mr. HOGAN.—If we do not pass the financial agreement it will considerably interfere with the Budget proposals.

Dr. ARGYLE.—It will knock them endways.

Mr. HOGAN.—The point I want to make is that it is unreasonable to ask me to adjourn the passing of the first item until the Bill for the ratification of the financial agreement has been presented and dealt with by this Parliament.

Sir ALEXANDER PEACOCK. — Not dealt with. Parliament and the people are entitled to a full explanation from the head of the Government of what that financial agreement means. We have not had that explanation. That is my point.

Mr. HOGAN.—I venture to say that honorable members have had the explanation in two ways. In the first place, a copy of the financial agreement has been put in the hands of honorable members.

Sir ALEXANDER PEACOCK.—You suggest that we must interpret it ourselves.

Mr. HOGAN.—The honorable member as a member of this House must try to do it to his own satisfaction. I also point out that the first four pages of my Budget speech were devoted to explaining the financial agreement, not from a party point of view, but as the Premier of this State and for the information of every citizen. The main provisions of the financial agreement have therefore been fully explained to the House and to the country. We cannot bring forward a Bill for the ratification of the financial agreement until that agreement is a completed document signed by the Prime Minister and Premiers of the six States.

Mr. MORLEY.—Suppose they do not all sign it?

Mr. HOGAN.—I cannot suppose anything of the sort. They have all agreed to sign it.

Sir ALEXANDER PEACOCK. — The Premiers have agreed to sign the document and submit it to their respective Parliaments for adoption.

Mr. HOGAN. — I cannot bring the matter before the House in any other way than I have done until we introduce the Bill for the ratification of the agreement.

Sir ALEXANDER PEACOCK.—It may mean a delay of weeks or months.

Mr. HOGAN.—It will not be months. The honorable member is not blaming me for the delay?

Sir ALEXANDER PEACOCK.—No.

Mr. HOGAN.—The agreement is completed, and all that is necessary is the signatures of the Prime Minister and the Premiers of the six States. I

am prepared to put my signature to the agreement immediately it is placed before me. As soon as the other signatories have signed it a Bill will be introduced into this House. That Bill is being prepared at the present time, and I have no doubt the Attorney-General could inform honorable members that the Law Department is dealing with this particular matter now. There may be a delay in introducing the Bill, not for a month, but for a week or a fortnight.

Mr. ANGUS.—Suppose the Commonwealth Parliament amends the agreement?

Mr. HOGAN.—In that case the amendments will have to be considered by the various State Governments.

Dr. ARGYLE.—Where is your Budget in the meanwhile?

Mr. HOGAN.—The Budget is still here. I realize, as well as honorable members, that there are difficulties, but I hope they are not trying to blame me for them.

Dr. ARGYLE.—We are not blaming you for the difficulties, but we are blaming you for forcing on the passing of the first item of the Estimates.

Mr. HOGAN.—I expect honorable members will act reasonably in this matter. If we wait for the production of the Bill for the ratification of the financial agreement before passing the first item of the Estimates, we may have to wait two or three weeks.

Mr. KENT HUGHES (*Kew*).—That is your fault for bringing this question forward in your Budget. In Western Australia they put the financial agreement in a suspense account.

Mr. HOGAN.—Delay in passing the first item of the Estimates means that we cannot bring in other Bills affecting proposals in the Budget for the consideration of this House. We cannot bring in the Income Tax Bill, the Stamp Duties Bill, nor the Totalizator Bill.

Dr. ARGYLE.—What has the totalizator to do with this year's finances?

Mr. HOGAN.—It is one of the Budget proposals.

Dr. ARGYLE.—But it has nothing to do with this year's finances.

Mr. HOGAN.—The totalizator may be functioning before the 30th of June next, and we may get a little out of it. I think honorable members ought to act reasonably, and pass the first item of the Estimates. The promise I made was to

place the financial agreement before this House.

Sir ALEXANDER PEACOCK.—Your promise was to submit the financial agreement for the consideration of this House. Everybody knows what the word "submit" means. It is not merely putting the agreement on the table.

Mr. HOGAN.—I have supplied members with a copy of the financial agreement, and that is what I meant when I made the promise. I expect honorable members to accept my assurance on that point. The honorable member for Allandale seems to refer to the Bill for the ratification of the agreement.

Sir ALEXANDER PEACOCK.—I mean a full explanation of the whole position. I think that Parliament and the people of this State are entitled to a full statement from you as to what the financial agreement means. You must remember that it ties up the finances of the State for a period of 58 years.

Mr. JACKSON.—There have been two or three adjournments of the Budget debate already.

Mr. HOGAN.—I will give a full explanation of the agreement when I move the motion for the second reading of the Bill providing for its ratification. That is the only time I can give a full explanation. In the meantime, I repeat that I have given a reasonably full explanation of it in my Budget speech, and the agreement has been available for all members to peruse and speak about. The honorable member for Flemington tonight discussed the agreement, and other honorable members have also spoken about it, as they are quite at liberty to do.

Mr. GRAY.—The agreement does not operate until 1929.

Mr. HOGAN.—Yes, it does. There is a temporary agreement for two years prior to 1929, when the full provisions take effect. The temporary agreement started from the 1st of July, 1927. It is, in fact, in operation now.

Mr. TOUTCHER.—The Leader of the Opposition did not discuss the financial agreement in the course of his speech on the Budget. He informed us that he was going to deal with it when the Bill was presented to the House.

Mr. HOGAN.—The Leader of the Opposition was quite at liberty to do that. I am not going to restrict the

rights of honorable members in discussing the financial agreement.

Dr. ARGYLE.—You cannot.

Mr. HOGAN.—I am not going to try, which is better than saying "I will not." I undertake that the Bill for the ratification of the financial agreement will be submitted to honorable members as soon as possible, and that they will be given a reasonable time to debate it.

Sir ALEXANDER PEACOCK.—What you have stated to-night you should have stated ten days ago in all fairness to the House.

Sir WILLIAM McPHERSON (*Hawthorn*).—By leave, I should like to say that I do not think that there is one member who did not understand that before the Premier asked the Committee to pass the first item of the Estimates, the financial agreement would at least be explained. Nothing was said about the Bill. As the honorable member for Allandale has already mentioned, if the Premier had talked a few days ago as he has talked to-night, to the effect that he would have to introduce the Bill and then explain it, we should have known where we were. We all understood that he would submit the financial agreement to the House before the first item of the Estimates was passed. At any rate, that was the impression gained by many honorable members on this (the Opposition) side of the House, and, indeed, many on the Ministerial side. Some of our members have gone home. Before doing so, a leading member on this (the Opposition) side said that the Treasurer had given his word that he would not pass the first item of the Estimates until the financial agreement was explained.

Lieut.-Col. FORREST (*Caulfield*).—I shall defer my speech until the Estimates are further discussed. The hour is late, and I do not desire to take up any further time.

Mr. WETTENHALL (*Lowan*).—Mr. Acting Chairman—

The ACTING CHAIRMAN (Mr. Brownbill).—The honorable member has already spoken.

Mr. WETTENHALL.—But we are in Committee.

The ACTING CHAIRMAN. — The honorable member can speak only once in the general debate on the Budget.

Mr. WETTENHALL.—But I understand that the House is in Committee.

The ACTING CHAIRMAN.—The honorable member can make an explanation by leave.

Mr. WETTENHALL.—By leave, I wish to say that a number of honorable members, in speaking to the Budget, refrained from referring to the financial agreement, because they were waiting conscientiously and sincerely for the Treasurer's explanation. To put the first item of the Estimates at this stage, and in these circumstances, will be, in my opinion, a breach of faith—no more or no less—with members of the Opposition. Some honorable members have left the House on a distinct understanding.

Mr. HOGAN.—Understanding from whom?

Mr. WETTENHALL.—The understanding that we all had—the impression that we all received. The remarks of the honorable member for Allandale, the ex-Treasurer, will be of great importance and guidance to all of us. Therefore, is it a fair thing to ask him to proceed at this hour, and with the House in the state in which we find it? Decidedly not. If the Treasurer will concede what has been requested he will facilitate Government business, not only now, but later.

Mr. TOUTCHER (*Stawell and Ararat*).—I think that the Treasurer will be well advised to concede to honorable members on this (the Opposition) side of the House the adjournment of the debate.

Mr. HOGAN.—They have all finished speaking. The only member who wanted to speak on the Budget was the honorable member for Caulfield.

Sir ALEXANDER PEACOCK.—I intimated that I intended to speak, but it does not matter. Pass your first item, and we shall see what happens later.

Mr. TOUTCHER.—I understood that the honorable member for Allandale desired to speak on the Budget, and I think that other honorable members on the Opposition side of the House also wished to speak on it. Whether there has been a misunderstanding on the part of the Treasurer, or on our part, or not, the fact is that we were distinctly of the opinion that no vote would be taken on the first item of the Estimates until at least a statement on a very important matter discussed by the Treasurer at the Premiers' Conference—a proposal which, in my

opinion, sells the whole sovereignty of this State—was given. Although Mr. Lang does not now happen to be Premier of New South Wales, he said that he, for one, would not sell the sovereignty of his State so far as the Loan Council was concerned.

Mr. HOGAN.—I beg the honorable member's pardon. Mr. Lang agreed to the financial agreement, which contains a provision relating to the Loan Council.

Mr. TOUTCHER.—Sometimes the Devil serves a purpose. From my reading of that conference discussion I gathered that Mr. Lang would not tie up the sovereignty of New South Wales. I claim that this is one of the most important matters since Federation, and it is a question that requires very deep thought. The Premier has based his Budget absolutely on the ratification of the financial agreement, otherwise he would have to provide ways and means of finding more than £600,000. I think that he would be well-advised to accede to the request for an adjournment of the debate, because this Parliament has been a Parliament of conciliation, and has endeavoured to be as unanimous as possible in the work of the State. It has offered no obstruction within the meaning of that word, although it has necessarily and naturally been a little critical—that is, so far as the members on the Opposition side are concerned—to some measures. But such criticism has always been fair. I should like to ask the Treasurer to consider not only the present, but the future working of this Parliament. If he desires to retain the amicable feeling that has prevailed, he will show a little of his characteristic wisdom by adjourning the debate and making haste slowly in the future.

Mr. KENT HUGHES (*Kew*).—By leave, may I ask whether we are to understand from the Treasurer that, when he prepared his Budget, he supposed that the financial agreement would be passed? If that financial agreement be not ratified, then the Treasurer has deliberately budgeted for a £690,000 deficit, or else one section of the Budget—that relating to taxation—will have to be altered. The method adopted in Western Australia was to put the financial agreement surplus in a suspense account, and to balance the Budget by a proper method. In this State the Budget depends entirely upon that financial agreement.

Mr. HOGAN.—Western Australia did not have a deficit of £600,000 last year.

Mr. KENT HUGHES (*Kew*).—That does not alter the fact that we have to balance the ledger if the financial agreement is not ratified. Nothing at all has been said about the £690,000 deficit which will occur if it is not ratified. Personally, I understood the Treasurer to say that he would not ask for the passing of the first item of the Estimates until the financial agreement has been brought in—either brought in or submitted. There seems to be a doubt as to what he meant. The understanding, however, was certainly very clear and very definite. In view of the fact that we shall have a £690,000 deficit if the financial agreement is not passed—and it will be a long time before it is passed—I think that the objection that has been raised by the Leader of the Opposition is absolutely reasonable, and in order.

Sir ALEXANDER PEACOCK (*Allandale*).—The Treasurer has definitely taken up the stand that he will have the first item of the Estimates passed to-night. He is the Leader of the House, and has to take the responsibility. In the minds of honorable members on the Opposition side of the House it was understood that the Treasurer was to explain the financial agreement first. Parliament and the people are entitled to that explanation, in accordance with the promise made that it would be given before the first item of the Estimates was passed. So as to place the matter on record, I propose to move now that progress be reported, and honorable members supporting the Government can vote against that motion. It will be a record of the attitude taken by honorable members on this (the Opposition) side, and of any others who agree with their view. All that some of us desire to say will be said much more fully when the financial agreement is submitted.

Mr. HOGAN (Treasurer).—I think that the honorable member for Allandale is out of order. In the first place, the honorable member cannot rise to speak by leave, and then move a motion.

Sir ALEXANDER PEACOCK.—I did not speak by leave. The Acting Chairman can rule me out of order if he likes.

Mr. HOGAN.—If the honorable member rose to speak by leave, he could not

move a motion. If he rose to continue the debate on the Budget—

Sir ALEXANDER PEACOCK.—I certainly would not do that at 11.55 p.m. Some one else on the Opposition side will move the motion.

Mr. HOGAN.—All that I wanted to say is that the honorable member could not rise to speak by leave and then move a motion.

Mr. JACKSON (*Prahran*).—By leave, I desire to say that the Premier granted the Leader of the Opposition a concession when the latter gentleman asked to be allowed to postpone his speech on the Budget until the financial agreement was brought before the House.

Mr. HOGAN.—I agreed to adjourn the debate on the Budget for a fortnight in the first place.

Mr. JACKSON.—That is so. When that fortnight expired, the financial agreement was not ready for submission to the House. A further concession was then granted to the Opposition. It was never insinuated that the Premier should make a further explanation of the financial agreement before it came before the House for ratification.

Sir ALEXANDER PEACOCK.—The announcement that was made by the Premier to-night should have been made last week.

Mr. JACKSON.—I am not quibbling about that. The Opposition should be fair to the Premier. To blame him because he wishes progress to be made with the Budget after he has granted two concessions to the Opposition is not fair to him. I think that we should get on with the business of the House.

Sir ALEXANDER PEACOCK.—Where is your Cash Orders Abolition Bill? Will you have that ready on Thursday?

Mr. JACKSON.—The Bill has been before the House already. The honorable member appears to be ignorant of that fact.

Mr. KENT HUGHES (*Kew*).—What is the use of the Budget without the financial agreement?

The ACTING CHAIRMAN (Mr. Brownbill).—Order! Honorable members should not interrupt the honorable member who is addressing the Chair.

Mr. JACKSON.—I cannot understand the Opposition's attitude. Perhaps a meeting of Opposition members was held this afternoon at which it was decided to harass the Government

Sir ALEXANDER PEACOCK.—That is not true.

Dr. ARGYLE.—There was no meeting of the Opposition this afternoon.

Mr. JACKSON.—I hope the Premier will stand firm against the Opposition.

Mr. GRAY (*St. Kilda*).—By leave, I desire to say that I have not been absent from the House on many occasions since the beginning of the session, and I have been under the impression for some time that, although the financial agreement has been somewhat delayed, it would be accepted or rejected by the House before the Budget was finalized. If I had had more time to-night I would have made some complimentary remarks concerning what I regard has been the financial genius displayed by the Treasurer. The agreement which he has arrived at with the Commonwealth Bank in regard to temporary overdrafts of the Government Departments bears the mark of financial genius.

Mr. HOGAN.—I shall be pleased to hear that commendation when the Bill for the ratification of the agreement is before the House.

Mr. GRAY.—I consider that the Premier has displayed some financial genius.

An HONORABLE MEMBER.—You are satirical.

Mr. GRAY.—No. I am not usually satirical, especially at this late hour. In the opening words of his Budget speech, the Treasurer said—

Before submitting the Budget for the consideration of honorable members, I desire to point out that it has been prepared on the assumption that the financial agreement between the States and the Commonwealth, which is under consideration, will be accepted. That statement conveyed to me the impression that before the Budget proposals were accepted, or even dealt with, the financial agreement would be considered by Parliament.

Mr. TUNNECLIFFE (Minister of Railways).—I rise to a point of order. The honorable member has already spoken on the Budget debate, and he should not be allowed to make a second speech.

The ACTING CHAIRMAN (Mr. Brownbill).—The honorable member for St. Kilda is speaking by leave. He can only make an explanation.

Mr. GRAY.—All I desire to say is that the Treasurer pointed out in his Budget statement that practically another Budget would have to be brought down if the financial agreement was not ac-

cepted by Parliament. That statement appears on page 15 of the printed Budget statement.

Mr. ANGUS (*Gunbower*).—By leave, I wish to say—

Mr. HOGAN.—I have no objection to the honorable member speaking at this stage, but I do not think it is reasonable of Opposition members to expect to be allowed to make a second speech on the Budget debate.

Mr. ANGUS.—I was under the impression that the agreement was to be submitted to the House before the first item of the Estimates was agreed to.

Mr. JACKSON.—The Treasurer said nothing to that effect.

Mr. ANGUS.—I do not say that he did say that, but that was the interpretation that was placed on his statement by every Opposition member. It is not fair at this late hour that the Treasurer, without having given notice, should say that he intends that the first item on the Estimates should be agreed to to-night. He should not have allowed honorable members to leave the House without an opportunity of registering their votes.

Mr. HOGAN.—The Government Whip informed the Leader of the Opposition and the Opposition Whip of the Government's intention at 5 p.m. to-day. The honorable member for Kew, who is acting as the Opposition Whip, will agree with that statement, I am sure.

Mr. KENT HUGHES (*Kew*).—That is correct.

Mr. ANGUS.—Honorable members have duties outside Parliament which call them away from the House. I venture to say that a number of members left the House not knowing the Government's intention. I want to be fair to the Premier. I will admit that the Opposition Whip informed me of the Government's intention just after dinner to-night. But he could not tell honorable members who were absent. I urge the Premier, even now, to agree to progress being reported with a view to the Committee sitting again to-morrow.

Mr. HOGAN.—I cannot do that now. I asked the Ministerial Whip to inform representative members on the Opposition side of the House this afternoon, about 5 o'clock, that this would be the procedure to-night.

Sir ALEXANDER PEACOCK.—I did not hear of it until 10 o'clock.

Mr. ANGUS.—Perhaps unintentionally, but nevertheless certainly, honorable members have been misled, and I register my protest.

Mr. MORLEY (*Barwon*).—By leave, I desire to refer to one particular remark of the honorable member for Prahran, who stated that a meeting had been held. I wish to tell him that no meeting was held. I was about to go home with the honorable member for Stawell and Ararat at 10 o'clock this evening, and it was only at that hour that we heard that the Government intended to pass the first item of the Estimates before this sitting ended. I give the lie direct to the insinuations of the honorable member for Prahran.

Mr. LINTON (*Boroondara*).—By leave, may I say that I remained in the House to-night until a quarter to 10 o'clock. Before leaving, I consulted the Leader of the Opposition, who assured me that I would be quite safe in going away. I went to Burwood to attend a function there, taking it for granted that the House would rise at the ordinary time. Upon my return home I received a telephone message requesting me to come back to the House. Honorable members may imagine my surprise. As far as members of the Opposition were concerned, I can say that none of us was aware that the first item of the Estimates was to be passed to-night.

Mr. WALTER (*Gippsland West*).—From what I could gather from members on this (the Opposition) side, the interpretation put on the remarks of the Treasurer was that the financial agreement would be explained by him more fully before the first item of the Estimates was passed. There may have been a misapprehension, but we certainly understood that that would be the case.

Mr. HOGAN.—I did not say so, nor have I intended it. I placed the agreement before honorable members so that they might speak about it if they chose.

Mr. WALTER.—What the Treasurer said and what we understood are evidently different things. At any rate, to straighten matters out, I move—

That progress be reported.

The Committee divided on the motion (Mr. Brownbill in the chair)—

Ayes	...	...	...	15
Noes	...	...	...	26

Majority	against	the	
	motion	...	11

AYES.

Mr. Angus	Mr. Morley
Dr. Argyle	Sir Alexander Peacock
Mr. Coyle	Mr. Toucher
„ Everard	„ Walter.
Lieut.-Col. Forrest	
Mr. Gray	<i>Tellers:</i>
„ Greenwood	Mr. Kent Hughes
„ Linton	(Kew)
Sir William McPherson	„ Wettenhall.

NOES.

Mr. Bailey	Mr. Keane
„ Bond	„ McAdam
„ Cain	„ McKenzie
„ Cleary	„ McLachlan
„ Cook	„ Murphy
„ Cotter	„ Prendergast
„ Frost	„ Reid
„ Glowrey	„ Slater
„ Hayes	„ Tunnecliffe
„ Hjorth	„ Webber.
„ Hogan	<i>Tellers:</i>
„ Holland	Mr. A. Hughes
„ Jackson	(Hampden)
„ Jewell	„ Lemmon.

PAIRS.

Mr. Cuthbertson	Mr. Allnutt
„ Downward	„ Drakeford
„ Groves	„ Blackburn
„ Lawson	„ Solly
„ Lind	„ Dunstan
„ Pennington	„ Pollard

The Committee divided on the first item of the Estimates (Mr. Brownbill in the chair)—

Ayes	...	...	26
Noes	...	...	15

Majority for the first item 11

AYES.

Mr. Bailey	Mr. Keane
„ Bond	„ McAdam
„ Cain	„ McKenzie
„ Cleary	„ McLachlan
„ Cook	„ Murphy
„ Cotter	„ Prendergast
„ Frost	„ Reid
„ Glowrey	„ Slater
„ Hayes	„ Tunnecliffe
„ Hjorth	„ Webber.
„ Hogan	<i>Tellers:</i>
„ Holland	Mr. A. Hughes
„ Jackson	(Hampden)
„ Jewell	„ Lemmon.

NOES.

Mr. Angus	Mr. Morley
Dr. Argyle	Sir Alexander Peacock
Mr. Coyle	Mr. Toucher
„ Everard	„ Walter.
Lieut.-Col. Forrest	
Mr. Gray	<i>Tellers:</i>
„ Greenwood	Mr. Kent Hughes
„ Linton	(Kew)
Sir William McPherson	„ Wettenhall.

PAIRS.

Mr. Allnutt	Mr. Cuthbertson
„ Blackburn	„ Groves
„ Drakeford	„ Downward
„ Dunstan	„ Lind
„ Pollard	„ Pennington
„ Solly	„ Lawson.

Mr. HOGAN (Premier).—I propose to report progress. I wish to make it quite clear to Opposition members that I instructed the Government Whip to notify the Opposition that we intended to take the first item on the Estimates this evening, and the Government Whip, the honorable member for Brunswick, informs me that he so informed the honorable member for Kew before the dinner adjournment. I also took steps to inform honorable members of the Opposition of our intention.

Dr. ARGYLE (*Toorak*).—The Leader of the Country party said to me at 10 o'clock, “I am going home.” I said to him, “There is a rumour that an attempt is to be made to pass the first item of the Estimates to-night.” He replied, “The Premier will not break his word in the matter, and I am going home.”

Mr. KENT HUGHES (*Kew*).—I wish to bear out the statement made by the Premier. I am under the impression that the Government Whip spoke to me after the dinner adjournment. Anyway, it was either just before or just after the dinner adjournment. I want to make it quite clear that the intention of the Government to pass the first item of the Estimates to-night was not sprung on the Committee at 10 o'clock.

Progress was reported.

ELECTORAL (ABSENT VOTERS) BILL.

This Bill was returned from the Legislative Council, with a message intimating that they had agreed to the same with amendments.

The amendments were ordered to be taken into consideration on the following day.

WAGES ATTACHMENT BILL.

This Bill was returned from the Legislative Council, with a message intimating that they had agreed to the same with amendments.

The amendments were ordered to be taken into consideration on the following day.