

position is really desperate. It is possibly unprecedented in the constitutional history of New South Wales. The Government has broken almost every law of the State, and it is not even prepared to go on this morning and discuss things in a calm, sensible, and honest manner. The Government is prepared to go on breaking laws and records irrespective of who might be harmed. I have no intention of unduly delaying the House unless the Premier is prepared to go on with measures which will get us out of our present difficulties. I take strong exception to hon. members being called from their country homes to find on coming here that there is no business to do. I hope that to-morrow the Premier will meet the House and be prepared to go on sincerely and honestly with legislation which means so much to the State.

Mr. BADDELEY: I move:

That the question be now put.

Question put. The House divided:

Ayes, 52; noes, 31; majority, 19.

AYES.

Baddeley, J. M.	Kelly, C. A.
Butler, W. J.	Kinsella, E. P.
Byrne, J. P.	Knight, H.
Cahill, J. J.	Lamaro, J.
Cameron, R.	Landa, A.
Clark, J. A.	Lang, J. T.
Clementson, W. A.	Lazzarini, C. C.
Clyne, D.	Lysaght, A. A.
Connell, H. J.	McClelland, A.
Connolly, P.	McDicken, H. J.
Connors, F. P.	McGirr, James
Davidson, M. A.	McLelland, D.
Davies, E. A.	Martin, C. E.
Davies, W.	O'Hearn, W. F.
Donovan, J. R.	Olde, B. C.
Dunn, Captain	O'Sullivan, M.
Ely, W. T.	Quirk, J.
Fitzgerald, J. J.	Ratcliffe, W. J.
Flanagan, J.	Stanley, F.
Flannery, M. M.	Shannon, T. J.
Gosling, M.	Stuart-Robertson, R. J.
Heffron, R. J.	Tonge, A.
Hoad, K. O.	Tully, J. M.
Horsington, E. M.	
Howe, B.	<i>Tellers,</i>
Keast, T. W. J.	Booth, G.
Keegan, T.	Folster, W.

NOES.

Ardill, G. E.	Bennett, W.
Arthur, Dr. R.	Budd, A. E.
Ball, R. T.	Buttenshaw, E. A.
Bate, H. J.	Chaffey, Captain

Drummond, D. H.	Morton, M. F.
Dunningham, J. M.	Reid, A. E.
Fitzsimons, H. P.	Reid, J.
Foster, W. F.	Sanders, E. L.
Hedges, W. W.	Shand, Major
Henry, A. S.	Stevens, B. S. P.
Jackson, J.	Vincent, R. S.
Jarvie, Major	Walker, R. B.
Kilpatrick, M.	Weaver, R. W. D.
Levy, Sir Daniel	<i>Tellers,</i>
Main, H.	Brown, M.
Martin, L. O.	Carter, H. C.

Question so resolved in the affirmative.

Original question resolved in the affirmative.

House adjourned at 11.56 a.m.

Legislative Council.

Wednesday, 27 April, 1932.

Printed Question and Answer—The late Mr. Justice Heydon—Coal Industry Bill (second reading)—Supply Bill (No. 2).

The PRESIDENT took the chair.

PRINTED QUESTION AND ANSWER.

NEW SOUTH WALES STATE LOTTERY.

The Hon J. RYAN asked the VICE-PRESIDENT OF THE EXECUTIVE COUNCIL:—Will the Minister kindly supply answers to the following questions regarding operations of the New South Wales State Lottery: (1) What were the receipts from the commencement of operations up to 31st December last? (2) What proportion of this sum was paid in prizes? (3) What was the total cost of administration for the same period? (4) What was the amount of the balance paid into consolidated revenue, and of this sum what proportion was subsequently given to the hospitals?

Answer.—(1) £811,648. (2) £470,303. (3) £27,933. (4) The amount paid to Consolidated Revenue Fund was £281,494, but as the administrative expenses of £27,933, are a charge on Consolidated Revenue Fund that fund was only advantaged to the extent of £253,561. During the period indicated

by the hon. member, £241,182 was paid to hospitals, but from 1st July to 31st December the payments to hospitals amounted to £277,665.

THE LATE MR. JUSTICE HEYDON.

The PRESIDENT reported the receipt of a letter from Mrs. Heydon and Dr. G. M. Heydon, acknowledging the Council's resolution of sympathy in respect of the late Mr. Justice Heydon.

COAL INDUSTRY BILL.

SECOND READING.

Debate resumed (from 26th April, *vide* page 8806) on motion by the Hon. J. M. Concannon:

That this bill be now read a second time.

The Hon. E. H. FARRAR: I desire first of all to congratulate learned counsel on the very lucid explanation he made with regard to one important feature of this bill. Mr. Flannery clearly pointed out the position in which the coal industry of this State would be placed if this bill were passed. He referred to the position of the State with regard to trade and commerce, and stated that if the principle of the bill was right it should apply to the whole of Australia and that the passing of such a measure as this by one State, the largest coal producing State in the Commonwealth, would result in the industry in this State being crippled by restrictive legislation, whilst the coal industry in other States would be free and unfettered. Learned counsel pointed out very clearly that the passing of this bill would also have an effect upon our export trade, that whilst the bill would give the board power to close mines and to restrict output in the three main districts, it would have an effect on the power to secure orders from abroad. The Minister made reference to that and stated that the Government proposed to take the same course with regard to this measure as was taken in connection with the Dried Fruits and Marketing Acts. It would be quite a simple matter for the Commonwealth to pass such legislation. The State's legislation could then be dovetailed with the Commonwealth legisla-

tion, as was done in connection with the Dried Fruits and Marketing Acts. In this case the Commonwealth has not and do not as far as is known propose to introduce legislation of this character, so that we must only discuss this bill from the viewpoint of it operating within the boundaries of this State.

The Minister was kind enough to furnish me with a proof of his speech and to give me the important figures which I am about to quote, showing the ramifications of this industry and the value of the coal in this State. The Minister said:

The coal industry may be well said to be the life blood of industrial enterprise in this State. Its importance is evidenced by the fact that to the present date the coal-mines of this State have contributed an output exceeding 358,000,000 tons, valued at the pit mouth at over £90,000,000. The actual known reserves of coal at present may be set down at 5,258,000,000 tons, and in addition probable reserves of another 9,000,000,000 tons.

The Minister gave those figures without qualification. They speak for themselves. They show that the coal of New South Wales has been and still is a great asset to this State and that any country in the world might be glad to have the coal deposits this State possesses. In dealing with this bill, I desire to show the great national asset which it is proposed to take away from the owners of the mines, and to place it under a board which will have powers greater than those given to any other board within my knowledge.

The Hon. J. M. CONCANNON: Does the hon. member make that statement as a definite statement of fact or as a mere political statement?

The Hon. E. H. FARRAR: I do not know of any board which had the powers of a Royal Commission given to it. Under this bill the board may appoint a committee, and clothe that committee with the powers of a Royal Commission. I had that in mind when I made the statement that the board's powers go further than I have ever known the powers of a board to go. All other bodies requiring the powers of a Royal Commission in making investigations have

been obliged to go to Parliament or to the Government to obtain those powers. But this board will have the power of its own motion to appoint a Royal Commission or a number of Royal Commissions to inquire into and investigate any matter which it thinks should be investigated. On that point I propose to move an amendment at the Committee stage. If a subject is important enough for the Coal Industry Board to appoint a Royal Commission, it is important enough for the board itself to put everything else on one side, and conduct the inquiry. If the matter requires technical knowledge it is important enough for the board to ask the Executive Council to appoint a Royal Commission, but the board should not have the powers provided in this bill, to appoint a Royal Commission at any time of its own motion, when it thinks a subject sufficiently important.

It is most significant that this bill follows on a chain of legislation which has been submitted to Parliament during the last twelve months. I need only mention the Industrial Conciliation and Arbitration Bill, and the Ministry of Transport Act. There are minor bills, but those two stand out as very important and significant. If the principles embodied in this bill were to be incorporated in the Acts of Parliament covering every industry, just as this bill covers the coal-mining industry, and if we take into consideration the Ministry of Transport Act and the Industrial Conciliation and Arbitration Bill, which is still before the Legislative Assembly, I say that unquestionably if those principles were applied in the same way to every key industry, as it is proposed to apply them to the coal-mining industry, we should have a complete chain of legislation on the principles that were adopted in Russia after revolution, and we should have the Soviet ideal crystallised into law here by that legislation.

The Hon. J. M. CONCANNON: I would like the hon. member to corroborate that statement, because I intend to reply to it!

The Hon. E. H. FARRAR: If the hon. member so desires I will repeat what I said. I say that if this bill is passed into law as it is, and if all other industries in the State are to be covered by legislation similar to this in principle, and if we take into consideration the Ministry of Transport Act and the Industrial Conciliation and Arbitration Bill, as far as the powers of this State give the Government the right—for the Government cannot touch things that are within the ambit of the Commonwealth—we shall have in New South Wales a complete system of legislation amounting to the Sovietism that was adopted in Russia after the revolution. I make that statement seriously, and believing every word I have said to be true. I say that after analysing this bill from the standpoint of the clauses contained therein.

The Hon. J. M. CONCANNON: In justice to me when replying, may I ask the hon. member to corroborate the statements he has made? Those statements have been made before in connection with these bills, but they had passed away into oblivion. I want the hon. member to corroborate the statement he has made about the principles of Sovietism being applied by this bill!

The Hon. E. H. FARRAR: I will deal with the bill more in detail as I go along. I have made that as a broad statement, connecting up this bill, and visualising its principles as being applied to every industry. If this bill were passed into law the only rights the owners of the coal-mines would have would be to provide the capital and to pay the costs. They would have no other rights at all, except some minor rights of appeal when mines are closed down. Subject to a couple of minor appeals, all their rights and powers would be handed over to the board, which would manage and control the whole industry. If every other industry in the State were dealt with by legislation in the same way we should have every industry controlled by a board, and the Minister would have power over every board, and, therefore, over every industry. That is the way in which it is proposed by this bill that

the coal-mining industry shall be dealt with, and if it is dealt with in that way we shall have the principles that were embodied in the Soviet Russian system, following upon the revolution.

The Hon. J. M. CONCANNON: I am satisfied that the hon. member does not understand the Soviet system!

The Hon. E. H. FARRAR: Perhaps the Minister, in his reply, will give me an explanation of it. I have read *The Five Years Plan*, as explained by its author, and I have also read other authentic books on Russia. The Minister may have a different idea of Sovietism, and, in his reply, I shall be pleased to have his definition of what that means.

The Hon. J. M. CONCANNON: That is merely a supposititious opinion, without any corroboration!

The Hon. E. H. FARRAR: I have mentioned a chain of bills and a chain of principles which, in some cases, have been already crystallised into legislation; and which in other cases are before the House at present, as in the case of this bill, and I have said that if those principles are applied to the whole of our industrial and business life, according to my understanding of Sovietism, we should have it here. This bill purports to be based on the report of a Royal Commission, and that report is a very voluminous document. The Royal Commission was appointed in 1930 by the Commonwealth and State Governments. Mr. Justice Davidson was the chairman, and Mr. H. W. Gepp and Dr. L. K. Ward were the members of the Commission. The bill purports, also, to be governed by the British Coal Mines Act, which was passed in Great Britain in an effort to deal with a difficulty that arose in connection with coal-mining there, just as difficulties have arisen in this State in days gone by.

At the time when this Royal Commission was appointed by the Commonwealth and State Governments I happened to be a member of the State Government. The Commission was to report within a certain period, but was not able to do so, and asked for an extension of its time. The Commission was given

an extended period within which to complete the evidence and prepare its report, but before it had completed the taking of evidence there was a change in the Federal Government. The Bruce Government, which had been a party with the State Government in the appointment of a commission, went out of office, and the Scullin Government came in. The new Government took up a different attitude, and the commission was requested to finalise its inquiry and bring in its report, because the Scullin Government was not prepared to continue the payments necessary to complete its examination. So this report, on which the bill is in some respects based, and which the Minister mentioned in his opening speech, is a report upon evidence that was taken from one side and which has not been replied to by the other side. In arriving at its findings the Royal Commission could only do so in the atmosphere created by the evidence that had been given, and it had no evidence that might have been given in rebuttal of many statements that had been made, and which might have placed an altogether different complexion on matters, and, perhaps, even changed many of the findings made in the Royal Commission's report.

The Hon. J. M. CONCANNON: Why was that?

The Hon. E. H. FARRAR: I have mentioned that it was because the Scullin Federal Government, when it came into office, refused to continue to pay its half of the cost of the Commission. The Commission was, therefore, asked to finalise its report before it had completed the whole of its labours. I only mention this as a statement of fact. Two of the three gentlemen who composed the Commission, Messrs. Gepp and Ward, I know particularly well, whilst the other member is a judge of our Supreme Court. I do make this statement against them, but merely to show that the Commission having been compelled to finalise its report under these circumstances was not given a fair chance to complete the work it was originally asked to undertake. The report will come largely into the discussion of this bill. Whilst the

framers of the bill have followed the report where it suits them, and have used it to father certain clauses or principles in the bill, there are many portions of the report that can and will be used against certain clauses. So that hon. members must not imagine that the bill is based wholly on the report. It is based on the report where the report is favourable, but the report is left severely alone when certain other clauses are introduced.

With regard to the quota system in Great Britain. The British Act introduced a quota system which has been found to be unsatisfactory. That quota system expires somewhere about the end of this year, and it was introduced in Great Britain for the purpose of trying to overcome a difficulty and to regulate employment and the output of coal. It has not given satisfaction to the owners, the employees or the consumers. In support of that statement, I would like to read a letter which was published in the *London Times* on the 12th February, 1931, over the signature of Sir R. A. G. Reimayne, late Chief Inspector of Coal Mines in Great Britain, a recognised authority throughout the world. The letter was published in the *London Times* after the British Parliament had passed the bill by a majority of eight votes. That bill embodied principles similar to those contained in the present measure. This is what was said by Sir R. A. G. Reimayne:

Mr. Goodenough, the chairman of Barclays Bank, and Sir Henry Goschen, chairman of the National Provincial Bank, in their recent addresses to the shareholders at the annual meeting of their banks, have rightly condemned the attempts to bolster up prices against consumers by artificial means, and pointed out that these cannot but be foredoomed to failure in the long run. The coal-mining industry is a case in point.

Rather more than a year ago I ventured to attack, through the medium of your columns, the economic soundness of the coal marketing scheme, then under consideration by the Government; the scheme which was ultimately embodied in an Act of Parliament, the governing principle of which is enforced restriction of output, with consequent enhancement of cost to the consumer. Although the Act in its strenuous passage through both Houses of Parliament suffered many changes, the two main conditions of

the marketing scheme, the "quota" and the fixation of the price, survived, the former—on the retention of which the Government stated the existence of the bill depended—if my memory serves me correctly, by a majority of only eight.

The Act became operative at the beginning of the present year, and already some of its disastrous consequences are apparent, especially in the coal exporting districts of Northumberland, Durham, and the east coast of Scotland. At one colliery in Northumberland, with which I am acquainted, situated in an isolated district, the demand which the colliery can meet is considerably in excess of the quota of production allotted to the colliery, consequently the consumers have to go far afield and pay a much higher price for their coal. A possible alternative—seeing the district is near to a port—would be for the larger users to import cheap Polish coal.

Another colliery had, under a well-conceived scheme of development spread over a long period, at last attained to an economic output and was worked at a profit; its quota killed that. Another profitable colliery has had to reduce its staff of workmen to the extent of 1,000 owing to its enforced reduction of output. At yet another colliery the owners have determined to raise only the large coal, leaving the small coal below ground—a forced necessity which is definitely not in the national interest. The effect of the enforced reduction of output is clearly jeopardising the colliery developments in Kent, which were so promising. And further instances might be given of the devastating effects resulting from this ill-conceived measure.

The Coal Mines Bill of 1930 was nicknamed the Dear Coal Bill; it might with equal relevance have been designated the Unemployment Promotion Bill. Already suggestions are being made in certain quarters as to the advisability of repealing the provisions as to the quota. It is to be hoped for the good of the industry that these suggestions will become insistent, urgent and widespread.

Where the collieries are so situated that there is a considerable inland demand for coal, the lesser proportion only being exported, the home consumer can be made, up to a point, to pay for the loss on the exported coal which has to compete with Continental coal, but in the case of some exporting districts, e.g., Northumberland and South Wales, dependent as they are mainly on export for the larger part of their demand, this is not possible. In such cases reduced output means enhanced working cost and inability to compete in the Continental markets. That the Act is founded on a misconception as to the productive capacity of our collieries is demonstrable; but I have already trespassed sufficiently upon your generosity.

Every statement made by that eminent authority can be applied to this bill, particularly with regard to the clauses which deal with the quota system. By nature, this State has been placed in a position more favourable for the production of coal than any other State of the Commonwealth, but that advantage is to be taken away. A quota system will be brought in to regulate the mines in the north, the west, and the south. Then we have the isolated mines that go up as far as Gunnedah and Muswellbrook, which are part of the northern chain. We speak of the mines this side of Cockle Creek and extending to the Maitland district as northern mines, the western mines run from the mountains up to the Capertee Valley and Wallerawang, while the southern mines extend from Helensburg to the other side of Port Kembla. These mines all produce different grades of coal. Consequently when we speak of coal, we must not imagine that it is all of the same quality. Northern coal is looked upon as one of the finest gas producing coals in the world. Coal from the Richmond Main and other mines on the West Maitland seam, are eagerly sought after not only by the gas companies of the metropolis but by gas companies situated west of the western coal fields, and south of the southern coal fields. This fact clearly evidences that the best results for gas producing purposes, can be obtained from coal from the northern Maitland field. The municipal councils seek that coal in preference to any other. I ask hon. members, therefore, to imagine what will be the result of a board dealing with mines as mines and coal as coal, without giving any consideration whatever to the interests of the purchasers of the different grades of coal. Under this bill the quota system is to be brought into operation at the expense of those who purchase coal, and who require a specific grade of coal. I acquired a great experience of this phase of the industry during the last industrial disturbance upon our northern coal fields, when the mines that were producing coal for the Sydney and many country gas companies were closed down, and those companies

were obliged to purchase their coal from other mines. Eventually, they were obliged to obtain Lithgow coal at more than four times the price they were previously paying for Maitland coal. From the Lithgow coal, they were not able to extract the same quantities of gas as they had extracted from an equal tonnage of Richmond Main coal. This fact clearly shows that we cannot deal with different grades of coal by means of a flat rate.

In the past our South Coast mines have received special consideration from our ship owners, because of the suitability of their coal for shipping purposes and also because of their proximity to the seaboard. Thus they built up a trade in bunker coal. Upon the other hand, our Railway Commissioners use coal chiefly from the western district, because of its steaming qualities and because after burning it does not leave too much ash. Let me give a striking illustration of how a trade in a particular coal may be developed, by referring to a naval catastrophe which occurred in the nineties. Upon that occasion, Samoa was under the control of the British, German and American Governments. Each Government had a battleship in the harbour of Apia when a terrible cyclone swept the island. The British ship, the *Calliope*, whose commander realised the danger, immediately raised its anchor and made for the open sea, with the result that it was the only vessel which escaped destruction. The remains of the other two vessels may still be seen upon the coral reef at Apia, where monuments have been erected over the graves of the officers and crews who perished. It is worthy of remark, that the British vessel was bunkered with Westport coal. Up till then, that particular coal had not won its place in competition with other coals, for steaming purposes. But the result of that tragic happening was that Westport coal rapidly came into favour for naval purposes. I mention this catastrophe for the purpose of showing that if we adopt a quota system in regard to our coal industry, we shall destroy the value of our different grades of coal.

This bill deals with a number of other important questions and also with the select committee's report. For the information of hon. members I may, perhaps, be permitted to read the matters which are covered by the measure. Part II deals with the constitution of the Coal Industry Board, whilst Part III clothes the board with power to regulate the allocation of output, to fix the standard tonnage, and to determine quotas. The other parts of the bill deal with the determination of prices, the classification of coal, closing of mines, restriction on leases and opening of new mines, the valuation of mines, compensation for closed mines, appeals against valuation, coal industry fund, accounts and audits, capital and profit, welfare, alleviation payments, compulsory acquisition of coal and marketing, settlement of industrial disputes, rents, royalties and wayleaves, method of mining, recovery of by-products, return of statistics and supplementary. The bill, therefore, covers every possible phase of the industry, and seeks to vest in the board power to deal with all these phases. The board is to consist of three members. One of these, the chairman, will be appointed by the Government, another member will be appointed by the employees, and the third member will be appointed by the colliery owners. He will be a gentleman who will have no interest whatever in a coal-mine. The chairman who would be appointed by the Crown would be a fully-qualified man. The man representing the employees would naturally be a man who had the industry at his fingers' end. The employees would take care that they selected a man who was an expert. Whatever committees might be appointed, the final appeal would be to the Coal Industries Board. The owners, who have sunk their capital in the industry, would be represented by some individual who had no interest in coal-mines. They might be able to get someone who had at some time or other been employed as a manager or who had been a shareholder in or director of a colliery company. Otherwise they would be obliged to get someone who would forego all his

investments in coal-mining in order to take a seat on the board. In Committee I propose to move an amendment which I think will make the position fairer, and which will enable the owners to have the right to absolutely select their own man. It is not now clear that they have that right. The board has the power of closing mines. If it closes mines, compensation will have to be paid.

As regards revenue, the bill provides that if the owners make more than 8 per cent. profit, two-thirds of that surplus profit shall be paid to a fund under the control of the board. That appears to me to be the only revenue the board will obtain. The board has power to close mines, or to temporarily or permanently restrict the working of them. To deal with such matters will involve expenditure. Who will bear the cost? The board is given full control. Consequent upon the power given it will carry resolutions and send communications to the mine-owners to temporarily close their mines, or regulate a district so that the mines shall only be worked for a certain number of days a week, thereby increasing the overhead working expenses. Is the board to pay for that? If so, it will have to obtain money somewhere. On that point I shall quote this statement made by the Minister for Mines on the 30th June, 1931:

The Commission was of opinion that liberal allowances, including expenses of the board and the protection and maintenance of mines temporarily closed should not exceed £100,000 per annum. Such a sum may be all that the Treasury can at the outset provide; but that amount would not, of course, be sufficient for all the proposals in the bill. It was recognised that it might be desirable to expend several million pounds. Consequently some additional provision to meet the calls on the fund would have to be made from other sources.

We are asked to pass this bill giving the powers enumerated to the board. If it exercises these powers, the Minister says that there will not be sufficient funds to meet the expense entailed. So, if the board exercises those powers, and the money is not available the owners of the mines may have

their assets destroyed. Although they may have an action for compensation, if the money is not in the fund the Government may have to obtain it from some other source. I submit that to introduce legislation of this character and to ask us to pass it without making the necessary financial provision for carrying it into effect is ridiculous. This bill does not provide the necessary machinery to make it effective. In the report of the Royal Commission which inquired into the coal industry, it is stated that the schemes proposed to be considered are: nationalisation, collective contracting, profit-sharing and industrial co-partnership, rationalisation, and publicity of facts and intensive control. On page 321 of that report it states:

On the other hand, there are more numerous failures on a vast scale under Government management. Amongst these one is reminded of the Commonwealth Shipping Line and the Queensland State mines and cattle stations. Most of the Government railways at times also incur heavy deficits. In such cases the public suffer through taxation, whereas private investors are required to bear their own losses. Many other objections, not of general application, would certainly apply to the coal industry. The cost of resumption alone would run into many millions, and would leave the State with the burden of numerous inefficient mines, which no doubt would require to be closed immediately. The complexity of the industry also with its allied interests would probably render further acquisition essential. In addition it could not be expected that there would be sufficient incentive to competition for the export trade that is so bound up with the success of the industry.

Moreover, in the event of a severe industrial dispute the Crown would become a direct party, with the result that if a large number of employees were involved there would be virtually a state of civil war. That is the statement made by the Royal Commission. To-day there is an incentive for coal-owners to endeavour to secure an export trade. At the present time the export trade is obtained by acuteness and business acumen, and to serve the interests of the company or colliery owner.

The Hon. R. PILLANS: And through the low price paid!

The Hon. E. H. FARRAR: Of course, the cost of producing coal is a factor, because if the coal-mine owner cannot produce coal here in competition with other coal he cannot get a market. I am assuming that he is able to compete with other countries with regard to the export trade. Where mineowners have had an export trade it has only been because they have been able to compete in price, or have had a special coal, which other people have been desirous of buying. There is not much export trade done from the west. The mines there do mainly interstate trade, or trading within the State. The northern and southern mines do some export trading, the southern mines particularly in regard to bunkering. There was a large export trade with South Africa, and if that has gone we should be making every effort to assist by legislation to get that industry back. This bill is going to destroy it.

Suppose there was one mine, let us call it "A" Company, which was successful in obtaining orders from abroad. Once it got those orders this proposed board would have the power to put into effect the quota system, and to say to that company, "You can only work so many days a week, and put out so much tonnage of coal, and there is a penalty if you overstep your allowance." That company, which had secured the trade and gone to all the expense and trouble of getting the contract from abroad, would have to see its mine closed, and a proportion of its trade diverted by the Coal Industry Board to other mines. What company, in those circumstances, is going to look for trade abroad? Even if the company were allowed to produce coal to supply the whole of its export orders, the quota system would have the effect of taking away from it its local trade, or a portion of it, and it would lose the amount of local business it would normally have. Thus there would be no inducement for anybody to go outside New South Wales to look for coal trade, because if an owner were successful in getting orders the result would merely be to diminish his own local output under the quota system. That

was mentioned, incidentally, in the statement by the Royal Commission. In connection with the proposed coal industry fund, that appears to be the only means the board will have of receiving revenue. From the press announcements, and the Government statements up to the present time, I do not see that the board will have any opportunity of receiving revenue from any other source, particularly as the hospitals are still in want of money, and the Government finds it hard to provide for them. I am not using that statement against the Government in any spirit of party criticism. It appears to me that the Coal Industry Board will have no opportunity of getting revenue from any source other than from the industry itself. It has been mentioned that there may be a levy of 1s. 6d. per ton on coal, but if that amount were put on to the price to the consumer the Government would get no coal at all, because the price at which owners could sell coal would be higher than that for which we could get coal from other States, or import it into Victoria and transport it across to this State. If there is an attempt to increase the price of coal by 1s. 6d. per ton it may stop the industry altogether, and instead of the bill being a cure and an assistance to the industry, it will be the very machine to crush it out of existence.

The fund is to provide compensation to owners for closed mines. That is provided for in clauses 22 and 28. Then the bill deals with welfare. The board will have the power to deal with unemployment at present and in the future, with the closing of mines, and with the output of mines and the allocation of the output. It can deal with the permanent closing of some mines and the temporary closing of others. The board has the responsibility of looking after all those who are thrown out of employment, and it will have to provide some money for that purpose, or money will have to be provided for it by the Government to handle the welfare scheme and rehabilitate the men who are compelled to get out of the industry. The board will have to make estimates of the coal

requirements. Where is the money to come from for all these purposes? We have something held out as a kind of promise to those in the industry, who are unfortunately unemployed, that they will secure relief, while there is really no provision made for bringing it about. There is only just a skeleton in the bill of things that can be done, with no provision for the wherewithal to do them.

Then there are marketing schemes, and schemes for dealing with industrial disputes and the fixation of wages. There is no recommendation by the Royal Commission in regard to the powers I have mentioned, although the Royal Commission, up to a point, went further into this industry than any other Royal Commission had ever done. There, again, the Government, in what was possibly a humane effort to draw up some scheme to help the unfortunate unemployed in this industry, has produced something which, in reality, cannot be worked, because the finance has not been and cannot be provided out of the industry, and I am sure it will not be provided by the Government in any other way.

The question of royalties and rents is dealt with in Part XVIII. Royalties from the mines are paid to the Crown, except that there may be some private royalties where leases have been taken from private individuals. Way-leaves are, of course, matters of arrangement between private individuals where there is a mine, and where it is necessary to have a railway through some other person's property. They make a personal arrangement with these people, which is called a "way leave." The board will have power to deal with these questions, whether or not there may have been a *quid pro quo* in the original arrangement between the coal owner and the owner of the land. The board will be able to deal with these things, though it may have no knowledge of the original arrangement, and may upset and destroy the harmonious relations that have hitherto existed between the two parties.

The board can interfere at any time with the working of a mine. On that point there is a right of appeal to a

tribunal. There are many instances in the bill in which the assets of the owner of the mine can be materially interfered with by the board, but in relation to which there is no right of appeal. When we get to the Committee stage I propose to ask the Committee to give owners the right of appeal. Where the board has all the power and there is no right of appeal, an owner may have his life interest destroyed. I believe I shall be able to show the Minister that there is a legitimate case for giving the right to appeal. I will not ask for the right on any fictitious supposition, but in cases where there is a justifiable right of appeal.

Coming to the question of the recovery of by-products. This is a very important matter, and has been dealt with by the Mines Department, not only here, but in other parts of the world. We all have a laudable desire to see our coal treated in every possible way for its by-products. I remember being invited on one occasion to preside over a number of conferences between the colliery owners and the colliery employees' union over matters which were in dispute. We held a number of conferences on the items and then there were to be district conferences held between the owners and the men in the north, south and west. I remember that the question of by-products was discussed, particularly in connection with fuel for motor use, and the opinion was expressed that if coal could be utilised in this way, it could only be utilised whilst there was a market for the by-products. It was said that the population of Australia was not large enough to warrant putting in a plant to enable us to treat the coal, because the total amount we could treat for our own consumption would not be sufficient to pay for the cost of the upkeep of the plant. I am not stating that definitely; I was present only when the experts, who should know, mentioned the matter in that way. But I mention it here from this standpoint; it may be quite possible to be able to treat coal in a way which will produce certain results, and those results may be all right in Great

Britain, on the Continent, or in the United States of America, where there are many millions of people to provide a market. But the same results produced here may not be of any value because we have not the purchasing market. When we go into the realm of possibilities, everyone hopes the experiments will be continued, and that the technical experts will find the best possible uses for our coal. At the same time, we do not want to sleep on in a happy slumber, thinking that once that is done it will solve all our troubles and enable our vast deposits of coal to be used for the production of by-products. The Mines Department has had some eminent men dealing with this question. Mr. Andrews, late Government Geologist, made a statement in connection with it in which he said:

High temperature distillation. This, of course, has been proven definitely of commercial application to Australian conditions in the production of metallurgical coke, gas, benzine, etc. The motor spirit fraction produced, however, is so small as to have little bearing on the problems of oil or coal in New South Wales.

So that while Mr. Andrews says these things can be done, it is like a lot of gold mining. I know numbers of places where you can go and get a colour of gold at any time, showing clearly that gold is there. But it is so distributed that the cost of getting it would be greater than the value of the gold. I mention that fact to show that even if you do get these by-products up to the highest point of perfection and find a use for them you can only find that use if you have a market. In Germany, Great Britain, and the United States of America they are experimenting and the thing may be successful, but here the cost of transport would be prohibitive.

The Hon. G. A. DEWAR: The clause also covers experimenting with oil shale!

The Hon. E. H. FARRAR: The hon. member comes from a district where they have produced oil from shale, and he is a great believer in the possibilities of the district. But I say that even if you get all that in Australia you have to get a market for it, and the market

here is only a small one as compared with the asset from which we have to produce it.

Another point is mentioned in the Royal Commission report:

Low temperature carbonisation. Australian conditions are particularly unfavourable, and, in the present state of development, would make large scale experiments highly inadvisable. Observation of world developments and co-operation with Great Britain are the only possible courses of action.

That statement is made by the Royal Commission, and on that commission were Dr. Keith Ward, of South Australia, and Mr. H. W. Gepp, a mining expert, who has obtained the highest world's medal as an expert in that direction. Here, I may mention another point in which the present bill differs from the British Act. Under the Imperial Statute, the colliery owners enjoy rights of which our colliery owners will be deprived under this bill. The British Act provides that all information relating to statistics should not be published. Such statistics, however, may be obtained by those who desire them from the department. What would be the result if all the statistics relating to our industrial experiments—as for example the experiment mentioned by the Hon. Mr. Dewar in respect of shale—were published? Assuming that we were successful in outstripping the rest of the world, why should the information relating to those experiments be published to the world? Obviously that is not desirable. Again, take the details relating to a particular mine or to a specific grade of coal. I submit that a mine owner who by the employment of technical experts is able to produce coal cheaper than his competitors is entitled to reap the reward of his enterprise. But under this bill all the information concerning the results which he had obtained would have to be supplied to the board and published. I intend to submit an amendment in regard to this provision in the measure, and I hope that the Minister will accept it.

The Hon. W. BRENNAN: In the past we have never been able to get that information!

The Hon. E. H. FARRAR: There is a lot of other information that the hon. member has not been able to get. The bill is mainly one for consideration in Committee. Its clauses deal with very important phases of the coal industry. I shall approach the Committee stage with a sincere desire to protect all sections of the industry, and to improve the measure so as to make it a workable one, which will not impose unnecessary hardship either upon the colliery owner or the colliery employee. The bill will certainly revolutionise the coal industry, and whilst I do not accept the principles embodied in it, as the Government are intent upon passing it, we can only do our best to improve it, and to provide all requisite safeguards in connection with such experimental legislation.

In his reply, I would like the Minister to give the connecting link between this bill and the Dried Fruits and Marketing Acts. Possibly it is to be found in the view expressed by Mr. Flannery, K.C., when he appeared at the Bar of this House. I think consideration should be given to the point that gentleman made as to the doubtful wisdom of passing this bill at all, and as to whether it would not be better to bring it forward at a Premiers' Conference, with a view either to having uniform legislation enacted by the various States or legislation enacted by the Commonwealth. Otherwise the coal industry of New South Wales might be subjected to unfair competition by the other States—competition which would enable them to secure the trade which it now enjoys.

The Hon. D. REES: I listened very attentively to the remarks of the previous speaker. The whole tenor of his address suggests that he is thoroughly convinced that the coal industry of New South Wales is completely lost. He had not a good word for the measure. The first point with which he dealt was that of the allocations to be made to each district and to each colliery in each district. He evidently believes that the intention of the measure is to restrict the output from the collieries and from the various districts. But there is no such intention evidenced in the bill. It

merely provides that the class of coal required to supply demands shall be obtained from the collieries best able to supply it. I interpret the hon. member's remarks to mean that he is of opinion that the Coal Board will do everything in its power to prevent the collieries from supplying sufficient coal of a particular quality to meet the demands for that quality. It will do nothing of the kind. This is a matter which should have been taken up years ago, either by the States or the Commonwealth Government. The coal industry has passed through boom periods, and advantage has been taken of those periods by unscrupulous persons in the industry. Only to-day I read a statement by the secretary of the Newcastle Colliery Employees' Union, a man who is familiar with the qualities of all the coal that is loaded at that port. I believe there is a good deal of truth in the statement made that during the peak period in the coal industry coal was shipped to the East. It was really coal and refuse picked up by the steam shovel at Cockle Creek. That was sent away during the war. Those are known facts. It has been stated that this State lost the overseas market because of the action of the employees engaged in the industry; but I say unhesitatingly that the loss of the overseas market was caused in the way to which I have referred.

To give another instance: On the particular dump in a colliery yard on the South Maitland field there was what is termed refuse or chitter, which had been cleaned out of the coal during slack periods. The material in that dump was sold to an agent. That chitter and refuse was shipped to the East as the best marketable coal from the South Maitland district. Is it not clear, therefore, that it is necessary that a board should be appointed to prevent similar happenings? Cargoes of material were sent away purporting to be the best quality of coal in New South Wales and equal to anything in the world; but when that material reached the other side of the world, it was found that two-thirds of it was dirt and the balance not the

class of coal contracted for. The Minister who introduced this measure in the other House worked in the mines all his life up to the time when he became a member of Parliament, and he knows of these things. It is necessary to appoint a board in order that the coal which is sold may be properly classified, and so that the purchaser may know that he will be supplied with the kind of coal he has ordered.

There are seven or eight different classes of coal in the northern district. During the war a board was appointed under the War Precautions Act to deal with the supply of coal. That board did not send coal overseas because the sending of coal overseas was prohibited, but it sent coal to other States. It happened that the different classes of coal were mixed together to ascertain whether the consumer, particularly the gas companies in South Australia, would be deceived by having coal supplied to them which was not of the quality contracted for. I believe a portion of that coal is in South Australia to-day. The statement I have made as to what happened in the boom time is perfectly correct. I therefore repeat that it is necessary that a board should be appointed to prevent such things happening again should we again have the good fortune to get a fair share of the overseas trade, or if trade brightens up sufficiently to enable the men to be kept properly employed.

Reference has been made to the money which will be required to provide compensation in regard to the mines which may be closed down. Some hon. members may be of opinion that this bill has only been introduced for the purpose of closing the mines. I hold the view that the bill represents an attempt to re-establish the coal industry so that the mines can be worked satisfactorily in the interests not only of the mine and of the people who are employed in them but of the State generally. I take it that members of unions engaged in the industry will have sufficient common-sense to nominate a man to represent them on the board who will work in the best interests of the industry.

I have little doubt that patriotic common-sense men will be appointed to the board, and that the result will be to restore prosperity to the coal industry.

Learned counsel when addressing the House made the point that this bill would have the effect of placing the coal-owners of this State in a straightjacket and would permit the coal-owners in Victoria, Tasmania and Queensland to send their coal into this State to compete with the coal hewn here. I have had a little over fifty years' experience in the coal industry of this State. I have been a union official for a considerable time and have visited the different fields in the Commonwealth. I do not blame counsel nor the Hon. Mr. Farrar for the statements they have made, as they have not had the experience in the coal industry necessary to enable them to form an accurate opinion on that matter. To-day in Victoria there is only one mine working—the State coal mine—which has a seam of coal down to 10 inches in thickness. I do not suppose their seam averages more than from 2 feet 8 to 2 feet 10 inches. It is absurd to suggest that that coal could be sent across the border into New South Wales to compete with seams like they have in the Maitland district, which in the worst workings are 9 feet thick and increase to about 12 feet, and which, I have no doubt, average from 6 feet to 8 feet throughout the whole of that area of coal-producing country on the South Maitland field.

When I was last in Victoria I met the general manager of the State coal mine, and he said, "Rees, you must remember that in the northern district of New South Wales, and in other districts, they have a coal seam. Victoria, to-day, has a stone seam; it is more stone than coal." When it is suggested that a seam like that could compete with the big seams of coal in New South Wales I can only say that I am sorry that the Hon. Mr. Farrar and learned counsel made such statements.

The Hon. E. H. FARRAR: My statement was, particularly, that coal might be

imported into Victoria from other countries, under the price quoted, and then could be sent over here!

The Hon. D. REES: It may be that the hon. member said that, but we had an experience of that in 1930, when the Government of which the Hon. Mr. Farrar was a member brought about one of the greatest disasters in the coal-mining industry that was ever experienced in Australia. It was one of the greatest curses that ever came upon that industry. The whole of that great northern coal-mining field was hung up for sixteen months by a Government which did not understand the position. Is there any wonder, when we consider that and the other matters I have stated, that the coal industry is in the position it is in to-day? I am not blaming the Hon. Mr. Farrar for that, because I believe that he would have known better how to handle the matter, had his colleagues not shoved him into the background and brought about the greatest disaster that ever happened in this State.

In regard to Queensland, the cost to the mine-owner there of producing coal is somewhere about 6s. or 7s. a ton, and how could that coal be brought into New South Wales to compete with coal that is produced here after being undercut by the machine for 2s. 2½d. per ton? The Hon. Mr. Farrar said that he was referring to foreign coal coming here, but that was tried in 1930. The Government of South Australia entered into a contract for the supply of thousands of tons of coal from England into South Australia. They got it all right, but according to the statement of Mr. Butler, who was then the Premier of South Australia, that coal cost 10s. 6d. a ton more than it could have been brought from New South Wales for, and a large quantity of it is still unused, and useless for the purposes for which it was imported. It is still lying there, and they would be glad to give it away in order to get it out of the companies' yards, where it is now lying.

In regard to the question of compensation, I admit that the bill does not say exactly where the money is to come from. The Hon. Mr. Farrar said that it would

require six or seven million pounds. But what has the State of New South Wales had out of the coal-mining industry? It is considerably more than £6,000,000, and more than ten times more than that. Twenty-eight or twenty-nine years ago the South Maitland coal-fields were wild bush, while to-day there are townships with thousands of inhabitants. The majority of those men have purchased their own land and built their own homes. That land belonged to the State and was sold by the State, and we can safely say that it was sold at an average of from £50 to £75 a block. Thus the State had the benefit from that coal investment being opened up. There are towns such as Cessnock, which has the third largest population in the State, and if the State were to pay £6,000,000, or £10,000,000, back into the industry for the purpose of rehabilitating it, it would not be nearly as much as it has got out of the industry.

I do not know that I need go much further into the matter, but I hope the House will pass this bill. Something has to be done for the coal-mining industry, more than is being done to-day, and if we expect to get the men who are in the industry, but have been thrown out of work to-day, re-employed, the only authority that can do that is the Government, and the only means by which it will be done will be for the Government to take control and see that justice is done to the industry by giving the consumer the coal he requires at a fair price, and by seeing that the conditions are satisfactory to the employees who produce it.

Debate adjourned.

SUPPLY BILL. (No. 2).

Standing orders suspended to permit of the bill being passed through all its stages at one sitting.

Bill presented and read a first time.

[The President left the chair at 6.14 p.m.
The House resumed at 7.50 p.m.]

SECOND READING.

The Hon. J. M. CONCANNON moved:

That this bill be now read a second time.

He said: This month has only a few days to run, and the supply already granted to the Government will lapse on Saturday next. An hon. members are aware, the Budget debate in another place has not been completed, and it will not be possible to pass the Estimates and the Appropriation Act before the end of the present month. It is, therefore, necessary to ask the House to grant supply for the month of May, 1932, in order that the Government may be enabled to carry on its services. Supply for the month of May is based upon the estimates of expenditure of the Government for the financial year 1931-32, as laid upon the table of the House. The amounts provided for in the bill are: Consolidated Revenue Fund—salaries, contingent expenses and other expenses of departments, £1,230,900; Government Railways Fund—salaries and working expenses of the railways, £1,131,000; Road Transport and Traffic Fund—salaries and other expenses of the Commissioner of Transport, £25,400; Metropolitan Transport Trust General Fund—salaries and working expenses of the Metropolitan Tramways, £237,900; Newcastle and District Transport Trust General Fund—salaries and working expenses of the Newcastle Tramways, £16,700; Sydney Harbour Trust Fund—salaries and working expenses of the Sydney Harbour Trust, £34,600; total, £2,675,600.

The Hon. E. H. FARRAR: This bill provides for an appropriation of £2,675,600, and although I do not blame the Minister for it, because I know the difficulties under which he has to work, the only information we have in regard to the financial position of the State has to be gleaned from the public press. From reports that emanated from the Premiers' Conference which was held in Melbourne only a few days ago, it is estimated that at the end of the current financial year there will be a deficit of approximately £10,000,000. This information, I repeat, can be gleaned only from statements published in the daily press: Now if there is one place in which authentic information should be given in regard to our finances, it is in

Parliament. The finances of the State have an intimate relation to the finances of the Government. I wish to ask the Minister a couple of pertinent questions concerning the appropriations provided for in this bill. First, I desire to know whether the money which Parliament is asked to appropriate, is available, and if not, from where it is to be obtained? In the second place, I wish to know by what method does the Government propose to raise the money if it is not at present in the Treasury till?

Another matter upon which I should like information is the position in regard to the Government's present method of financing, which is contrary to law. Upon a bill of this character some intimation should be given the House as to the intention of Ministers. Unfortunately, no such information has been forthcoming. In connection with our railways, it is proposed to appropriate a sum of £1,131,000. That is all we are told in regard to the matter. In other words, the information contained in the bill lacks detail. The Minister's statement that the appropriation governs salaries and other incidentals adds nothing to the information contained in the bill. The Minister has not given us details. After reading a statement respecting the appropriation for the different departments, the Minister said the whole appropriation was based upon the estimates of the previous twelve months. As those estimates show a deficit running into £10,000,000 the Government, if it had any intention of trying to live within its means, should have cut this appropriation down to approximate the estimated income. The Supply Bill asks Parliament to appropriate money on the basis of the previous twelve months' estimates, and the only information we have is that on that basis there will be a deficit of £10,000,000. The Government should have told us how the country's finances are to be balanced. I hope that when the Minister is replying he will tell us what effort has been made in that direction. A sum of £16,700 is to be voted for the Newcastle and District Transport Trust General Fund.

The other day I saw a newspaper statement in reference to the general tramway system and the Newcastle tramways, to the effect that since the Transport Act has been in operation those activities are still losing and are not making up the leeway the Government hoped for when it took to itself a monopoly of road transport. I should like to know from the Minister whether the tramways have made up any leeway, and if so, how much, and what prospect there is of the realisation of the bright promises made when the Transport Bill was going through Parliament?

A sum of £2,675,600 is asked for. I feel, particularly at the present time when the Premiers' Conference has just concluded, when the State Government is shown as being out of tune with the Federal Government and the Governments of the other States, and when persistence in the Premiers' plan has brought about law court proceedings, that before we grant supply to such an extent we should have some statement as to the Government's intentions. But we are driven to look to the meagre information that appears in the press from time to time and to statements made outside of Parliament by Ministers who are not necessarily officially representing the Premier. At present the position in New South Wales is being watched not only by the people of Australia, but practically by all British communities. The position of New South Wales as the largest State in Australia as regards both revenue receipts and contributions to Federal revenue is extremely serious. The State is out of touch with the Commonwealth and the other States. Last week when I visited Melbourne I found that the people there looked at us as is we were a kind of freak State of the Commonwealth. Under all the circumstances I hope that at the earliest possible moment the Government will make a statement to clear the air and to let the people know where they stand. I have often been asked for information, but under the circumstances I had none to impart, for I have no precise knowledge of the situation. When not only

this State but sister States are alarmed at the position of New South Wales stagnation of trade here, with consequent increase of unemployment, must follow. Any adverse action taken by this State must have its repercussion throughout the whole of Australia and the result will be that many who have been unemployed for years will find themselves without hope and without prospect of relief.

I know the Minister is not responsible for all this, but I submit that he should put it to his colleagues that in the interests of the unemployed, and with a view to preventing still more unemployment, the Government at the earliest possible moment should make a complete and comprehensive statement respecting the position. It should disclose its intentions for the future so that the populace may become more settled in mind. Until conditions become more settled we cannot move on the up grade. This doubt and fear here and elsewhere are keeping us further and further behind the other States and lessening our prospects of arriving at a new road of progress. I have no desire to prevent the passage of the bill so far as it gives power to spend, but I should like to know how the Government proposes to raise the money and how in view of the provisions of the Audit Act it will overcome the difficulty of looking after the money it has raised.

The Hon. Sir ALLEN TAYLOR: The Minister was extremely brief in his remarks and gave the House little or no information. The bill provides for an appropriation of £2,675,600 for the month of May. That is on a basis of about £33,000,000 per annum. That is a large sum of money and when we remember that this is the eleventh month of the financial year for which an appropriation has been made we must realise how vague and unsatisfactory the position is to all concerned. With the present appropriation we shall have spent the best part of £30,000,000 without any information as to the revenue deficiency, which is the most important factor in a budget. It is all very well to say there

is a certain amount of revenue, but in commercial life it is essential to live as far as possible within one's income. At present we have not the remotest idea as to what has been the expenditure, but the Hon. Mr. Farrar has said that the estimated deficiency is in the region of £10,000,000. I hope that is not so. The basis of good government at all times is the ability to live within the public income. If we are to face the deficit that has been forecast the matter is extremely serious, as I am sure even the supporters of the Government will admit. Under existing conditions it is difficult to estimate the position we are in at present, and it can readily be understood why we are facing the trouble and distress that are so pronounced throughout the State. With a population of 2,250,000 and a revenue of 40 per cent. of the total income of the Commonwealth, it may be wondered at that we should be in such an extraordinary position, and it is essential that the Government should honestly place before the people the true financial position of the State. It is evident that we cannot continue much longer under present conditions if solvency is to be maintained. Every industry is in difficulties, with no immediate prospect of improvement, and until public confidence is restored we cannot anticipate making any improvement.

It is extremely regrettable to find our vast army of unemployed increasing every day, with no relief in sight. This is a heavy burden on the community as a whole. Unemployment is a most serious matter indeed. All the information we get is from newspaper reports, but it appears that some £7,000,000 or more is being expended annually in maintaining people out of work, without producing anything in the way of development or even providing the recipients with comfort. Until a better state of affairs can be brought about, it is not likely that the State will make the progress which is so essential in a country of this character. I may be wrong, but I am inclined to think that one essential factor in the restoration of confidence is

a uniform basic wage, which I unhesitatingly say should be fair and reasonable.

The Hon. J. CULBERT: What would the hon. member suggest?

The Hon. Sir ALLEN TAYLOR: I would suggest that the amount be determined by the appropriate tribunal. I have no desire to see a starvation rate of wages established.

The Hon. J. CULBERT: Is it not a fact that you, together with other timber merchants, are asking for a basic wage of £2 11s. per week for a man, his wife, and two children?

The Hon. Sir ALLEN TAYLOR: I have no knowledge whatever of that, and, further, I do not think it would be a fair wage.

The Hon. J. CULBERT: Your firm's name is on the list of those who advocate it!

The Hon. Sir ALLEN TAYLOR: I do not think it would be a fair rate of wages. I would prefer a reasonable one, in the vicinity of 65s. or 70s. a week. I believe it will have to come to that. If that were fixed throughout Australia conditions would be better for all concerned. We shall have to achieve uniformity in the interests of the country. I have no desire to bring wages back to what they were in 1912, but whether we like it or not we have to face the inevitable. The position must be met by all sections of the community, and both great and small have to meet the obligation honourably. In my opinion, a uniform basic wage is to a great extent the solution of our industrial difficulties. Uniformity of hours, wages, and conditions, as long as they are just and reasonable, will assist all the States. The workers, together with the capitalists, have to meet the position.

As pointed out by the previous speaker, nothing can be done but pass the measure. This Chamber has always treated a Supply Bill in a spirit of fair play, but a little further information is often necessary. I understand the Minister's position, but, unfortunately, he has been so extremely guarded in his remarks that we have not been afforded sufficient in-

formation to enable us to decide what is the right course to follow. I notice that no provision is made in the shape of loan money, which, I presume, is unobtainable. That condition of things will probably continue for some time to come, and thus it is apparent that the loan expenditure to which we have been accustomed for a number of years past, amounting to £10,000,000, £12,000,000, and £14,000,000 per annum, cannot be undertaken, and that means a great avenue for employment being denied us. During the last few years we spent £45,000,000 on the electrification of the metropolitan railways, the city railway, and the Sydney Harbour Bridge, and now that the flow of loan money has been interrupted great difficulties have been created. A few years ago when Parliament sanctioned the construction of the Moss Vale to Port Kembla railway, which we were told was an urgent work, the estimated cost of that work was £800,000, but to date the expenditure on that line has exceeded £1,500,000. This is not peculiar to the Moss Vale to Port Kembla railway; it is common to scores of our railways. The estimated cost of the Clarence River Bridge at Grafton was £375,000, but I believe that the expenditure to date has exceeded £700,000. I recognise that the State has to get money on the best possible terms, but I hope the day will never come when we will repudiate our obligations. Our salvation lies in the restoration of confidence which can only be brought about by uniform conditions and fairplay to all.

The Hon. J. RYAN: There is, of course, no desire or design to oppose this bill, but I wish to refer as briefly as possible to some aspects of the question which have not been dealt with by previous speakers. The Vice-President of the Executive Council, in his short second-reading speech, stated that the Budget debate had not yet been completed in another place. The Minister will remember that he made a similar statement on the 26th February last when one of the series of Supply Bills which he has sponsored was introduced by him. It is not the Minister's fault that the Budget debate has not been

finalised. It is the fault of the head of the Government, who is also Colonial Treasurer, and who, having control of the business of the Legislative Assembly, could have disposed of the Budget months ago, if he had elected to do so. The amount of £2,675,600, which is provided for in this bill, is, I take it, to be expended during the month of May. A feature to which I wish to direct particular attention is the fact that this is the eighth Supply Bill brought in by this Government since it took office in November, 1930. When the last Supply Bill was before the House I referred to this aspect, but I propose to repeat the dates on which these bills were introduced. The first one was introduced on the 27th November, 1930, the second on the 26th March, 1931, the third on the 30th April, 1931, the fourth on the 28th May, 1931, the fifth on the 3rd September, 1931, the sixth on the 6th November, 1931, and, as I have already stated, the seventh on the 26th February of this year. I venture to say that the oldest Parliamentarian in this or the other House cannot recall such a series of Supply Bills, and I doubt whether the Parliament of any other State of the Commonwealth has had such an experience. Hon. members must admit that this is a most unsatisfactory system. It is simply hand to mouth finance. It is most unsatisfactory for two reasons. In the first place Parliament is afforded no legitimate opportunity of discussing public finance, which is a prime and primary function of Parliament in any country. It is unsatisfactory for another reason. Under this system of continuous Supply Bills the public cannot obtain a clear and coherent view of public finance. Finally, in my judgment, it is a travesty of democratic government. Finance is one of the essentials of democratic or any other form of government, and when public finance is conducted on these lines or by these methods, it is nothing short of a travesty of democratic government. I hope that this is the last we will see of temporary Supply Bills. I trust that we will never again in this State have such an experience as that which we have had during the last twelve or fifteen

months. I do not blame the Vice-President of the Executive Council for this. As we all know he is attentive to his duties and he discharges them with courtesy. I blame the head of the Government. I blame him for this and most other things which are detrimental to the welfare of New South Wales and, incidentally, to the welfare and the credit of Australia, and the responsibility must and always will rest on the shoulders of the Premier.

The Hon. Major-General ONSLOW: I am not sure how many Supply Bills the present Administration has introduced during the last twelve months, but I do know that the number is great.

The Hon. J. M. CONCANNON: Eight altogether!

The Hon. Major-General ONSLOW: I rose to say that it is a most unsatisfactory manner of conducting public finance. In New South Wales we want to get some idea as to how we stand, and nobody knows how we stand. There has been much talk about the release of credits, but credit is only confidence. It appears to me that the uncertainty which exists to-day in New South Wales is going far to shake all credit and confidence. Until the public, and especially that portion of the public which employs labour, has some idea as to how the country stands it is impossible to launch any enterprise which will employ labour, and the longer that state of uncertainty continues the more unemployment will continue to increase. The present Administration is very largely to blame for the increase of unemployment. If the Government desires to put an end to unemployment it has to look to private enterprise, and private employers cannot take the risk of employing labour until they know where they stand. Nobody in New South Wales has the slightest idea as to what is going to happen from day to day. The result is that confidence has been utterly shaken and shattered. The Minister must be aware of that, and I trust that something will be done to inform the public how the State stands.

There is another matter I wish to say a few words about. It is a grievance I want to bring under the attention of

the Minister. I am well aware that another place would be the more fitting place to air that grievance, but I understand that owing to various circumstances it is difficult to get such matters ventilated in the other place, and I take it upon myself to do it here. Some twenty odd years ago a young married couple came here from Scotland. We all know that the present Government is always professing to be very anxious to help the poor and struggling. When that couple had been here a few years, the man contracted consumption, and died. He would not accept any State aid, but paid his doctors, and gave his wife directions that his doctor's bills were to be met from what money they had. They were, and she was left a lone widow in Australia. She had to look around and fend for herself, which she did, and she got employment in a certain factory, where she rose to be a forewoman. Then, owing to some arbitration award, she lost her employment. She took on domestic service, and being a Scot she fended for herself and, where she made a shilling, she took care never to spend more than 11d. Accordingly, she accumulated a little money, which she invested in a cottage in, I think, Kogarah, thinking that it would do for her to retire to in her old age, and that she might possibly let it. She furnished the cottage with suitable furniture and kitchen utensils, and she let it as a furnished house.

The man to whom she let it paid no rent, but continued drawing the dole, and living in her house while she had to work, if she could find work. Because she happened to be in a situation where she was getting 15s. a week she was told that this man on the dole must continue in possession of her cottage, for which she had worked twenty or thirty years, and in which she had invested the whole of her savings, while, doubtless, he went to the races and took tickets in the State lottery. This came to my knowledge, and I assisted her with legal advice, which I paid for, and after a pretty protracted struggle I got her into possession of her house again. That woman had been earning her own living

by the sweat of her brow, and taking charity or assistance from no man. I took her to a reputable firm of solicitors, and I told them that I would finance her to any reasonable amount. They engaged a barrister, and after two or three appearances at the police court she succeeded in getting possession of her own house. But when she had got possession of her house she found that the windows were broken, the bedding had been disposed of, the furniture was broken, and even the saucepans and frying pan she had left there had been taken away, and probably were now in the pawnshop, and she had no remedy whatever. I vouch for these facts, though I do not wish to mention her name. That is a state of affairs which the Labour Government should be expected to do something to remedy.

The Hon. Mrs. C. E. GREEN: I appreciate what the Government is doing on behalf of the unemployed, and I believe that this Supply Bill is intended for those already in employment, but I am going to appeal to the Government on behalf of the unemployed domestics, and I ask the Government to earmark an amount for them alone. We have at the present time 8,000 women registered at the labour exchange for food relief. The winter is coming on, and I say definitely that unless something is done on their behalf they will have no shoes to wear. I am not blaming the present Government for it, because after hearing some of our hon. members speak on the Coal Industry Bill I say that the Governments of the past should be condemned for not having done something more for the coal industry than has been done. £10,000,000 a year has gone overseas to pay for the by-products of coal, and the money should have been left in this country. Nevertheless, to-day there are thousands of men unemployed, and thousands of women also. The majority of these were not originally domestics, because numbers who have registered now as domestics were originally dressmakers, milliners, clerks, or stenographers, or followed other callings. I guarantee to the Government that if it will earmark an amount for the domestic workers I will

find the employers. I will guarantee that, and I say definitely that I appreciate all that has been done in the past. I am making the appeal on behalf of these women on the first occasion they have ever had a representative in this Parliament. I hope we shall have an assurance from the Minister that something will be done on their behalf.

The Hon. J. M. CONCANNON, in reply: As hon. members are aware, this bill is a bill for supply for the carrying on of the ordinary revenue works and services of the Government, and it is only an authorising bill. It does not pretend to be a loan appropriation bill, but is purely a revenue appropriation measure, based on the Estimates as laid upon the table of the House; not on last year's figures, but on the Estimates of 1931-1932. The Hon. Mr. Farrar made a statement that the estimated deficit for this year is £10,000,000. Of course the hon. member may have access to more authoritative records than I have, but I do not agree that the estimated deficit will be £10,000,000.

The Hon. E. H. FARRAR: I am pleased to hear that. I only took the published statements!

The Hon. J. M. CONCANNON: I should be pleased to hear where the hon. member derived his information, but it is not correct. He wanted to know, also, if the money is in the public Treasury, and if not, where it is to come from.

The Hon. E. H. FARRAR: If the estimated deficit is not £10,000,000, what is it?

The Hon. J. M. CONCANNON: I said that the estimated deficit is not £10,000,000. I say it is not more, and therefore it will be less.

The Hon. W. E. V. ROESON: What will it be?

The Hon. J. M. CONCANNON: I am not in a position to state definitely what it will be. That information will be disclosed in the Legislative Assembly when the Colonial Treasurer, in the exercise of his responsible duty, feels disposed to give the information. I have no doubt that if a question is asked

in the Legislative Assembly the information will be forthcoming. At the present time the consolidated revenue is in deficit. The money is not there. The Government is carrying on from revenue received from day to day, in circumstances over which this Parliament has no control. Where the money is to come from will be determined by the Government at the earliest possible moment. I suggest that had legislation which was introduced by this Government twelve months ago been passed, New South Wales would have been on a wave of prosperity, and would have been doing during the last twelve months what Australia should have done during the last fourteen years, and that is, carrying out construction works, not from loans, but from revenue in prosperous times.

The Hon. Mr. Farrar introduced a question about the present Government having done some things contrary to the law, and that leads me to make a brief statement on the present position. The position to-day is that, however our political views may differ, we know that New South Wales pays in 40 per cent. of the Commonwealth revenue. Yet the four junior States of the Commonwealth are dictating the financial policy of the Commonwealth, and the two States which constitute half of the Commonwealth—New South Wales and Victoria—are outside the Premiers' plan.

An HON. MEMBER: It is an anomaly!

The Hon. J. M. CONCANNON: It is more than an anomaly. The position is that this Government has carried out the Premiers' plan as originally determined upon, particularly with regard to reductions in governmental expenditure. Four of the States did not reach the 22½ per cent. reduction in public servants' salaries or governmental expenditure. The Government is faced with the position that its education vote must be reduced by 22½ per cent.; in fact, every vote of the Government has been reduced by 22½ per cent. and the controllable expenditure of the Government has been so reduced in accordance with the Premier's plan. New South Wales has

conformed more nearly to the original plan than any of the States which say they still adhere to the plan.

On the question of transport, I have not the figures, but I can authoritatively assert that the estimate which was made by the Government when the Transport bill was introduced will be reached.

The Hon. E. H. FARRAR: What about the expenditure?

The Hon. J. M. CONCANNON: I admit that where you get increased revenue there may be some increase in expenditure. But when the plan of the Transport Commission is carried out, of which the first instalment is the retirement of all officers over the age of 60 years, the position will improve. The Government could easily solve the problem if governmental expenditure were still further reduced, public servants increasingly retrenched, child endowment cut out, and widows' pensions abolished. Although the Government has no control whatever over the basic wage, the Hon. Sir Allen Taylor says that he is quite prepared to accept a reasonable basic wage determined by a competent tribunal.

The Hon. E. H. FARRAR: Constitute the tribunal!

The Hon. J. M. CONCANNON: The basic wage of this State, which is £4 2s. 6d. a week, has been determined by a competent tribunal. When an application was made by the employers' organisations for a variation in the basic wage, the court, when properly constituted, unanimously determined that the application should be dismissed because of the fact that amending industrial legislation was receiving the attention of Parliament.

The Hon. E. H. FARRAR: That was eighteen months ago!

The Hon. J. M. CONCANNON: The position is exactly the same to-day, and the hon. member and his party must accept some responsibility for it. I refer to the action taken against the Government in constituting a select committee to investigate the Conciliation and Arbitration Bill. That investigation occupied six months. If the select committee had

not been constituted, the Industrial Commission could have considered a further variation of the basic wage, and possibly the Hon. Mr. Farrar's very high ideal with regard to basic wage reduction might have been realised. I repeat, this Government can solve the problem and so can any Government, and I challenge the hon. member to contradict my statement. We can reduce governmental expenditure by abolishing all charitable allowances, we can retrench, we can ask the court to reduce the basic wage, and we can balance the budget. It does not require a statesman to do that. Any ordinary individual can balance his budget if he spends less than he receives.

The Hon. W. E. V. ROBSON: The one thing that is lacking is the creation of an atmosphere of confidence in the community!

The Hon. J. M. CONCANNON: I agree with the hon. member that it is very hard to create an atmosphere of confidence. Various States of the Commonwealth are following the lead of New South Wales.

The Hon. W. E. V. ROBSON: They are not talking repudiation!

The Hon. J. M. CONCANNON: I am not talking repudiation either.

The Hon. W. E. V. ROBSON: The Government has; that is what has destroyed confidence!

The Hon. J. M. CONCANNON: Only a few weeks ago I submitted to the House a statement from a technical journal on the question of trade in New South Wales, which showed that the retail and manufacturing trade had been on the upward trend, whereas in the other States it had been either stationary or diminishing. Confidence can only be restored in Australia when the problem is attacked at the root; that is by a reduction in our interest indebtedness.

The Hon. W. E. V. ROBSON: Your Government destroyed it in the first instance. That is the trouble!

The Hon. J. M. CONCANNON: It is all very well to make those statements, but is the position of New South Wales worse, comparatively speaking, than the position in the United States

of America. Comparatively speaking, is unemployment in Great Britain a lesser problem there than it is in New South Wales? Are the nations of the world which pay low wages in a better position than New South Wales with regard to unemployment?

The Hon. W. E. V. ROBSON: We have to deal with our own problems. We know that so far as business is concerned in this State, it is in a state of paralysis which does not exist in any other State in the Commonwealth.

The Hon. J. M. CONCANNON: I realise that the present position in New South Wales is being very closely watched all over the world. And it is not being more closely watched in any other part of the world than it is being watched in this Commonwealth. I make a prediction, without posing as a prophet, that unless an international agreement for the cancellation of world indebtedness created during the war period, or for the suspension or reduction of interest due by debtor nations is not soon reached, before very long every nation that owes money will be forced to adopt the "Lang Plan" or the New South Wales plan.

The Hon. E. H. FARRAR: If that state is ever reached, it should be a matter of negotiation. It should not be a matter of a deliberate policy, putting one State against the rest of the States of the Commonwealth!

The Hon. J. M. CONCANNON: The Premier of New South Wales has been endeavouring to whip up the other States to the realisation that the only thing to do is to go to our creditors abroad and arrange a moratorium on interest payments.

The Hon. E. H. FARRAR: The first statement was made at the Paddington Town Hall at a by-election. There was no negotiation about it at all; it was a deliberate statement of repudiation!

The Hon. J. M. CONCANNON: The whole basis of the "Lang Plan" in Australia is negotiation for interest reduction.

The Hon. Sir ALLEN TAYLOR: It is one-sided!

The Hon. J. M. CONCANNON: If it is one-sided, the one side is the creditor's side, if they refuse to grant a reduction in interest. On the question of the increase in unemployment referred to by the Hon. Sir Allen Taylor, I would refer him to the fact that only recently my colleague, the Minister for Labour and Industry, published an official statement showing that unemployment has been reduced in this State during the last month by approximately 10,000 people. It is most unfortunate, on the question of food relief, that we have to maintain these people, because no man, woman, or child, in a country like New South Wales with its potentialities and possibilities and its achievements in the past in primary production, should be allowed to starve; and this Government will not allow any individual to starve. On the question of loan expenditure, I agree that in the past we have spent a lot of money. During its three years of office the Bavin Administration spent loan money at a greater rate than ever before in the history of New South Wales.

The Hon. E. H. FARRAR: It must have had good credit to be able to get the money!

The Hon. J. M. CONCANNON: After the war there was an immense amount of money seeking investment, and the money had to be obtained in order to provide employment in Australia. Thousands of citizens have been put out of employment because of our inability to raise loan moneys abroad. We cannot obtain loan moneys in any part of the world, although a country like the Argentine can raise loan moneys. Indeed other nations not so favourably circumstanced as is New South Wales can obtain loan moneys overseas, but the States which have been instrumental in upholding British traditions and prestige can get no accommodation whatever.

This question can be settled only by an international recognition of the fact that a young democracy like ours cannot progress unless money is made available for investment in reproductive public

works. Regarding the case quoted by the Hon. Major-General Onslow, I shall have much pleasure in conveying his representations to my colleague, the Minister for Labour and Industry. I do not know whether the lady to whom he referred, and who has a residential qualification in New South Wales, is entitled to the widow's pension. Regarding the question raised by the Hon. Mrs. Green, I am sure she will understand that no provision for the purpose indicated by her can be made in a Supply Bill. It must be made in an Unemployment Relief Bill. I shall, however, have pleasure in referring her remarks also to the Minister for Labour and Industry.

Question resolved in the affirmative.

Bill read a second time and passed through its remaining stages.

House adjourned at 8.56 p.m.

Legislative Assembly.

Wednesday, 27 April, 1932.

Questions without Notice—Leader of Country Party—No Confidence Motion—Extension of Sitting Hours—Supply Bill (No. 2).

Mr. SPEAKER took the chair.

QUESTIONS WITHOUT NOTICE.

OPOSSUM SEASON AND UNEMPLOYED.

Mr. KEAST: Will the Colonial Secretary consider the advisability of proclaiming an open season for opossums for at least one month during the coming winter, so that unemployed men may earn a few pounds with which to purchase much-needed clothing for their wives and families?

Mr. GOSLING: That matter will be given every consideration at a later date.

Mr. GOODE: REPORT BY MR. CLEARY.

Mr. SANDERS: Is it a fact that the Premier notified Mr. Cleary, ex-Chief

Railway Commissioner, that if he would withdraw his report against Mr. Goode, and give due publicity to such withdrawal, a position in the Government service would be found for Mr. Cleary?

Mr. LANG: The hon. member's question is just a continuation of the lying statements that he gets in under cover of questions. There is no truth in his suggestion.

INTER-CITY EXPRESS.

Mr. BOOTH: Has the attention of the Minister for Transport been drawn to the fact that business people and other sections of the community on the Maitland coal-field are at great inconvenience in attempting to do business in the city of Sydney in one day? Will he consider the advisableness of extending to Cessnock the inter-city express, which at the present time runs through from Sydney to Newcastle, and in that way greatly help business people in the district I refer to?

Mr. JAMES MCGIRR: I will look into the matter and give the hon. member an answer to-morrow.

MOTOR REGISTRATION FEES.

Captain CHAFFEY: Is the Minister for Transport aware that there is considerable confusion in country districts with regard to the payment of motor registration fees; that people have been served with notices to pay within a certain date, but that doubt arises as to the authority to whom these fees should be paid? Can the Minister inform me as to what authority—police or otherwise—should receive these payments? If not, will he look into the question and lay down instructions for the guidance of the people concerned?

Mr. ARDILL: Will the Minister also ascertain whether it is a fact that payment of these amounts is not accepted by cheque, but that cash is demanded?

Mr. JAMES MCGIRR: No inconvenience is being occasioned to owners of motor vehicles, nor has any complaint been brought directly under my notice.