

Legislative Assembly,

Wednesday, 3rd November, 1920.

	PAGE
Questions: State Secondary Schools	1407
Perth Tramway sections	1407
Divorce Act	1407
Sleepers for Esperance	1407
Esperance wheat bonus	1407
State Saw Mills, Holyoake—(1) Water supply and rates; (2) Pollution of water supply...	1407
Murray River, Dunn's bridge	1408
Agent General, visit to Western Australia ...	1408
Wodgil lands	1408
Agricultural College site, etc.	1408
Scrub plain, utilisation	1408
Return: Industries Assistance Board	1408
Motions: State Children and Charities Department	1410
Railway freights, specific resolution before increase	1411
Straits Settlements and Java trade	1422
Agricultural Bank Act, to permit overdrafts ...	1427
Electricity, tidal generation	1438
Retirement of J. J. O'Neill, to inquire	1439
Bill: Railways Classification Board, Message ...	1439
Ministerial Statement, Wheat Guarantees...	1440

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

QUESTION—STATE SECONDARY SCHOOLS.

Mr. CHESSON (for Mr. Green) asked the Premier: 1, How many children have gained scholarships enabling them to enter (a) the Modern School, (b) the Goldfields High School, since their inception? 2, How many of these children in each case have completed the full term of the scholarship? 3, In the case of the incompleting scholarships, what is the method of appointment to fill the vacancies? 4, What was the total cost to the State for the year ended the 30th June, 1920, of—(a) Perth Modern School, (b) Goldfields High School? 5, How many children attended each of these establishments for the whole period in question? 6, How many scholars attended the night continuation classes during the same period? 7, What was the total cost of these classes?

The PREMIER replied: 1, (a) 327, (b) 21. 2, (a) 146 (108 are completing); (b) 2 (14 are completing). 3, Nil. 4, (a) Salaries £6,844 0s. 8d., Incidentals £461 19s. 10d., total £7,306 0s. 6d.; (b) salaries £3,692 4s. 4d., Incidentals £252 16s. 2d., total £3,945 0s. 6d. 5, (a) 489; (b) 174. 6, 3,824. 7, Salaries £7,195 8s. 11d., incidentals, £551 9s. 10d., total £7,746 18s. 9d.

QUESTION—PERTH TRAMWAY SECTIONS.

Mr. CHESSON (for Mr. Green) asked the Minister for Railways: 1, Will he arrange to have suitable notices placed at the terminus of each penny tramway section in the metropolitan area for the information and convenience of the travelling public? 2, If not, why not?

The PREMIER (for the Minister for Railways) replied: 1, The matter is under consideration. 2, See reply to No. 1.

QUESTIONS (2)—DIVORCE ACT.

Mr. BROWN asked the Attorney General: Do the Government intend during this session to amend Section 5 of the Divorce Amendment Act of 1919?

The ATTORNEY GENERAL replied: The matter is under consideration.

Mr. DUFF asked the Attorney General: 1, Is he aware of the unsatisfactory state of affairs caused by Section 5 of the Divorce Amendment Act passed last session? 2, If so, do the Government intend to amend the Act?

The ATTORNEY GENERAL replied: 1, Yes. 2, The matter has been carefully considered, but the method of dealing with the question has not yet been decided.

QUESTION—SLEEPERS FOR ESPERANCE ANCE.

Hon. T. WALKER asked the Minister for Works: 1, How many railway sleepers were sent to the port of Albany for shipment during the six weeks prior to October 31st? 2, How many of these sleepers were sent to Esperance per s.s. "Eucla"?

The MINISTER FOR WORKS replied: 1, 2,952 sleepers. 2, The whole of these sleepers were sent per the s.s. "Eucla." I may add that I regret it was impossible to send any more. I shall explain to the hon. member why it was impossible.

QUESTION—ESPERANCE WHEAT, BONUS.

Hon. T. WALKER asked the Premier: Is it the intention of the Government to give the bonus on each bushel of wheat for market grown in the Esperance district for the coming harvest on a similar basis to that paid on the last harvest?

The PREMIER replied: Yes.

QUESTIONS (2)—STATE SAWMILL, HOLYOAKE.

Water Supply Rates.

Mr. O'LOGHLEN asked the Minister for Works: 1, Is it a fact that residents of Holyoake State Sawmill are charged water rates which do not apply to other mills? 2, Is he aware that a very defective water supply is provided owing to insufficient pipes and the fact that the pipes provided are too small?

The MINISTER FOR WORKS replied: 1, The residents of Holyoake are charged water rates. No separate charge is made for water rates at other mills where this

facility is provided, but it is estimated and included in the rental of the houses occupied. 2, The water supply is not considered defective, provided it is used only for household requirements, for which it was installed.

Pollution of Water Supply.

Mr. O'LOGHLEN asked the Minister for Works: 1, Has his intention been drawn to the fact that the drainage at Holyoake from the slaughter-house and piggeries is polluting the supply of drinking water? 2, Has a report been received from the Health Department? 3, Does the State Sawmills Department propose to remedy this position?

The MINISTER FOR WORKS replied: 1, A complaint was received from the secretary of the Timber Workers' Union to this effect. 2, At the request of the mill manager an officer of the Health Department inspected the water supply, and stated that there was no pollution. 3, Replied to by answer to No. 2.

QUESTION—MURRAY RIVER, DUNN'S BRIDGE.

Mr. O'LOGHLEN asked the Minister for Works: 1, Has a departmental engineer reported on the construction of Dunn's Bridge over the Murray River? 2, Will he expedite the report and subsequent construction of such bridge?

The MINISTER FOR WORKS replied: 1, Reports have been made, but further information is required and is being sought. 2, When data is available no time will be wasted in giving a decision. Funds are a big item to be considered.

QUESTION—AGENT GENERAL, VISIT TO WESTERN AUSTRALIA.

Mr. O'LOGHLEN asked the Premier: 1, Is it a fact that the Agent General is about to visit this State after about three years' absence? 2, What will be the estimated cost of such visit? 3, Why did not the Premier announce this decision when the London Agency estimates were being discussed last week?

The PREMIER replied: 1, Yes. 2, The cost of the return fare for the Agent General, viz., £287. 3, The announcement was made as soon as practicable.

QUESTION—WODGIL LANDS.

Mr. GRIFFITHS asked the Honorary Minister: Are any experiments being carried out to ascertain if Wodgil lands can be put to any use?

The HONORARY MINISTER replied: The farmers are encouraged to experiment with oats on these lands, and consideration is being given to the utilisation of wodgil lands for the production of wattle bark on a commercial scale.

QUESTION—AGRICULTURAL COLLEGE, SITE, ETC.

Mr. GRIFFITHS asked the Honorary Minister: In view of the retirement of Mr. H. W. Potts as Principal of Hawkesbury College, will the Government endeavour to avail themselves of his assistance and expert knowledge in considering the problem of the site for the proposed agricultural college, its inauguration, and the lines upon which it should be run?

The HONORARY MINISTER replied: The suggestion will receive consideration.

QUESTION—SCRUB PLAIN, UTILISATION.

Mr. GRIFFITHS asked the Honorary Minister: 1, Is it correct that the Wheat Commissioner has recommended the establishment of an experiment farm on light land, and one eastward of the present wheat line? 2, Does the Minister intend to carry this into effect? 3, Is the Minister aware that on some parts of the despised scrub plain country moist patches have developed upon which good crops of millet, maize, Sudan grass, and tomatoes have been successfully raised? 4, Will he call a conference of holders of light lands and those interested in their profitable utilisation with a view to getting the combined knowledge brought to bear upon this problem?

The HONORARY MINISTER replied: 1, (a) Yes. (b) No. 2, Yes. 3, Yes. 4, This matter will be dealt with by the Wheat Commissioner.

RETURN—INDUSTRIES ASSISTANCE BOARD.

Insurance Premiums and Claims.

Mr. JOHNSTON (Williams-Narrogin) [4.40]: 1 move:

That a return be laid on the Table of the House showing the amounts paid in premiums for fire and hail insurances, and the total of claims collected by the Industries Assistance Board for each year since its inception.

This information will be of interest to farmers throughout the State who are oppressed with very high rates for their fire and hail insurance as well as being at the mercy of an honourable understanding. The information will also be of interest to my friends opposite whose advocacy of State insurance has behind it a large and increasing volume of public opinion, and to all who feel that the public would welcome the establishment of a Government insurance department on the same lines as that which exists in New Zealand.

Hon. W. C. Angwin: What about the Western Australian Farmers, Ltd.?

Mr. JOHNSTON: That is a very good company, and the farmers are giving it a

lot of business. The Premier has promised that the Government will accept the motion.

Hon. W. C. ANGWIN (North-East Fre-mantle) [4.42]: I do not know whether the hon. member intends that the two amounts shall be kept separate or that only the total amount for both forms of insurance should be shown.

Mr. Johnston: I want them kept separate in order to distinguish hail from fire.

Hon. W. C. ANGWIN: No doubt this information will be of interest to the people, because it will show whether this insurance is a profitable undertaking or not. I notice that the Westralian Farmers, Ltd. have opened a fire insurance agency. I hope with the hon. member who moved the motion that the return will be such as will encourage the Government to undertake State insurance and remove it from private enterprise which in many instances is robbing the public by the premiums which are being charged for insurance. The insurance companies all work together; they agree on the rates, and no matter where one inquires, the same rates are quoted and charged. There is no doubt that if the insurance business were conducted by the State, it would be of great benefit to the community. Recently I saw in the Press a reference to the accounts in connection with the insurance policies taken out by the Victorian Government. The figures showed that the people of Victoria had benefited considerably, as a very large amount had been received in bonuses on the amounts paid by way of premiums. I hope that the return will prove satisfactory to the hon. member. I feel certain that very little is paid by way of claims for damage done by hail and fire outside of what is paid by the Commissioner of Railways.

Mr. Thomson: He does not pay much.

The PREMIER (Hon. J. Mitchell—Northam) [4.44]: I have no objection at all to supplying the return and I shall give instructions for the two amounts to be kept separate as the hon. member desires.

Mr. TROY (Mt. Magnet) [4.45]. I did not hear the arguments advanced by the member for Williams-Narrogin in moving the motion, but it appears that there may be some other reason beyond the reason given for this return.

Hon. W. C. Angwin: He wants information which will enable us to get State insurance established here.

Mr. Johnston: It is for the information of the farmers primarily.

Mr. TROY: It might be of assistance to a farmers' trading company to know who gets the bulk of this insurance. I know that last year the Westralian Farmers Ltd. got the bulk of the business. If the hon. member wants to know the total amount, I think he will find that he can get it if he goes to the

offices of the Westralian Farmers. Some considerable amount was paid by the State to the Westralian Farmers for insurance in respect of farmers on the Industries Assistance Board. I have no objection to that; the Government can do their business where they like. Neither have I any objection to farmers on the Industries Assistance Board giving their preference to the Westralian Farmers. However, the intervention of the Westralian Farmers in insurance business has been of no advantage to the farmers of this country. The only difference has been that another competitor has come into the business, and that that other competitor has got its share. The rates have not been reduced. Now, Queensland has set an example in regard to State insurance. There can be no denying the fact that in Queensland insurance premiums have been reduced 40 per cent., while at the same time the Government insurance department have shown a considerable profit on their working. I am reminded by the member for Geraldton (Mr. Willecock) that the profit made by that department last year was £53,000. There are no less than 50 or 60 insurance companies operating in fire, life, and other business in Western Australia. In the interests of this country the Government might well step in and thereby reduce premiums, and I am sure that the Government insurance department would still be successful. I hope the Premier will regard the carrying of this motion as an intimation of the desire of members of this House that the Government should enter into the insurance business.

Mr. LAMBERT (Coolgardie) [4.49]: I do not think this motion should be allowed to pass without an expression of views somewhat on the lines suggested by the last speaker.

The Premier: Had you not better wait for the information first?

Mr. LAMBERT: No. Any reasonable man who states that he takes a serious view of the finances of Western Australia, and who yet has no regard for the insurance octopus and monopoly, is absolutely insincere. If years ago, or even since the outbreak of war, we had tackled this very important subject of insurance and made it a Government monopoly, we should undoubtedly not have the semblance of a deficit to-day.

Mr. SPEAKER: I want to remind the hon. member that the motion does not allow the latitude of discussing the question of fire insurance by State or private enterprise. It only asks for a return.

Mr. LAMBERT: I take it that the desire for State insurance is the underlying reason which prompted the mover. At all events, it should have been if it was not.

Mr. SPEAKER: If that was the intention of the mover, it should have been stated in the motion; and then hon. members could have discussed the matter in all its aspects.

Mr. LAMBERT: I only hope that, as a result of the production of the return which is asked for, the Government will recognise the absolute inadvisableness of their continuing to effect insurances with private companies. Probably the worst commercial bushrangers existing in Australia to-day are the insurance companies. No matter how much one may be opposed to the nationalisation of the more subordinate commercial affairs of the community, one must be convinced that a concern which is collectively used by the members of the community should be collectively owned by the community. The necessity for this has been emphasised here year after year, and so has the loss incurred by the State in this connection. I trust that as a result of the carrying of this motion, the present Government, or the Government who will probably succeed them, will recognise the absolute need of the State at all events effecting its own insurances, for a start.

Question put and passed.

MOTION—STATE CHILDREN AND CHARITIES ALLOWANCE.

Debate resumed from the 15th September on the following motion by Mr. Munsie:—

That in the opinion of this House it is desirable that the Government should increase the amounts payable to institutions, natural parents, and foster-parents to 10s. per week.

The COLONIAL SECRETARY (Hon. F. T. Broun—Beverley) [4.53]: I am sorry that the member for Hannans (Mr. Munsie) who moved this motion is not present to-day. Certainly the motion covers a wide range, including as it does increases to be payable to institutions, natural parents, and foster parents. The Government are determined at all costs to see that those who are really in want shall not live on less than what is necessary to provide the ordinary commodities of life. However, necessitous cases vary considerably. Those cases which come before the Charities Department are considered on their merits. The department have various bases of payment. The largest payments are made to foster-parents. Wherever it is possible to leave the children with the mother, the department adopt that course. The cases have to be treated on different bases, as I say, because in some instances it is found that relief is furnished from other sources than the State to mothers of families. Again, some mothers have houses free of rent; while others have houses in respect of which they pay only part rent. Then there are mothers who have at their disposal small sums of money, with the aid of which they hope eventually to provide themselves with permanent homes to live in. These matters are taken into consideration, and assistance is given towards the maintenance of children in

accordance with the financial position of the parents. If we were to fix the sum definitely at 10s. per child, as suggested by the motion, it would mean that in many instances the State would be providing more than is really necessary for the maintenance of children. I contend that the better course undoubtedly is to leave the question to the discretion of the department. Wherever more than 8s. per week is found to be necessary, the department provide more. Where the mother is in delicate health, or where a child is delicate, a larger allowance is provided. Even now the department in many cases allow more than 8s. per child, as 8s. is allowed for the mother as well. I pointed out the other night, on the Estimates, how the sums paid to foster-mothers vary. The fixed amount for foster mothers is 10s. per week for a child up to one year of age, 9s. per week for a child between one and two years of age, and 8s. for children between two and 14 years. In some cases we pay as much as a guinea per week, in others 12s. and 15s. The guinea per week is paid in respect of delicate children needing a great deal of attention. It is essential to provide that amount in order that such children may receive the necessary care. If the amount is definitely fixed at 10s. per week for all children, the expenditure under this head will be increased very considerably. That expenditure is already large. The Government have to take every care that they are not imposed upon by people who are not really in need of assistance. There have been instances of people applying to the Charities Department for assistance although they already had incomes exceeding the largest allowance made by the Government. Of course such cases have been turned down. Then there have been instances of people applying to the department for assistance when there was no necessity whatever for it, because they were already being helped from other quarters. Moreover, it is necessary that parents should realise the responsibility for their children. Unfortunately those responsibilities are not in all cases realised. Let me give an instance. Only a short time ago a father and a mother interviewed the head of an institution and asked him to admit their children. They were, of course, quite willing to pay. The head of the institution asked why they wanted their children placed there. The answer given was that the children were too much trouble to them; that they, the parents, frequently went out and that the children could not be left alone. There we have an instance of parents seeking to shirk their responsibilities to their children. Therefore I say every case must be considered on its merits. In my opinion the institutions are now being paid a fair rate for the sustenance of the children they care for, because those institutions have other means of raising money outside the allowances granted by the Gov-

ernment. The institutions can make appeals to the public, and most of them are conducted by the churches. Thus they are able to raise funds from time to time to assist them in caring for the children as they ought to be cared for. I am not saying anything against the institutions because they are doing good work in this direction. The department are endeavouring to place out as many children as possible, and they are endeavouring to get as many as they can adopted, not only in the towns but in the country districts as well. The amount required for the increase would be considerable. Unfortunately, as it is, the amount is an increasing one from year to year. Last year a good deal of the increase was due to the influenza outbreak. Unfortunately, too, many fathers were carried away during the period of that epidemic, with the result that the mothers found themselves in a destitute condition and were forced to apply to the Charities Department for assistance. The time has arrived when we must find some means whereby we can provide funds for the Charities Department. We shall have to take into consideration not only the advisableness of imposing a charities tax, but I think also a bachelor's tax. The money so derived could be placed to the credit of a trust fund and be used for the purposes stated. Quite recently I wired to the Eastern States to ascertain what their payments were and also to see how our payments compared with those of the neighbouring States. In most cases I found that our payments are equal to those made in the East, and that in some cases they were larger than the capitation allowance paid there. In Victoria the weekly allowance for children under one year is 10s. and over that age it is only 7s. The sum of 5s. to 7s. weekly is paid for neglected children in institutions, and 1s. for each child in addition is added for those who are receiving education and 10s. is allowed for reformatory children. These figures are much lower than ours. In South Australia 11s. is allowed for boys and girls under one year, and 10s. for children between that age and 14 years. A 6s. 6d. weekly capitation grant is paid to the Catholic Boys' Reformatory, and 8s. 6d. is paid to the Salvation Army probationary school for boys and girls. There are also Government institutions and reformatories in Adelaide. Their cost is high, namely, 14s. 11d. per child per week. The payment made to the boys' reformatory school is 23s. 6d. for boys and girls, while 12s. 8d. is allowed for the children in industrial schools.

Hon. W. C. Angwin: That is the full cost.

The COLONIAL SECRETARY: Yes.

Hon. W. C. Angwin: The institutions here receive subscriptions.

The COLONIAL SECRETARY: The figures I am quoting include the cost of administration. In the southern districts of Queensland the amount paid for children

under one year is 10s. weekly, and between that age and 12 years, 9s. 6d.; while from 12 to 14 years the payment is 10s. The payment made for all children in the central and the northern districts is 10s. In New South Wales 10s. is paid weekly for boarded out children, and for children boarded out with mothers there is a varying scale up to 10s. There is no weekly capitation grant paid to institutions in that State, but a small grant in some cases is made by the Government. With regard to the motion, it would be advisable for the House not to agree to it; it would be well if the amount were permitted to remain at between 8s. and 10s. The member for Hannans was a member of the select committee which investigated the administration of the Charities Department, and in framing his motion he no doubt had in mind the information which was disclosed by the inquiry, and from which he came to the conclusion that 8s. was not a sufficient payment. I admit that it may not be a sufficient amount in every instance, but I assure the hon. member that whenever representations are made to the department that the amount is inadequate, and the representations are genuine, more can be paid. In such a case I am sure the Government will not hesitate to increase the payment. The select committee or the Royal Commission, as they afterwards became, have not yet presented their final report. I do not know how much longer they are going to be about it, and I cannot say whether the House will receive it before the close of the session.

Mr. Mullany: The House will not get that report.

The COLONIAL SECRETARY: Such reports are always presented to the House after they have been prepared. At any rate, I trust the House will not agree to the motion, and that the hon. member who moved it will be content with the assurance that I have given, that wherever it is necessary to increase the amount the increase will be granted.

An motion by Mr. O'Loughlen debate adjourned.

MOTION—RAILWAY FREIGHTS.

Specific Resolution before Increase.

Debate resumed from 15th September on the following motion by Mr. Johnston—

That in order to retain to the Legislative Assembly the power of controlling taxation, this House is of opinion that no further increase of railway freights should be imposed until a schedule showing the proposed increases has been laid on the Table of the House, and approved by specific resolution.

Mr. PICKERING (Sussex) [5.8]: Ever since I have had the privilege of representing my constituents in this House, I have endeavoured to demonstrate that the railway

freights in force in the State have fallen particularly heavily on the shoulders of the primary producer.

Hon. W. C. Angwin: Of course the consumers do not pay anything.

Mr. PICKERING: The burden, however, is borne by the primary producer. Whenever he has anything to send to the market a debit is always sent back for the freight on the article he sends to market, and on whatever he takes from the city again he is made to bear a heavy burden. Whilst we recognise that the railways must have freights, we believe that the voice of the people should be heard in connection with any decision to be arrived at so far as the raising of the rates is concerned. The Government control the raising of the rates. We have had two increases in the last few months; one was made shortly after the end of last session and it was made, too, without the approval of the House or the members. The next increase took place quite recently, and again the House did not have an opportunity to express approval or otherwise. The "West Australian," when discussing the question of the price to be paid for wheat, alleged that the loss on the railway system to the extent of £300,000 was due to the small freight levied on the commodities which the farmers sent to market. Of course we may be of the opinion that the loss on the railways was to a considerable extent due to the increased wages which have had to be paid, but whatever the cause, I feel sure I am voicing the opinion of the growers when they state that they are prepared to pay their fair share of the freights.

Mr. Mullany: They want to be the judges.

Mr. PICKERING: Certainly.

Mr. Johnston: They want the House to have a say.

Hon. W. C. Angwin: Or pass it on to a committee. We will not want the House shortly.

The Premier: That was a bad practice, which your party initiated.

Mr. PICKERING: We recognise that the railways must be run satisfactorily and must be made to pay; but we think that before increases are made, the representatives of the people should be given an opportunity to express an opinion.

Hon. W. C. Angwin: You have the Minister for Railways in your caucus now. You can approach him.

Mr. PICKERING: Perhaps we shall apply the hard word to the Minister at a later date. We have not done so yet. When a motion is tabled in this Chamber to the effect that the primary producers are not to have the market value of their commodities, the necessity for the representatives of the primary producers having a voice in connection with any increase in freights becomes more obvious. The moment the primary producer gets an opportunity to clear off some of his liabilities and to show that he does not require to be spoon-fed—a stigma which

is so frequently hurled at him—a motion is invariably tabled in the House to the effect that he should not receive the fair market value for his produce.

Hon. W. C. Angwin: On a point of order. Is the hon. member in order in anticipating another motion which appears on the Notice Paper?

Mr. Johnston: He is only speaking by way of illustration.

The SPEAKER: The hon. member must confine his remarks to the subject matter of the motion before the House.

Mr. PICKERING: I was merely illustrating that if we are to have the just profits which accrue to our industries taken from us, it will not be possible for us to meet the increased charges which are imposed in various directions. The policy of the country is that of settling and developing the land, but in every conceivable way we are putting burdens on the primary producers which are making their task an impossible one. Therefore, when it is proposed to put an additional burden on the shoulders of the primary producers—and, we stand for not only the farmer, but those who are engaged in the other primary industries as well—we should consider the effect from every point of view. It has been pointed out by the member for Williams-Narrogin that no matter how slight the taxation may be in every other direction, the subject must come before the House for approval. Why should we not demand that the proposal to increase the railway freights should also come before the House for consideration.

Hon. W. C. Angwin: Move a motion of no confidence in the Government.

Mr. PICKERING: In connection with the railway systems in other countries, and particularly in New Zealand, instead of making the burden of freights press on the primary producer, the position is reversed; the utmost is done to relieve the pressure from that section of the community. The policy of the Government in Western Australia is one of development, and we have always contended that the railway system in Western Australia should be conducted in such a way as to assist to the utmost in that development, recognising that by the proper development of our hinterland we would ultimately render the railways profitable. If we are going to handicap the primary producers out of existence by heavy imposts of all kinds, it is futile to think that we can make the State prosperous. It seems to me that at every future loss in connection with the railway system, we shall be faced with an increase in freights. That seems to be the only solution of the difficulty which the Government can discover. We are not in a position to advocate increased direct taxation, because that is against the policy of the Country party, which is that the revenue should be got through a revenue tariff. Unfortunately we have nothing to do with that.

Mr. Troy: Yes, you have, because you elect those responsible for it.

Mr. PICKERING: The whole of the tariff, of course, would go to the Commonwealth Government. If we are out for a revenue tariff, as opposed to the high protection which we have to-day, it is not possible for us to advocate high protection and also high direct taxation to relieve the country of the burdens of its railway system. We would like to see some more definite evidence of practical economy in the railway system. We believe that the occasions for increasing railway freights might be considerably minimised if the railways were run more economically. I do not desire to dwell upon this subject, for it is so evident that railway increases should have the approval of Parliament before being put into effect. I strongly support the motion, and I trust that on future occasions for increases in railway freights the Premier will submit the proposal to the House before giving effect to it.

The PREMIER (Hon. J. Mitchell—Northam) [5.17]: I do not know whether the hon. member who moved the motion was really serious. The last hon. member to speak said there must be no increase in railway freights, no increase in taxation, and that he wants the revenue to come from a revenue tariff.

Mr. Troy: He wants it to fall from Heaven.

The PREMIER: I do not know how the country is to be financed on that system. I cannot believe that the hon. member who moved the motion was serious.

Hon. W. C. Angwin: No, he was only electioneering.

The PREMIER: Nobody wants increased railway freights. Certainly no railway commissioner ever wants to increase freights.

Hon. W. C. Angwin: And no Government ever wants to increase taxation.

The PREMIER: And nobody ever wants to pay taxation, with or without an increase. Everybody is agreed to taxation for the other fellow. He would be a foolish man indeed who wanted to pay more than is necessary to carry on the government of the country. It has been said that we require additional land taxation to cover portion of the cost of running our railways. One could understand that proposal coming from those who do not own land, or from those in the jurrrah and karri country or on the gold-fields, or indeed from a hundred other directions; but I cannot understand it coming from the farmer. It has been seriously proposed that we should impose sufficient taxation of that sort to cover the extra cost of running our railways, something like £800,000 per annum. If hon. members are serious—I doubt whether they can be in supporting this motion—they ought at least to make it clear to the House that they have not any confidence in the Commissioner of Railways, or in the Government. As a matter

of fact the Commissioner of Railways has control of the railways under an Act of Parliament.

Hon. W. C. Angwin: But he has not power to fix the rates.

The PREMIER: Yes he has, with the approval of the Government. If the House is determined that there shall be no increase in railway freights at any future time, then the House should also determine that there shall be no increase in wages or in the cost of materials; for obviously we cannot go on paying these increased charges unless we get increased revenue.

Mr. Johnston: We want the increased railway freights submitted to the House.

The PREMIER: Yes, you want to take charge of the railways. It will be a very bad day when hon. members decide to do that.

Mr. Johnston: We want to control the Commissioner.

The PREMIER: Yes, to manage the railways. I doubt if any other member wishes to take the responsibility of managing the railways. Let us examine this proposition. The railways earn something like £2,725,000 per annum. If hon. members decide to apply to the railways the system laid down in the motion, why should it not be applied to all other State enterprises? If hon. members decide to go into every detail concerning the railway service before resolving upon increased freights, there will be but little time for anything else. Last year the railways lost £400,000 and another £300,000 was lost on the business concerns. This year it is expected that we shall lose £500,000. Are hon. members serious in proposing that we should make the ledger balance and make the trading concerns pay?

Hon. W. C. Angwin: Business undertakings, not trading concerns.

The PREMIER: Hon. members profess to be anxious that these things shall be managed properly, and made to pay. To-day hon. members have an opportunity for pointing out to me how we are to get the £500,000 which we estimate will be lost. Let it be clearly understood that the general taxpayers last year contributed to the cost of running the railways to the extent of £400,000. Is not that enough?

Hon. W. C. Angwin: They are only paying the interest on that money.

The PREMIER: They contributed £400,000.

Hon. W. C. Angwin: That has been taken out of loan, and the general taxpayer is paying only the interest.

The PREMIER: Hon. members wish the House to believe that the Government are using the railways in order to make a profit. Even if that were so, the profit in turn would be used to carry on the ordinary functions of government. However, nothing of the

sort is occurring. We are not making money out of the railways.

Mr. Troy: How does the general taxpayer pay that amount?

The PREMIER: The hon. member has the Estimates before him. He will find there every detail. They pay income tax and land tax, dividend duties, stamp duties—even when he dies the taxpayer has to contribute something towards making up this deficiency. I wish the House, and particularly those hon. members who have supported the motion, to realise that the general taxpayer last year contributed £400,000 to cover the cost of running the railways. The hon. member has said that the first object of the railways should be development, and therefore they ought not to be expected to pay, that agricultural produce should be carried over them at a low rate. That is all very fine. Agricultural produce is being carried over the railways at a low rate even now; that is to say, a low rate in relation to the cost of the service. For many years past it has been the policy of succeeding Governments to so arrange the railway freights as to press as lightly as possible upon the primary producers.

Mr. Foley: A good deal of it has been done at the expense of the consumer.

The PREMIER: I should like to reduce the freights to-morrow, if it could be done. The hon. member who moved the motion, and those who have supported it, have urged nothing against the increased railway freights. What have they said in justification of the motion? What is their objection? Why should there be any change in this method of determining the railway freights? Is it because we have been unfair to this or that section of the community? Not one word of that. No representative of a farming community could say that we have been unfair to his district.

Hon. W. C. Angwin: I think you have been a little unfair to the workers.

The PREMIER: There may be some anomalies; there always will be anomalies following upon any revision of the railway freights, but those anomalies, small in themselves, can be adjusted. However, the motion deals with the system generally, and with the method of fixing railway freights. The public should understand the position and realise that we are not increasing railway freights in order that we may increase the revenue, that we are not making a profit of our railways, but that in fact we are sustaining a very substantial loss, which has been of corresponding advantage to those who use our railways. We are rendering this special service at less than it costs to perform. On top of that, we are rendering service to the producers at a lower rate than to any other section of the community.

Mr. Johnston: We think you should consult the House before increasing railway freights.

The PREMIER: As a representative of an agricultural district, I would be the last

man to ask such a thing. Nothing better can be done than is being done. It would be difficult for the hon. member to justify some of the rates at present imposed, for the reason that they are too low, having been specially fixed for the agriculturist. The users of the railways are now getting the services at less than it costs. I do not know how much more they want. The service rendered to them is not paid for by them, but to a very large extent is paid for by the general taxpayer. If the hon. member will show me how I can get revenue apart from increasing freights he has £400,000 worth of opportunity of doing so. If it is to be by an increase in the land tax, let him say so, or if it is to be by an increase in the income tax, let him say so. I wish I had the tariff on which to operate. We should never have lost the right to do that.

Hon. W. C. Angwin: You would then have money and we would not know anything about it.

The PREMIER: What hon. members wish is that the railways should not be made to pay, but that the loss should be covered by collection from some other source. Is it not a dangerous principle to advocate in the case of the railways, which are handed over to a Commissioner, that the Commissioner is not to worry about any loss that may be made, since this House will be willing to make it good by imposing taxation?

Mr. Johnston: Low freights mean increased business.

The PREMIER: Is it not a dangerous principle to advocate? Will hon. members say that such a system of management would not result in incompetency and inefficiency? He knows quite well that it would. If these concerns are to be run to the advantage of the people of the State, they must be run under good business management, and must at least be made to meet the expenditure. The earnings ought to be able to pay the working costs and interest and sinking fund. To face any other proposition would be a dangerous thing.

Mr. Lambert: It would perhaps be a good idea. It would show the country to what extent the Country party are prepared to go in robbing the general taxpayer.

The PREMIER: I do not agree with that.

Mr. Lambert: You are hinting at it pretty strongly.

The PREMIER: I only said they were misguided, which is quite a different thing.

Mr. Lambert: I also mean that they are misguided.

The PREMIER: The interests of the man who is producing are, after all, the most important so far as those interests need to be looked after. I cannot say that we shall not have increased freights. I cannot control the cost of supplies, the cost of coal, or the rates of wages that have to be paid. I believe there is a sufficiently good management of our railways already. They have always been well managed; indeed the best managed of any railways in Australia. The people have been served by the railways as

no other people in Australia have been served. Everything that can be done for the convenience and comfort of the people, particularly those in the outback districts, has been done. All sorts of conveniences are provided, sometimes in only small centres. It is an unpleasant thing to have to pay for services rendered more than they are considered to be worth, but the people who consider the services rendered by the Railway Department not to be worth what they are paying for them are very much mistaken.

Mr. Foley: We all want to be judges of what the services are worth.

The PREMIER: No one wants to pay. It would be foolish if the House set out to manage the railways. It would be wrong to pass the motion. If the railways are to be run as a business concern let them be run as such, and if they are to be run by the House as a purely political machine, let us say so and have them run that way. The House should reject the motion. I have pointed out the danger of the proposal. It contains an indication that the railways are to be controlled, at any rate as to the amount to be charged by way of freight and fares, entirely in the interests of one or two sections of the community. So far as the payments out are concerned, the Commissioner is to have all the responsibility and trouble. It is evidently intended that the Commissioner is to pay out just what the Arbitration Court says, and to have no say as to the payments in. If I thought our railways had not been run as developmental undertakings I should be disappointed.

Hon. W. C. Angwin: That applies to the new railways.

The PREMIER: They are nearly all new railways, for most of them are not 10 years old. They are developmental works, and to that extent the public have paid and are paying for them. We have lost very little on our spur lines. If it had not been for the traffic brought to the system generally by these spur lines we should have lost three times as much as we have.

Hon. W. C. Angwin: We have heard that before.

The PREMIER: It is a fact. I could produce proof of this.

Mr. Foley: You would be the first Premier who ever offered to do it.

Hon. W. C. Angwin: No one will give sectional returns.

The PREMIER: The railway system is developmental and the extensions will also be developmental. The member for Kanowna (Hon. T. Walker) wants a developmental railway now in the Esperance district. If the House is to control the amounts to be charged by way of freights and fares, we shall have to refuse to build this railway.

Mr. Johnston: The House has authorised its construction.

The PREMIER: If the motion were carried, I would ask the House to rescind the

passing of the Esperance Railway Act and some other railway Acts, too.

Hon. W. C. Angwin: Will the passing of this motion prevent you from introducing any other railway Bills this session?

The PREMIER: Yes.

Hon. W. C. Angwin: Then we will carry it.

The PREMIER: If the House carries it, I cannot object, but I am telling the member for Kanowna what the effect on the Esperance railway will be. Members cannot feel it is wise that they should have the management of the railways placed in their own hands. The position does not justify it.

Mr. TROY (Mt. Magnet) [5.38]: The motion does not propose that the management of the railways should be taken out of the hands of the Commissioner.

Hon. W. C. Angwin: It is just as good as that.

The Premier: It means nothing else.

Mr. TROY: The motion proposes that Parliament should have an opportunity to discuss the railway rates.

Hon. W. C. Angwin: It always has had.

Mr. TROY: After the event has occurred.

Mr. Johnston: Increases were imposed a few days after Parliament adjourned.

The Premier: Why did Parliament adjourn?

Mr. Johnston: You know.

Mr. TROY: The Commissioner for Railways was well aware that the railway rates were to be increased last December, but waited until the House adjourned before taking that step. No member of Parliament had a voice in the matter. A few weeks ago, during the time the House was sitting, the rates were again raised.

The Minister for Works: They had to be.

[The Deputy Speaker took the Chair.]

Mr. TROY: Parliament should have a voice in the administration of the country. Parliament is asked to support Governments, and yet members have no voice in the administration or in the manner in which the administration of the country is carried out. It is a mere pretence for any member of Parliament to go to the country and assure his electors that if returned he will carry out this, that, or the other promise in their interests. We are under a Cabinet Government, where Ministers hold office by virtue of their supporters who are elected to back up their policy. We can do nothing. Unless members are untrue to their principles they cannot desert the Government if they are returned to support them. The Government increase railway rates and increase the charges, without members being able to do anything. Ministers know that members are helpless, and look upon them as helpless creatures.

The Ministers for Works: That is hardly so.

Mr. TROY: Members have no voice at all in the matter. If they had, the Government would consult them. The Government would say, "We propose to increase the rates and we are quite willing to listen to suggestions from you." The Government should ask the House to suggest a means of raising the revenue when that is deemed to be necessary. Members are taunted with the statement that they do not like taxation, and that whilst they are quite prepared to see the burdens upon the people increased, they will not help the Government to devise a means by which the loss can be met. Members have no opportunity of doing so. Owing to the system under which Ministers can treat their followers very largely with contempt they are never given an opportunity. Government supporters are in the hands of Cabinet, the members of which do their work secretly. Members are never consulted by Ministers. This motion is necessary. If there is one thing that presses more heavily on the people than another, it is the increase of railway charges and freights and fares. The position of the people in the back country is bad enough. The purchasing power of the sovereign is as 10s. to-day compared with £1 before the war. Before the people in the back country can secure the commodities they require, these have to pass through perhaps half a dozen hands, and every time they change hands someone makes a profit out of them. We can see by that how much it costs the people before they actually receive the commodities they require.

Hon. W. C. Angwin: According to this they do not pay anything. It is the producer who pays.

Mr. TROY: The people in the back country are heavily burdened with the increased cost of commodities. The tariff, which has recently been brought into operation by the Federal Government, has also increased the cost of living. The people are paying a heavy tax by way of indirect charges. Members may say that those on this side of the House are guilty of that impost. It is time to place this charge on the proper shoulders. The present Federal Government do not represent members on this side of the House, neither do they represent our policy, nor our movement, nor our principles. The railway burdens upon the people have been a great handicap in the development of the back country. That ought to be borne in mind. In a new country such as this, the railways cannot be expected to be profit earning, such as they are in Great Britain, America, and Europe. They are aids to development. This State must have its water supplies, for instance, as an aid to development. To-day Western Australia is erecting State batteries in the same way, as an aid to development. The I.A.B., the Agricultural Bank and a thousand other schemes are all provided as aids to development. When these institutions fail to pay their way, the

Government have recourse to taxation. They have an income tax, a stamp tax, a land tax, a dividend tax, a totalisator tax, and many other forms of taxation by which they can recoup the loss in the administration of these institutions. It is unfair to say that any one section of the citizens should make up the loss on the railways of the State because the men who use the railways pay the same taxation as do other members of the community. It is unfair to say that the loss on the railways, which is made in the interests of the general community of the State should be paid by the users, for the rest of the community receive as much advantage from the railways as do the users.

Hon. W. C. Angwin: It is ridiculous to say that they get the same advantage.

Mr. TROY: Take away the railways of the State and the whole country dwindles.

Hon. W. C. Angwin: Supposing we close down the country, where are they?

Mr. TROY: Close down the railways and where is the port of Fremantle?

Hon. W. C. Angwin: Where was it before the railways were built?

Mr. TROY: The railways are just as necessary for the country as the port of Fremantle is necessary for the country.

Hon. W. C. Angwin: Quite so.

Mr. TROY: Seeing that the railway policy is one to aid development, and that miles of railways are pushed out into the country not as a business proposition but to promote the interests of the State, is it just to say that the people using the railways shall pay the whole of the cost? There are a thousand and one facilities provided in the city which do not pay and throughout the country there are facilities which do not pay. Do the law courts pay?

The Attorney General: Yes.

Mr. TROY: I say that they do not pay.

The Attorney General: The hon. member does not know what he is talking about. The law courts are revenue producing.

Mr. TROY: Does our education system pay? Do all our services return an amount adequate for the services rendered? Of course they do not.

Hon. W. C. Angwin: There is no comparison.

Mr. TROY: Yet we are asking that the greatest developmental institution of the country shall be paid for by the people in the country. What is wrong with our railway system? We have too many miles of railway and too small a population. That is generally admitted. Although the Government are aware, and although the general public know, that that is so, yet they talk about the people in the country shouldering the burden of the cost of the railway system. Despite this fact, members are inclined to help the Government to build more railways. It is suggested that we should start upon a policy of railway construction that could not show a profit for a decade at least. The people in the

country will be asked to pay the loss on these new railways. Personally I do not think the country as a whole will support that policy. There should be means, and I suggest to the members of the Country party that they should give consideration to this aspect, of recouping some of this loss, and one way I would suggest would be by a land tax. Under this method the country can be forced into use and the big merchant class in the city can be made to pay their share. Cannot the Government of this country, unless they are absolutely helpless, produce some scheme by which the merchants, the insurance companies, and others who are prominent in the community, can be made to pay their share towards the taxation of the country?

The Attorney General: Do you suggest that they pay nothing?

Mr. TROY: I suggest that they pass on their taxation. I suggest that the customs tax is passed on, or at least the greater portion of it. The importer does not pay it. I suggest that the merchant does not pay the excise duty. All these costs are passed on.

Mr. Johnston: With an extra profit.

Mr. TROY: And that portion of the community which takes the risk in the development of this country is called upon to support the whole burden, and that section which takes very little risk escapes more lightly.

Hon. W. C. Angwin: Do these people take the risk in the interests of themselves, or in the interests of the State? Answer me that question.

Mr. TROY: I will not.

Hon. W. C. Angwin: Of course you will not.

Mr. TROY: No one takes risks altogether in their own interest, but one takes a risk in a country which is in the interests of the country as well. Particularly is this so in the pioneering stages. The work that the farmer does is undoubtedly useful to himself but it is work which is of greater advantage to the State. Those merchants who take his goods and make their profits on them are not of the same service to the country as the man on the land. The "West Australian" this morning criticises the Government for their habit of increasing railway rates. The present Government follow the line of least resistance. Immediately a rise in wages is granted, there is only one policy which suggests itself to the Government and accordingly railway rates are raised.

The Minister for Works: The money must come from somewhere.

Mr. TROY: Take the case in Queensland. During the last Federal elections the newspapers in Western Australia made much ado about the loss on the Queensland railway system. It was pointed out by the Queensland Labour party that they knew that the loss occurred but that Mr. Justice Cawley

had granted increased wages to the railway employees in the Arbitration Court. The Queensland Government could easily have passed the burden on to the people who used the railways, as was done by the Government in Western Australia. The Queensland Government did not do so but adopted the policy which we are led to believe made the Government so unpopular with the financial people in London. The Government raised the rents of the big pastoralists who were in a position to pay more for the services they received from the country. That is the whole crux of the complaint against Mr. Theodore and his Government.

Mr. Teesdale: It was easy but it was not necessarily fair.

Mr. TROY: It was fair. These pastoralists had not had any increased rent to pay for 20 years, despite the fact that the value of their land had increased enormously. The pastoralists in this State did not object to the increased rent imposed upon them because they secured an extended term of lease. In Queensland no such extension was granted, but that does not affect the position that the increased charges for rent were made. If it was not dishonest here to pursue such a course, it was not dishonest in Queensland.

Mr. Davies: They increased the freights in New South Wales.

Mr. TROY: I am sure that the New South Wales Government will not raise the railway rates and freights on every possible occasion, as is the case in Western Australia. The "West Australian" in its criticism of the Government, shows that the 1920 award caused an increase in the wages amounting to £226,000. In order to meet that increased cost the Government have raised the rates to provide revenue amounting to £337,000. This represents over £100,000 in excess of the amount paid in wages to the railway employees. That is a policy which I absolutely condemn. I do not think that the Government are altogether acting against the interests of the country, but I ask Ministers if there is no other way to meet this extra charge.

The Attorney General: Can you suggest one?

Mr. TROY: I suggest the land tax. Take the returns furnished by the Commissioner of Taxation, whose report was presented to members last night. It shows that the revenue secured from land tax in 1916-17 amounted to £42,000. In 1917-18 it amounted to £63,000; in 1918-19 to £34,000; and last year to £42,000.

Hon. W. C. Angwin: Unless we amend the law and make them pay, that suggestion will not affect the position.

Mr. TROY: We can easily do that by increasing the amount.

Hon. W. C. Angwin: At the present time they pay whichever is the bigger; the land tax or the income tax. Parliament would not alter the law when they had the opportunity.

Mr. TROY: Parliament can do anything and I suggest that we should take this matter in hand. I have sufficient respect for the intelligence of the farmers' representatives in Parliament to believe that they know what is right. I believe they knew that it was right to impose such a tax as I propose, but it was turned down because the heads of their organisation had big vested interests.

Mr. Thomson: They had a certain amount of common sense.

Mr. TROY: Perhaps that is so. The hon. member himself supported the land tax when his party supported it last year.

Mr. Thomson: Do I understand that the hon. member says that I supported the land tax; if so, I request a withdrawal of that statement.

Mr. TROY: The hon. member has no business interrupting my speech.

The DEPUTY SPEAKER: The member for Katanning can only rise to a point of order.

Mr. Thomson: I rise to a point of order. I understand that the hon. member stated that I supported the land tax last year, and he was disappointed because my party did not support it.

Mr. TROY: You really need not bother about that; there is no point of order there.

The DEPUTY SPEAKER: There is no point of order in that.

Mr. Thomson: I ask that the hon. member withdraw his statement because it is not correct.

Mr. TROY: I will not withdraw.

The DEPUTY SPEAKER: The member for Katanning can at a later stage refute the statement made by the member for Mount Magnet.

Mr. Thomson: If a member makes a statement which is untrue, surely I have the right to request a withdrawal?

Mr. TROY: In order to satisfy him, ask the member to state his point of order.

Mr. Thomson: The hon. member made a statement which is incorrect and I request that he withdraw it.

Hon. T. Walker: It was not personal.

Mr. Thomson: It reflects upon me.

The DEPUTY SPEAKER: I cannot take that point of order.

Mr. TROY: Of course you cannot.

Mr. Thomson: I think that I should—

The DEPUTY SPEAKER: I have ruled that the member for Mt. Magnet can proceed because he said that what he stated was not in effect what is complained of.

Mr. Thomson: The hon. member did say it; he admitted it.

The DEPUTY SPEAKER: I have called upon the member for Mt. Magnet to proceed. If the member for Katanning wishes to dispute my ruling, he must adopt the proper course.

Mr. TROY: I regret the intervention by the hon. member, but if you, Sir, accepted points of order of that character, they would be taken on every discussion. The hon. mem-

ber did not know to what point of order he had risen.

Mr. Thomson: Your statement was incorrect.

Mr. TROY: The hon. member has the opportunity to say that, but it does not involve a point of order. I have not said that the hon. member was a scoundrel or a liar, and I have not reflected upon him personally. I have merely made a statement which he can accept or deny.

Hon. W. C. Angwin: Dealing with his party.

Mr. TROY: Yes, and its policy. I would not be guilty of reflecting on the hon. member. I am satisfied that quite a number of members of the Country party would be agreeable to the land tax, because the amount to be paid by the farmer would be infinitesimal in comparison with the amount which would be paid by the valuable land in the cities, towns, and seaports, but particularly in the city. I object to being unfairly burdened under a system of taxation which in my opinion, is not equitable. My constituents, for instance, are asked to pay heavy and burdensome railway rates. The mining industry is sadly embarrassed in consequence.

Mr. Teesdale: You do not call the superphosphate and wheat rates burdensome.

Mr. TROY: I have not mentioned those rates, but I do not ask for such concessions. I have pointed out in this House on many occasions that no one has a right to expect concessions over and above what is meted out to the rest of the community for the same service.

Mr. Teesdale: Hear, hear!

Mr. TROY: It is most unfair to impose upon the people who are developing the back country, people who are of such importance to the country in that they are rendering service to the State over and above that of other people—

Hon. W. C. Angwin: I do not agree with you.

Mr. TROY: In my opinion one man at Marble Bar is worth ten men in Perth.

Mr. Teesdale: But they would be at Marble Bar at their own free will,

Mr. TROY: That is not the point; some are there from choice, but some are not. I know dozens who would not be there if they could get away. There are dozens who, if they could would leave such areas immediately because all the advantages of climate, education, and the conditions of livelihood and of social life are here in Perth. The people in these outback areas have to put up with bad climate, bad housing, the disadvantage of being miles away from medical and other facilities, and the drawback of being far removed from opportunities for social enjoyment. Such people are not there because they like it; a few may be, but very few indeed. They go to these places because the necessities of the State demand it, and this country cannot progress unless our men and women push out and conquer these parts.

Is it fair, therefore, because they settle in these parts, that we, through one of the aids to the development of the State, a system which has never been built up on business lines or conducted on business lines or considered from a business standpoint, should ask them to carry the whole of the burden?

Hon. W. C. Angwin: They do not carry the whole of the burden.

Mr. TROY: Then who bears it?

Hon. W. C. Angwin: I have to pay on what I consume.

Mr. Davies: The consumers of the country bear it.

Mr. TROY: The consumers of the goldfields bear their part. The farmers are consumers equally with the people of the city areas, but everything needed by the people on the goldfields for daily requirements has to be carried over the railways.

The Attorney General: The farmers produce most of their own foodstuffs.

Mr. TROY: I am speaking particularly of the people on the goldfields. They might grow a little wheat which is as dear in the place where it is grown as is wheat in Perth, because the local market is regulated by the metropolitan market. All other commodities, however, are carried over the railways, and it is not fair to penalise these outback people as the Government have done in the last few years, by increasing the railway rates. I suggest as a remedy that the Government should increase the income tax on incomes over and above a certain amount, and compel the people who have made big money—the city merchants and the importing elements—to pay more towards the revenue of the country. If there is one class of citizens who take fewer risks than others, it consists of those whom I have mentioned. The producer has to take the risks of the season. This year the producer thought he was in for a very fine season, but in one month his hopes collapsed. In some districts the season will be an average one; in other parts it will be disappointing. In the goldfields areas, too, there are great risks. I admit that the pastoralists have to accept risks, but I am not referring particularly to them because they have done well during recent years. The people on the goldfields who take all the risks which must be taken in a country of this kind should be considered. It is due to them that the Government should extend some consideration to them. Surely the Government can raise whatever revenue is necessary without penalising the essential elements of the country, its best citizens, by embarking on a policy of increasing railway charges, which will make living for them prohibitive.

The Minister for Works: Whence should the increase come if not from the place where it is made?

Mr. TROY: If the railways were conducted as a business proposition, I would agree with the Minister.

The Minister for Works: Then you tax the general public through the railways.

Mr. TROY: The railways are not a business proposition; it was never intended by Parliament or the country that the railways should pay as a business concern.

Mr. Davies: No nationalised industry is intended to so pay.

Mr. TROY: The railways are part of a scheme to develop the country. The goldfields water supply scheme may be similarly regarded, and also the trans-Australian railway.

The Minister for Works: Do you mean that that railway should not pay its way?

Mr. TROY: It does not pay its way, and if the Commonwealth Government insisted upon it paying its way, we would raise objections immediately. The lighthouses do not pay their way; there are dozens of Government services which do not pay. If we in this sparsely populated State were required to pay for the Commonwealth services which we enjoy we would very soon object, and object strongly. We do not pay for the postal service, though the Commonwealth have recently made an effort to make the revenue meet the expenditure.

Hon. W. C. Angwin: They are making a profit.

Mr. TROY: But the Commonwealth have cut out services in various places, and have given a monthly service where formerly a weekly service was provided. The increased cost to the producer for railway freight on the wheat he sends to market is not very serious, but to the people who depend upon the railways to convey to them all their daily requirements, the increased charges are heavy indeed.

Mr. Davies: They are as cheap here as in any part of the world.

Mr. TROY: That may be so.

Mr. Davies: We must have some standard.

Mr. TROY: I would be glad to have the figures from the hon. member. Freights here might be cheaper than in Great Britain, but I believe I could prove that wages are higher in Great Britain than in Western Australia.

Mr. Davies: I have heard that statement many times, but I do not believe it.

Mr. TROY: It must not be forgotten that the railways in Great Britain are a commercial proposition. Great Britain is not a country in process of development as this is. It is a thickly populated manufacturing country where the railways are run as a commercial concern and should pay. If Western Australia were in the same established position, we should be able to make our railways pay.

Mr. Davies: According to a statement by the Board of Trade the railways in Great Britain are not paying.

Mr. TROY: We find that the Government did not stop at increasing the freights to meet the increased wages bill. They have gone further. They have made provision to collect £100,000 per annum over and above

the increase in the wages paid. The Government are taking the opportunity to make the increased wages an excuse to impose further burdens on the community.

Mr. Thomson: Where would it come from otherwise?

Mr. Johnston: It comes entirely from the men who use the railways.

Mr. TROY: The Premier has said that the people who use the railways should pay the increased cost for running them, due to the heavier wages bill; but the Government have gone beyond that. They have increased freights and fares to an extent that will return them not only an amount representing the increase in wages, but an additional £100,000.

The Attorney General: What would you do with the deficit increasing from year to year?

Mr. TROY: The Attorney General's constituents in West Perth could well pay their quota.

The Attorney General: They do.

Mr. TROY: They do not pay sufficient income tax.

The Minister for Works: You would find it difficult to name anyone who does not.

Mr. TROY: I do not propose to follow that phrase.

The Minister for Works interjected.

Mr. TROY: The Minister should not be so tender. I cannot follow the Minister's assertions.

Mr. Thomson: You made an assertion a little while ago.

Mr. TROY: The hon. member seems to be very sore about that.

The DEPUTY SPEAKER: I must ask hon. members to keep order.

Mr. TROY: In conclusion I again offer my strongest objection to the Government making the people in the back country, the people who are developing the State, responsible for the whole of the burden of the increased wages and administration in the Railway Department. Further, I object to the Government making the increase in wages an excuse for putting additional burdens on the people in order to increase the revenue of the State. There are other means by which revenue can be raised. I have suggested other means, and if the Government have the courage to do so they may adopt the programme which I have marked out for them.

Sitting suspended from 6.15 to 7.30 p.m.

Hon. W. C. ANGWIN (North-East Fremantle) [7.32]: I agree with the Premier that this motion is a ridiculous one. If it were carried by the House, it could not be given effect to. At times certain impositions are placed on the Government in regard to State concerns such as the railways, and it may happen that the Government cannot possibly wait until Parliament has had an

opportunity of discussing whether charges shall be increased or not. This Parliament has almost reached its end, but there are certain members of it who have no confidence in the Government. While they have not the courage to move straight out "That the Government no longer possess the confidence of the House," they desire that every matter of administration should be placed before them prior to any decision being arrived at. As regards the Railway Department, the Arbitration Court a few weeks ago granted to the employees an all round increase of 2s. 4d. per day. There has also been an increase, I understand, in the price of coal; and thus it devolved upon the Government to endeavour as early as possible to make some arrangement enabling the State to raise the money required to meet the increased charges placed on the Railway Department. The party to which the mover of the motion belongs have said definitely and clearly that the Government must not impose a land tax in order to get revenue. That, they say, would be contrary to the best interests of the State. As the Premier stated, some members and also a number of electors recognise that a certain portion of the taxation which is raised should go towards paying interest and sinking fund on our railways. But the Country party say, "Get the revenue where you like, but do not touch the land." I do not know what position the Minister for Mines finds himself in. His party have told him that he must not impose a land tax; and his Parliamentary colleagues in the Country party tell him that he must not raise railway freights to get increased revenue. The Premier has pointed out that last year the general taxpayer did pay a certain amount towards the cost of running our railways, an amount of approximately £430,000. We are all aware that the general taxpayer is meeting the interest on the £430,000, but he has not yet actually paid the £430,000, and no doubt it forms part of the deficit. The deficit being funded, the taxpayer has to pay interest on that money. Thus the general community are contributing apart from the revenue earned by the Railway Department, towards the cost of running the railways. Now, we are told that it is only the farmers who pay the increased railway rates. The fact is that every man, woman, and child in Western Australia is today contributing a portion of the increased taxation represented by the higher railway rates.

Mr. Johnston: But the increase is paid mainly by the people living inland.

Hon. W. C. ANGWIN: The prices for which commodities are sold in Perth are not the prices which those commodities would realise at, say, Narrogin. There is an increase at Narrogin on the Perth prices by reason of the additional cost of conveying the commodities to Narrogin. Every person has to pay the increased railway rates according to the commodities which he consumes. It is true that some people suffer more than others, by reason of the former

being further from the place of origin of the commodities. The residents of Cue, for example, have to bring their commodities over a considerable distance, as compared with the residents of Perth; and consequently the residents of Cue pay more largely towards the increased taxation represented by the higher railway rates. But the difficulty can be got over, to a certain extent, by adopting the zone system. That system would remove a fair proportion of the increased taxation as regards outback people. But, we must get out of our heads the idea that the farmer pays the whole of the increase in railway rates because, as the member for Sussex (Mr. Pickering) stated, when the farmer sends produce to the Perth market the agent who sells them bills him with the railway charges. At times the farmer may have to pay the railway charges; but, generally speaking, his commodity brings more in Perth than in, say, Bussellton.

Mr. Pickering: You do not suggest that the farmer should grow only for his own town, do you?

Hon. W. C. ANGWIN: No; but the farmer as a rule, save in very exceptional circumstances, as when there is a glutted market, does not pay the railway rates. They are paid in the shape of the increased price he receives for his products when delivered.

Mr. Pickering: That argument does not hold good.

Hon. W. C. ANGWIN: Thus every person contributes towards the increased taxation represented by the higher railway charges. I am rather surprised that a motion of this kind should emanate from the member for Williams-Narrogin (Mr. Johnston). No party find themselves in a better position to-day to bring pressure to bear on the Government than do the party to which that hon. member belongs. They can hold a caucus meeting to deal with the matter, and can bring in Mr. Monger and other gentlemen from outside to put pressure on the Government. Again, they have the Minister for Railways.

Mr. Underwood: And the Honorary Minister here.

Hon. W. C. ANGWIN: Yes, and the Honorary Minister in the Upper House.

The Minister for Mines: And the Colonial Secretary.

Hon. W. C. ANGWIN: Yes, and the Colonial Secretary. That is four, a majority. One member of the Country party has said that the party have not put pressure on the Minister for Railways yet; and the hon. member emphasised the "yet." However, the Country party have the power, if they desire to exercise it, to force the Ministry to carry out the desire of that party. The motion says—

That in order to retain to the Legislative Assembly the power of controlling taxation—

Railway rates have not previously been termed taxation. They represent payment for services rendered.

this House is of opinion that no further increase of railway freights should be imposed until a schedule showing the proposed increase has been laid on the Table of this House, and approved by specific resolution.

The member for Mt. Magnet (Mr. Troy) has stated that so long as we have our present system of government, it is useless for members to raise any objection as regards increased railway rates. He considers that members have no voice whatever in the matter. But under our present system of government the majority of members appoint the Ministry as their directors, so to speak, for the time being.

Mr. Johnston: No. The Premier appoints the Ministers.

Hon. W. C. ANGWIN: But the majority of members appoint the Premier, and he is responsible to them for his actions. Thus the majority of the House control the policy of the Ministry, and if the majority are not satisfied with their directors for the time being, let them get other directors. Let them get rid of the present directors by a straight-out motion of want of confidence.

The Minister for Mines: And what would you do then for the purpose of meeting the financial position?

Hon. W. C. ANGWIN: I do not know. However, the motion is before us. By this motion the Country party declare that the Government consists of men who are not fit to fix railway rates in this State.

Mr. Johnston: No. We think this motion is better than the drastic remedy that would suit you.

Hon. W. C. ANGWIN: I do not know that it would suit me. I would like to see railway rates lower if possible, but until there are other means of raising revenue, how can the Government lower railway rates? However, the member for Williams-Narrogin by this motion virtually asserts that the members of the present Ministry are not fit to act as directors for this Parliament.

Mr. Johnston: You are quite wrong there.

Hon. W. C. ANGWIN: What else can the motion mean? It says definitely that no increases shall be made in railway rates until those increases have been laid on the Table here and have been approved by this House. It means that Ministers have not the brains to enable them to come to a conclusion as to whether railway rates should be increased or not.

Mr. Johnston: We do not want it done in an autocratic manner.

Hon. W. C. ANGWIN: There are no autocrats so far as Western Australia is concerned. Ministers are responsible to members but not in regard to details. If we are going to administer by Parliament, why need we have a Government. We can all be Ministers. The

motion is one that should not have the consideration of members for any length of time. It is a ridiculous motion that no House under our present system of government should agree to. Of course, we could change the system of government.

Mr. Johnston: Improve it.

Hon. W. C. ANGWIN: It will not be improved in the manner suggested by the motion. There must be an excuse. Suppose the increase of wages had taken place immediately the House had adjourned and the Government kept on running the railways and paid the increased wages without getting in any additional revenue for the purpose of meeting the added charges. The hon. member would have been the first to condemn the Government and say that they did not know their business. It seems to me the hon. member is merely putting up an election speech.

Mr. Johnston: That is very ungenerous of you.

Hon. W. C. ANGWIN: It is an election speech to enable some of his colleagues to go before their electors and declare that they disapproved of the action of the Government in raising railway rates without consulting Parliament, and they would go further by saying that they could prove their remarks by quoting "Hansard," which no doubt they would carry around in their pockets. The good sense of the House will realise that under our present system, the Government, no matter who they are, whether they represent the primary producers, the nationalist party, the Labour party, or the Liberal party, must retain a certain amount of the confidence which is reposed in them. If the Government have not the confidence of the House, there is only one straight and honourable course to take and that is to get rid of them.

Mr. TEESDALE (Roebourne) [7.50]: I agree with the member for North-East Fremantle that this is a most absurd motion and one which was tabled with the view of influencing a few seats, the safety of which our friends are not very certain about. Never before have I ever seen a more disgraceful attempt to foist such a motion on to the public. The hon. members on the cross-benches, not satisfied with having run the country into a state of insolvency practically, now want to out-Herod Herod.

Mr. Lambert: Bush-ranging up to date.

Mr. TEESDALE: The motion is just a scandalous attempt to influence the elections which are about to take place. The member who tabled the motion is, of course, in a pretty secure position himself, but he has submitted the motion out of consideration for a few of his brother members whose seats are not too safe.

On motion by Mr. Smith, debate adjourned.

MOTION—STRAITS SETTLEMENTS AND JAVA TRADE.

Debate resumed from 15th September on the following motion by Mr. Angelo—

That in the opinion of this House, in view of the necessity for the encouragement of production for the provision of adequate markets for the results of such production, it is advisable that the Government of this State should take steps to develop trade and commerce between this State and the Straits Settlements and Java.

The PREMIER (Hon. J. Mitchell—Northam) [7.52]: I have no objection to the motion being carried. As a matter of fact we are looking for markets for our produce wherever we can find them. The motion suggests nothing that we are not perfectly willing to do. There are many products that we can export to the far East and as a matter of fact we have been exporting to Java and the Straits Settlements for many years past. We all agree that if we can improve those markets and increase our trade with them, it is the policy of the Government to do so. The markets are fairly close to us and the produce can be carried far better to those countries than to the more distant markets of the world. I have no objection whatever to the motion.

The MINISTER FOR MINES (Hon. J. Scaddan) [7.55]: Quite naturally hon. members will be very desirous of doing business with any country that can take our products with advantage to our producers, but it is not always a question of our having produce available for the country requiring that produce so much as it is a question of transportation. So far as Java is concerned, hon. members know from the geographical point of view, which the hon. member for Pilbara said last night was of no value, that to the north of Australia we have teeming millions, and that while so far they have not adapted themselves to our method of living, and that they do not desire exactly the same class of foodstuffs as we consume, it is unquestionable that they are making progress in that direction, and to-day are demanding a greater quantity of that particular line of foodstuffs that we do produce in Australia and for which we desire to find markets. The key to sending products to Java is shipping. I suppose there are hon. members who have had experience in attempting to do trade with those countries and who have encountered difficulties in the shape of not being able to supply those markets regularly. The merchants of Java and elsewhere prefer to pay, and do pay, slightly increased prices for a commodity that they know they will get regularly, but I would draw attention to the vested interests in the Eastern States, which vested interests have made great inroads on the trade relations between Australia and Java and the other islands to the

north of Australia, inroads which it has been possible for the people in the Eastern States to make because of the interest they have in shipping companies. We in Western Australia are close to these markets. Geographically they belong to us. Until we had Federation, and for some time afterwards, some of the Eastern States Governments were actually subsidising the merchants of the Eastern States to enable them to obtain and keep these markets, and it is not so many years since a former Premier of New South Wales (Mr. Holman) admitted that his Government had employed that method of undermining the Federal Constitution so far as giving assistance by way of bonus to those producing the commodities required in the far east and so to save the far eastern markets for the eastern part of Australia.

Hon. W. C. Angwin: They subsidised Burns, Philp & Co. for 10 years.

The MINISTER FOR MINES: We in Western Australia have suffered even in recent years by permitting millers in the Eastern States to supply a market which was further removed from the source of supply than from Western Australia because of the fact that the control of the overseas shipment of wheat or flour was centered in a department in Melbourne. As a matter of fact, we have been unable to make any progress with the markets to the north of Australia which rightly belong to us because of the vested interests which exist in Melbourne and Sydney, and which vested interests have been encouraged to keep those markets for themselves. It would be to our advantage if we were able to solve or understand the reason why the Eastern States have made such progress with the markets to the north of Australia. Last year New South Wales declared that she had not carried over or produced sufficient wheat for her own consumption. We in Western Australia were actually gristing flour at a greater rate than previously, but we still were short of offal. New South Wales recently after importing great quantities of wheat, was able to grist enough to provide themselves with offal and to export flour to the islands. There is something wrong in the State of Denmark when such a state of affairs can exist. And the feature about it is that they were able to obtain that wheat from the other producing States at much less than the overseas export price. In my opinion somebody has been making a pretty decent profit out of that transaction, a profit which ought to have come here.

The Premier: But they have not been exporting it.

The MINISTER FOR MINES: I had it myself from an Eastern merchant that New South Wales has been exporting flour during the last few months.

The Premier: Oh no.

The MINISTER FOR MINES: Let the Premier make some inquiries about it. For years past the New South Wales Government

have denied that they were assisting, by bonus or otherwise, the shipping companies trading to the islands. Finally, when it was definitely proved, they admitted it, and were compelled by the Federal Government to cease doing it. Those markets are of tremendous value, and it is for us to see to it that the Eastern States do not take undue advantage of them, for it is a trade that rightly belongs to Western Australia. Among the islands are produced many commodities which we require, but until recent months we had to obtain those commodities through merchants in the Eastern States, the consignments having been brought around north of Australia to the Eastern States, although we were awaiting them here at the very door, so to speak. Shipping companies, of course, have definite shipping routes along which they know they will get satisfactory freights. Until recent years we have not had an opportunity for making regular shipments which would enable those companies to keep in touch with us. Just when we were in a position to achieve this, the war struck us, and the whole shipping arrangements of the world were upset. We are only just now beginning to get back. The key of the position is really shipping arrangements which will enable regular supplies to go to those markets and will bring back the commodities we require. The Federal Government in their wisdom and with the consent of the people of Australia have introduced a Navigation Act which for a number of years, until the North-West of this State makes considerable progress, will unquestionably hit this State harder than any other part of Australia; because it cannot be expected that the products of our North shall be brought to Fremantle and there trans-shipped for carriage abroad, and the ships trading on our North-West coast to continue to carry on. It means that some of the ships now on our coast will be taken off, which will make our problem the harder, not only in respect of the Java trade, but in respect also of the trade on our own north coast. It is proposed that there shall be exemption for our north-west coast for some time to come, but the seamen say they will not permit it. They are taking what they consider to be the Australian view. Personally I think the proper Australian view to take is to see that every part of the Commonwealth has a fair opportunity for producing, and forwarding its products to market. All that we can do is to make available that which we have at hand to help our producers. In the first place we are establishing a publicity bureau. It is not merely a matter of providing a display of our products and informing our own people as to what we produce; it is intended also to use that publicity bureau for the purpose of discovering where suitable markets are available for our surplus commodities and then to put our merchants in touch with those markets. It is useless to produce a commodity unless a market is at hand for that commodity. We

have to-day a great deal of wasted energy in Western Australia. What I mean to say is that the commodities which we produce would be produced to a very much larger extent if the producers had a steady, reliable market. While we say that every effort should be made to increase production, the responsibility rests with us to make every effort to see that that production finds a market. Thus we are establishing this publicity department for the purpose of getting into touch with those places which will give us a market for our surplus products. Then we are trying to increase the facilities which our State shipping department can render in that direction. The "Kangaroo" is undergoing alterations to provide additional freezing space.

Mr. Underwood: Is Bennett the supervisor?

The MINISTER FOR MINES: The hon. member is obsessed with the name of Bennett. If the hon. member could see some of the papers in my department he would understand the position better. We are endeavouring to use the "Kangaroo" in a search for markets. If we can give a guarantee of regular shipment of small quantities at the outset, we can develop those markets to our advantage.

Mr. Hudson: Will not the Navigation Act apply to you if you trade outside the State?

The MINISTER FOR MINES: Yes, but we will comply with the navigation laws of Australia, whereas the ships I referred to cannot comply with those laws. It will not pay them to do so, and as a result we shall probably lose some of the tonnage from Western Australia to the islands. Years ago we had down here a gentleman from the islands attempting to do business with us. He took one or two shipments of our products. He was quite satisfied with the products and their prices, but he was unable to get regular shipments, and so we could not hold his business. He wanted the regular trade. Therefore it is useless to talk about Java as a market unless we, in the first place, find a means of getting our products to the market regularly. There are plenty of markets in the world which we would like to supply, but we are largely under the control of the big shipping companies. They have their definite shipping routes, and we happen to be just about midway between the terminal points of those routes which begin at Sydney and finish in the Mediterranean or somewhere in Europe. If the companies can fill their ships at Sydney they do not worry about picking up stuff here. It pays them better to fill their holds for the whole distance. Thus it will be seen that the problem is largely one of shipping. I am hopeful that by publicity, and by making our own ships available to some extent for oversea trade, we shall be able to solve the problem.

Mr. Lambert: Are you going to keep the "Kangaroo" on our trade?

The MINISTER FOR MINES: Yes. She should be here in March, and will trade along our own coast and to some of the islands. I believe that with the insulated space provided on her, some 30,000 cubic feet, she will be able to take up to the North-West coast a lot of commodities which the people there cannot get to-day.

Mr. Mullany: Will she bring meat from Wyndham?

The MINISTER FOR MINES: Very probably she will, if it is required. I merely mention this to show that as far as we are able, with the material available, we are attempting to meet the position. If we get proper encouragement from our merchants—unfortunately many of them are only agents controlled by their head offices in Sydney, firms who already have the business round the other way, thus making it the more difficult for us—we can solve the problem. Really the centre of the population of the world is in a circle touching the western coast of Australia, the southern coast of Asia and the eastern coast of Africa. Yet we have difficulty in finding a market. It is absurd. It is due entirely to the shipping routes and it is only by attention to this phase of the question that we shall solve the problem.

Mr. MALEY (Greenough) [8.12]: I agree with everything the Minister has said in regard to the control of trade by the ports of the Eastern States; but precisely the same position obtains here, where the trade of our own North-West is controlled by Fremantle. We have been gristing flour in Geraldton, and it has been railed south for shipment from Fremantle. Although we have a regular service with the North-West, we can never get shipping space to enable us to supply the North-West with the commodities they require for consumption. I am hopeful that when the "Kangaroo" comes back to the coast, the producers of Geraldton will receive better treatment in regard to getting their products to their nearest market, which is our own North-West.

Mr. TEESDALE (Roebourne) [8.13]: I agree with the hon. member who has just sat down that the first thing is for us to cater for our own market. At the present time the North-West is suffering under great disadvantages in not being able to get its products away. In my electorate there is at present some 300 tons of ore which for a month has been awaiting shipment. It is impossible to get it away. There is a laudable desire on the part of the hon. member who moved the motion to develop our trade but, in the first instance, it is necessary to cater for our own local trade before looking afield. We have no doubt products which they at Java would be glad to get if they could. Having had some experience of the Straits Settlements and Java, I say that he.

fore we talk of exporting products, we require to put those products in a form acceptable to those who want them. Up to the present we have not done so. A few weeks ago I made inquiries of certain merchants in Ceylon with regard to Western Australian products. I was disappointed to find that their experience of them had been an unfortunate one. The turnout of the articles and the contents had been very unsatisfactory, and the price did not compare favourably with that of goods sent from the Eastern States. Before we are able to develop this trade we must see that we are at all events on all fours with the other States. It is necessary that our own ports should be entered for, and that we should be able to ship that stuff which is already in existence.

The HONORARY MINISTER (Hon. F. E. S. Willmott—Nelson) [8.16]: I agree with some of the remarks of the member for Roebourne, but surely it would be unwise to leave any market undeveloped. In Java, right at our doors, we have a market for our fruit. We also have one in Ceylon. For years past we have tried to send our apples to Ceylon, but have been told by the shipping companies that they would not take them there because this would interfere with their Ceylon trade. The tannin of the apples on the ship interferes with the tannin of the tea. They say that the flavour of the tea is spoiled by the flavour of the apples. We do not want to put our apples in cold store to go to Ceylon. We are paying 8s. a case to send them to London. We can send them to Java and Ceylon without putting them into cold store, and can get them there at a cheap freight and supply a first rate article at a reasonable price. The shipping companies, however, will not take the apples to Ceylon except in cold store. If we say we prefer that they should be taken as ordinary cargo they say that they spoil the flavour of the tea, and will not therefore accept them. I would like to give a word of advice to anyone shipping to Java. In that country the people do not like a sweet apple. As the member for Roebourne says, we have first to find out what the people want, and then supply it. If sweet apples are sent to Java they will only bring a small price, and the people will not send for a second consignment. They like acid apples there. We grow that class of apple, and we should give them to those people. We must endeavour to give people what they want. They also take a different class of meat from that which we most desire in Australia. Here we like a good fat bullock, but there they like the lean ones. Let them have what they want. There is a most rigid inspection in Java of all products sent there. Anyone who thinks he can send fruit carelessly packed, having any sign of disease on it when it lands in Java, is labouring under a delusion. The inspection there is more rigid than in any other part

of the world. Anything that is not of first class quality is turned down. I have sent fruit from Bridgetown to Java for many years and have never had any of it condemned. If we are to send fruit to Java and Ceylon that is not put in cold store we must have quick freight for it. A friend of mine sent 60 cases of fruit not long ago to Singapore. The cases arrived safely and there was all the wrapping in them, but they did not contain a single apple. The cases had been ullaged, but the owner had to pay freight on them.

Hon. W. C. Angwin: Did the shipping company use the apples at their tables?

The HONORARY MINISTER: I do not know what became of the fruit. The people of Java are a wine-drinking people. We can produce excellent wine in the State. We have in Java one of the best markets in the world for our wine.

Mr. Pickering: What about cider?

The HONORARY MINISTER: They are not very keen on that. The member for Gascoyne (Mr. Angelo) is to be commended for having brought forward this motion. I trust he will live to see Western Australia supplying a very large proportion of the wants of these islands. No doubt they produce a great deal of their own requirements, but we can produce the luxuries for them. Anything that can be done in the way of securing quicker transport to these islands should be done.

Hon. W. C. Angwin: There are two small steamers running direct to Fremantle now.

The HONORARY MINISTER: Yes, and I have shipped fruit on them, but it is a special trade. We should be able to handle our commodities at a cheaper rate than they are being handled to-day. I would point out that kerosene is obtainable in Java at 7s. a case, but it cannot be landed here unless it is sold at the price fixed by the Vacuum Oil Co. They boss the show.

Mr. O'Loughlen: What are the Government doing about it?

The HONORARY MINISTER: What can the Government do?

Mr. O'Loughlen: They are not attempting to do anything.

The HONORARY MINISTER: That is controlled by the Commonwealth. They cannot be compelled to sell a commodity at a lower price than that fixed.

Mr. O'Loughlen: Have you made representation to the Commonwealth? Should not the Government themselves import it?

The HONORARY MINISTER: That remains to be seen. Until we discover oil in some Australian territory we shall have this sword of Damocles hanging over us.

Mr. GRIFFITHS (York) [8.22]: I have listened with interest to the speech of the Minister for Mines, especially to his statement as to the publicity department, and as to the steps that are being taken to put in hand the trade with the northern parts of the State and the islands. As evidence of

what was being done in the Eastern States while the war was on, I have already stated Sydney warehouses were in 1918 crammed with stock labelled for the islands. Within one hour I have seen as many as eight large vessels coming in and going out of Sydney harbour, and have thought of the miserable one of two per month that come to Fremantle. I asked how it was that so much trade was being done with the islands from Sydney, and I discovered that the merchants there had picked up a large amount of trade which prior to the war had been done by Germany. The flour trade which really ought to be done by Western Australia is being conducted by the Eastern States, by America, and even by Japan, which is putting flour on the markets there under an Australian name. I have had this information from the best of authority. The Honorary Minister made a statement which corroborates the information given to me. I asked a question of the Premier the other day as to whether kerosene was not available in Singapore at 7s. a case. The Honorary Minister states that it has been available in Java at that price. In answer to a question of mine, the Premier stated that the kerosene in Singapore was of inferior quality and had to be put up in cases, and that the cost of the cases and packing would have to be added to the 7s. There is, however, a big difference between 7s. and the price charged in Australia. One can well understand that the Vacuum Oil Company have something to do with the price that is being charged in this country. A good deal of data and figures have been brought forward in another place on the question now before the House. The President of the Legislative Council and Hon. J. Duffell went fully into the matter, and "Hansard" contains a schedule of information for hon. members. I need not, therefore, go over the ground again.

Mr. O'Loughlen: The President presented a report but the Government did not act upon it.

Mr. GRIFFITHS: It was not a bad report either. In the Malay States there is cool storage available at the ports. When the Geraldton, Carnarvon and Fremantle meat works are established, and shipping which is provided with proper insulation is available along our coast, I hope to see the trade about which so much has been said inaugurated successfully. Mention was made of the stock that is being sent to the islands. It is rather amusing to see the figures that are given as to the export of sheep and cattle from this State. In 1912 there were £112 worth of sheep sent away, and in 1915 £20 worth. If there is much mutton consumed there it shows there is room for an expansion of that industry, particularly as we are having such a large increase in our flocks. There are various products which we can get hold of for backloading. Amongst other things there are bananas and pineapples to be imported to this State. The member for Roebourne

referred to the get up of the packages and their labelling, as well as to the quality and the price of goods sent from this State. We have a home products league in Western Australia. This league is out to put up the best article in the best style. Emphasis has been laid upon the fact that if they wish to have command in the trade they must put up a good article at a reasonable price, and also put it up in decent packages. The trade commissioner from America recently visited this State. He made reference to tins of asparagus which he had bought in the Eastern States. He said that the labels and the contents, as compared with the American article, although he had seen the asparagus grown in profusion in the other States—were very inferior, and that people preferred the imported article to the local article. The member for Roebourne has very aptly stated that what we require to do is to teach these people to help themselves. However, the time should not be far distant when we should come into our own in the trade with the islands and with the North.

Mr. ANGELO (Gaseoyne—in reply) [8.31]: I regret that neither the Premier nor the Minister for Mines has commented on the suggestion that we should send trade representatives to Java and Singapore almost immediately. The Minister for Mines and the member for York (Mr. Griffiths) told us of the wonderful trade which has been opened up by Victoria and New South Wales with these islands.

Hon. W. C. Angwin: Those States have the population to consume the products from the islands.

The Premier: And they also have the ships.

Mr. ANGELO: A great deal of that trade was built up because those States stationed trade representatives in the islands to open up commercial relations. What we want are really qualified commercial travellers; men who can go about and find out what the islands produce and what they can take from us. The member for Roebourne (Mr. Teesdale) stated that we should consider the North-West first. I have tabled this motion not from any parochial point of view, but with a view to the good of the whole State. I consider that there is a big opening up there, and we have certain products in Western Australia to sell.

Mr. O'Loughlen: Can you enumerate some.

Mr. ANGELO: Flour, meat, fruit and wine. We produce all those lines in greater quantities than we require, and we should dispose of our surplus in those islands. The Minister for Mines says that we have not got the ships. Members will have noticed that the Committee on the Navigation Bill have issued their reports to the Federal Parliament, and they made a recommendation that the Singapore boats which trade along the North-West coast should be exempt from the provisions of the Act. Even if those boats were dealt with under that Act they would still run direct from Fremantle to these foreign countries. We have further been in-

formed that the "Kangaroo" is being fitted up with insulated space to participate in this very trade. Further, private enterprise is already operating on the coast, and inquiries are being made for a large boat to augment the fleet operating in this trade. We want the trade representatives to go there before the trade. It has been proved that outside flour has been sold in the islands as Australian flour. Unless we can have people on the spot to watch our interests and see that no inferior products are palmed off as coming from Western Australia, we will not get, later on, that proportion of the trade which we should have. By the last Singapore boat which arrived at Fremantle, a merchant who is in a big way of business at Singapore, passed through on his way to the East, with a view to opening up larger trade relations with Australia. I was fortunate enough to get in touch with him, and he indicated that it had not occurred to him to make inquiries in Western Australia as he did not think that we had the commodities to sell, nor did he think that we desired to participate in the trade. He is arranging to come back to Western Australia, and I hope to be able to introduce him to the Premier in order that some advancement may be made along the lines I indicate. I hope that if this motion is carried it will not end there. I hope the Government will take into consideration the suggestions I have made.

Mr. O'Loughlen: We had a representative at the Samarang exhibition.

Mr. Teesdale: I took horses to the islands 15 years ago.

Mr. ANGELO: I took the first lot of sheep that went to Singapore.

Mr. Teesdale: You sent the first lot.

Mr. ANGELO: And accompanied two shipments myself. In respect of sheep and cattle shipments, we are not doing five per cent. of the trade with the islands that we should do at the present time. Why should we not avail ourselves of this nearer market for our surplus flour, fruits, and so on instead of sending them to England at such great expense?

Question put and passed.

MOTION—AGRICULTURAL BANK.

To permit overdrafts.

Debate resumed from 22nd September on the following motion by Mr. Thomson—

That in the opinion of this House the provisions of the Agricultural Bank Act, 1906, should be amended in the direction of enabling its clients to have overdrafts on similar lines to private banks.

The PREMIER (Hon. J. Mitchell—Northam) [8.38]: I am sorry that I cannot agree with the remarks made by the member for Katanning (Mr. Thomson) in moving this motion. I think the hon. member forgot for the moment what the banking position is. As a matter of fact, it would be quite

impossible to do as he wishes and pay the interest which the Agricultural Bank is pledged to pay for the money it uses. An ordinary bank has a large amount of money on deposit. Probably half of its funds are deposits on which no interest has to be paid, or at most, a very small amount. On the rest a smaller amount of interest is paid than we have to pay.

Hon. W. C. Angwin: Some pay 5½ per cent.

The PREMIER: They average about 4½ per cent. Hon. members will realise that it would be utterly impossible to carry on under such conditions.

Hon. W. C. Angwin: Is not the Agricultural Bank carried on with an overdraft?

The PREMIER: It is different from the public banking system as it is to-day. What the member for Katanning wishes us to do is to adopt the ordinary banking system, and lend money against property on an overdraft, and charge interest only on the daily balance. If a man has property worth £3,000, and has already borrowed £900 from the Agricultural Bank, the member desires that a client's credit shall be good, and that the bank will honour his cheques up to, say, £600 or more.

Mr. O'Loughlen: They had something like that in operation some time ago, but the farmers deserted the Agricultural Bank in scores.

Mr. Johnston: They never had any chance.

Mr. O'Loughlen: They absolutely deserted the bank by the score.

The PREMIER: If we did that, we would require to have a much larger capital. We have now about £6,000,000 on loan by the Agricultural Bank under its various headings of soldier settlement, I.A.B., and Agricultural Bank business, but if we adopt the suggestion it would mean the establishment of an ordinary credit bank that would involve a much larger capital, and we would have to hold money which we could not possibly use to meet the demands on the bank. When the harvest was coming, we would have to expend probably two millions of money. That would be needed during the year between one harvest and the next. The difficulty would be that the money so advanced would not be deposited back with the bank, but would be spent among the merchants and traders, who would deposit it in the ordinary banks. We would not get anything beyond a small portion of it, and if we were to hold money idle in order to do such business, it would be quite impossible.

Mr. Johnston: If a man repaid £500, could you not give him credit up to that amount again?

The PREMIER: We could not possibly do that even though the man paid his £500.

Mr. Johnston: To-day it is not repaid at all.

The PREMIER: In an ordinary bank the total deposit to-day may be 12 million pounds; to-morrow it may again be 12

millions, a week hence it may be a little more, but the position is that the deposits, as a whole, are never less, because the money goes from one bank to another and is circulated back. The banks have a great proportion of their funds on deposit without interest, and it is customary for traders to bank with the ordinary banks. How is it possible for the hon. member to justify a proposal to deal with the Agricultural Bank in view of such circumstances? We pay $6\frac{1}{2}$ per cent. for money and lend it at seven per cent. A great deal which cost four per cent. was loaned at five per cent. The margin is never more than one per cent.

Mr. Davies: Does one per cent. pay?

The PREMIER: It about covers expenses. No ordinary bank would endeavour to work on such a margin. If we were to disturb the present system and lend money on current account, we should have to increase our interest to about nine per cent. We certainly could not do it for less, at any rate, as it affected new business.

Mr. O'Loughlen: The institution would be killed.

The PREMIER: Of course it would. The advantage would not be very great to the farmer. If he has money which he is willing to make available for the country's use, it is easy to put it into the Savings Bank where he can get $3\frac{1}{2}$ per cent. interest for any length of time. We certainly could not loan amounts as suggested by the hon. member. We could not take money in now and let the depositor have it in a month's time, unless all our customers are willing to pay more for the accommodation.

Hon. W. C. Angwin: He does not want you to take money in so much as he wants you to increase overdrafts.

The PREMIER: The hon. member wants ordinary banking facilities with the interest calculated daily; he wants us to establish what is really a State bank. I would be glad to relieve the farmer in any way possible and to pay him interest on money for which he had no use during a few months, but it would upset our system altogether, and would be a great disadvantage to a majority of the clients of the bank. Some of our clients have money and a good deal too, but we are not paying interest on it, and we cannot do so.

Hon. W. C. Angwin: Why not treat them the same as other people?

The PREMIER: We treat all alike.

Hon. W. C. Angwin: Why should not a blacksmith or a coach builder be served in the same way if you are starting a bank of issue?

The PREMIER: With the same security?

Hon. W. C. Angwin: They have no security; you have that already.

The PREMIER: We have security for all the money we lend and we are paid for all the money we lend.

Mr. O'Loughlen: If you extended it, you would also have security. You have no intention of extending it to make it apply to everyone?

The PREMIER: Certainly not; we would not have enough money to do that.

Mr. O'Loughlen: The member for North East Fremantle says if this motion is carried that should be done.

The PREMIER: If we were establishing an ordinary trading bank it would be quite natural for all people who so desired to come under the scheme.

Mr. O'Loughlen: They should be entitled to do so.

The PREMIER: The hon. member, in moving the motion, desired to help his farmer friends. He wants this bank to be made elastic. He wants to be able to say to the man with security, "You can always go to the bank and get money so long as your margin is sufficient." If that could be done it would be a very great advantage to the farmers.

Mr. Thomson: I cannot see why it is impossible.

The PREMIER: I have endeavoured to explain that we could not possibly do this business at a reasonable rate of interest and pay the rate we are doing now.

Mr. Thomson: Could not you use the Savings Bank interest? You are paying only $3\frac{1}{2}$ per cent. for that now.

Hon. W. C. Angwin: They are paying 4 per cent. for a lot of it.

Mr. Thomson: That would give a margin of 3 per cent.

Hon. W. C. Angwin: Other people want a shot at that, you know.

Mr. SPEAKER: Order!

The PREMIER: We are using all the Savings Bank money, and we are not getting very much additional money. Even if we did get additional money, it would be required for many purposes. The Savings Bank is a fair illustration of what would happen if we did what the hon. member wishes under his motion. We have £5,700,000 on deposit in the Savings Bank, but we have to hold from £100,000 to £200,000 in case demands are made upon us. We have to pay $3\frac{1}{2}$ per cent. for the money and a good deal of it is held by the Commonwealth Bank at one per cent., so that the Savings Bank money is not quite so cheap as some members imagine. The Commonwealth Bank have the Savings Bank account. We get no more from the Commonwealth than we got previously from the ordinary bank, and I doubt whether it was wise to transfer the Government account from the ordinary bank to the Commonwealth Bank. Certainly we do not get any great consideration, though of course they do the business we desire. This, I say, illustrates what would happen under the hon. member's proposal. We have a large sum of money lying practically idle the whole of the time. It is necessary to hold this amount in case of calls for money. If we carried out the intention expressed in the motion, we should have to hold a large amount of money to meet any possible de-

mands which our customers might make. The Agricultural Bank is doing excellent work, and I repeat that the rate allows a very small margin over what we pay for the money. Imagine any man doing business on a margin of one-half per cent.

Mr. Thomson: I am not saying anything about that.

The PREMIER: The hon. member had better leave well alone for the present at any rate. I do not wish to charge a higher rate of interest than we are charging. I wish to do through this bank a great deal more work than is being done at present.

Mr. Thomson: That was my object in moving the motion.

The PREMIER: In the country a good deal of land requires to be cleared; fencing has to be erected and there is much work to be done right through the country. The hon. member had better leave the bank to do this work which it was designed to do and which it has been doing so well. If a farmer has money to pay into a bank he can deposit it in an ordinary bank. No ordinary bank could do this work as we are doing it and we could not do the work that the ordinary bank is doing. I hope that the hon. member will withdraw his motion. He knows full well that if I can do anything to advance the interests of the farmers in this or in any other way, I shall do it. He knows that the farmers' interests are always being considered, and that the object we have in view is not only the good of the farmers but the good of the State. But for the work this bank has done in the last 12 years, we should not be in the position we are in to-day.

Hon. W. C. Angwin: It has made great headway since we raised the capital.

The PREMIER: You did not raise the capital.

Hon. W. C. Angwin: We raised it by three millions.

The PREMIER: It is quite immaterial who raised the capital. I know who lent the money, and I know that the money loaned did the work.

Hon. W. C. Angwin: We lent more in three years than was lent in all the years previously.

The PREMIER: Yes, and less money was repaid in the hon. member's time. I committed them to a good deal of the capital before I left office. If I wished I could tell the hon. member something about the progress of this bank. I do not care who does good work, whether it is the hon. member who has certainly done good work or anyone else, so long as the work is done. What I am asked to do by this motion is impossible. We must have some regard for the work the bank was designed to do. We must remember what it has done, what it is capable of doing, and what has still to be done. We must remember that this bank was designed to assist the individual settler, and to make this country. It was de-

signed to make not alone the man who goes on the land but to make the country, and it has achieved that object. During the last five or six years we have had, as a result of the money advanced by this bank, wealth which represents at least five times the amount of money lent.

Hon. W. C. Angwin: We do not know that; we are not allowed to have the reports.

The PREMIER: The hon. member will take my word for it, I am sure. I suppose he has seen last year's report.

Hon. W. C. Angwin: No, there has been none presented for two years.

The PREMIER: And I guarantee that when the hon. member gets the report, he will not understand it.

Mr. SPEAKER: The subject of the report cannot be discussed under this motion.

The PREMIER: I ask the hon. member who moved the motion to pause before endeavouring to get it passed. If it were carried, it would not be given effect to because that would be impossible unless members agreed that the interest to clients should be considerably increased. It is all a matter of interest.

Mr. Johnston: Bring it back to the old 6 per cent.

The PREMIER: I should like to do so, and I shall do so at the earliest possible moment. As a matter of fact, all the money is not paying 6 per cent. I would impress upon the hon. member that if the motion is carried, it will be impossible to give effect to it. If there was any possible chance of giving effect to the motion, we could not work on the present margin of one-half per cent.

Mr. ROBINSON (Canning) [S.57]: I am opposed to the motion. It is just as well for members to get into their heads precisely what the object of the motion is and what the existing state of affairs is. The Agricultural Bank is not a general bank in the ordinary sense of the term. It is a mortgage bank.

Hon. W. C. Angwin: It is all overdraft now.

Mr. ROBINSON: Yes, but the managers of the bank know their commitments to a penny. No ordinary bank knows what its commitments of to-morrow are likely to be or what cheques will come along, but the Agricultural Bank managers know of every advance, because no one can get an advance without knowing the exact terms of the mortgage. The bank was designed to assist the farmers, and the trouble of the member for Kaitiaki is that many of the settlers nowadays are becoming highly prosperous. They like dealing with the Agricultural Bank. Instead of having an overdraft they have a credit or can pay the bank off at a moment's notice. They have been accustomed for 10, 12, or 15 years to dealing with the officials of the Agricultural Bank, and the hon. mem-

her suggests that they wish to continue. That demand is not a fresh one.

Hon. W. C. Angwin: They learnt a lesson during the drought period.

Mr. ROBINSON: Yes.

Mr. Thomson: They know the bank that stuck to them when the trouble was on.

Mr. ROBINSON: One result of prosperity among the farmers is that the prosperous ones who can pay off the bank do so, and remove their accounts to an ordinary bank of issue. Now, as has also been pointed out by the Premier, if this bank is to be run on the lines of an ordinary bank of issue, so that one will not know to-morrow morning what cheques are coming in and must have funds there to meet any cheques coming in, then I venture to say we should want, in a bank having the relations that the Agricultural Bank has, at least a couple of millions more capital. Speaking from memory, I believe the capital of the bank to-day is just short of four millions. If we are going to turn the Agricultural Bank into a bank of issue doing general trading, why restrict it to the farmer? Why not set out us a bank of issue and do general work? Then we get into an impossible position, into a trading concern in money that requires very high financial genius to manage.

Hon. W. C. Angwin: They manage it successfully in the Commonwealth.

Mr. ROBINSON: Yes, because that bank has such very wide scope. However, the Commonwealth Bank does not do advances as our Agricultural Bank does. The Commonwealth Bank to-day will advance a certain proportion against proposed works; but our Agricultural Bank will advance the whole value of proposed works on a man's farm. There is no other bank in Australia on the lines of our Agricultural Bank, which is the envy of farmers throughout the Commonwealth. The farmers in all the other States want similar banks established there. I would be very sorry to see the stability of our Agricultural Bank in the slightest degree affected—stability, I say, because in a bank of mortgage such as this the management knows its capital, knows what advances it is going to make, and can never get into trouble if it goes steadily along. As repeatedly stated in this House, the management expenses of the Agricultural Bank are phenomenally low. The whole of the management expenses for years have been covered by one-half per cent. That percentage, in turn, of late years has been covered by the interest earned. The Agricultural Bank is not designed to make a profit. Equally, the Agricultural Bank is not designed to make a loss. It carries on; and the profit to the community is the number of successful, free, and independent settlers it leaves in its train scattered over the lands of Western Australia. Our Agricultural Bank has been of inestimable value to the people of Western Australia in establishing our farms, in helping many a man over a stile, in comforting the settlers by

providing money as no other bank would do and by leaving that money without call in bad times when another institution would at 48 hours' or two months' notice demand the whole of its money to be paid back. Now we should let well alone. We have an institution which, as I say, is the envy of all Australia. It has been admirably conceived and admirably worked and placed on sure foundations by that agricultural genius, the late William Paterson, who for years managed its destinies and who created the bank and left it as we find it. It is an institution which no politician can spoil, because no politician has a part in its affairs. Let that bank have sound management and it will continue to be one of the greatest assets towards prosperity that we have in Western Australia. My counsel—and I speak from some knowledge of the subject—to my farmer friends is to let well alone.

Hon. W. C. ANGWIN (North-East Fremantle) [9.6]: No doubt the mover of the motion is desirous of gaining special privileges for his friends of the farming community. I would be with him if the proposal were to start a bank of issue of which every person in the State could avail himself. But we must bear in mind that, as the member for Canning (Mr. Robinson) has just stated, our Agricultural Bank is really a mortgage bank or a development bank, to which money has been advanced for a period of 30 years. Many farmers who had been clients of that bank up to the time of the drought, later on formed the opinion that they were not getting fair and just consideration from the bank. Accordingly they withdrew their accounts from the Agricultural Bank and placed them with private banks.

Mr. Thompson: That is wrong.

Hon. W. C. ANGWIN: It is true. I could give the names of some of those farmers, if necessary. They closed their accounts with the Agricultural Bank and went to the private banks.

Mr. Johnston: They wanted to get a little more money for development purposes.

Hon. W. C. ANGWIN: Yes, with the result that when the drought occurred and the private banks were forcing the position, these farmers came back to the Agricultural Bank and wanted that institution to take their accounts again.

Mr. Thomson: That is an argument in favour of my motion.

Hon. W. C. ANGWIN: I discussed this matter with the late Mr. Paterson. The Agricultural Bank is really a bank of overdraft. The bank advances for development purposes the total amount that it thinks safe with due regard for the interests of the State to advance. The bank holds a mortgage over the lands on which moneys have been advanced. Now the mover says, "That is not sufficient; we want additional overdrafts." If the farmers get additional overdrafts, the bank must increase its capital.

Perhaps some of the farmers want to take the little cash they have and put it into the Government Savings Bank and draw interest on it there, or else place it on fixed deposit with the private banks and thus obtain interest, or else possibly let it out on mortgage at 8 or 9 per cent. while paying the State only 6 per cent. However, the motion asks for further overdrafts. On what? On the chattels of the farmers? There must be some additional security. The Agricultural Bank already holds the land as security. Not very long ago a Bill to amend the Industries Assistance Act was introduced, including a clause covering the farmer's chattels. Hon. members of the Country party strongly objected to that clause, saying that the Government had no right to touch those things.

Mr. Johnston: Certainly.

Hon. W. C. ANGWIN: In regard to this motion I ask, what security is the bank to get additional to that which it already has?

Mr. Thomson: The man's assets.

Hon. W. C. ANGWIN: But the hon. member objected to that.

Mr. Thomson: I did not.

Hon. W. C. ANGWIN: Some members of the Country party did object, and very strenuously. The matter was fought in both Houses.

Mr. Griffiths: Under that proposal the Government wanted a mortgage over the man's wife, family, and soul.

Mr. Johnston: Yes, and without consulting him.

Hon. W. C. ANGWIN: The whole of the position amounts to this, that members of the Country party are not desirous that the Agricultural Bank should lend money on the same conditions as other banks, because the farmers have already raised objection to the State advancing money through the Industries Assistance Board on the same conditions as other banks make advances.

Mr. Johnston: The way it was proposed to be done, without consulting the man, was sheer robbery.

Hon. W. C. ANGWIN: There must be a security for money advanced. What necessity is there now—there was necessity a few years ago—for giving special privileges of this kind to one particular section of the community?

Mr. Thomson: This proposal came from settlers who are under disabilities. I am prepared to let the hon. member read the letter I have here.

Hon. W. C. ANGWIN: The Agricultural Bank is a Government institution. We have a better chance through political influence of getting advances made to us by a Government institution than by a private institution. That is the position. There is no necessity for us to give a Government institution as good security as is required by a private institution. Once we get the money from a Government institution, there is no fear but that political influence would be used

to block the Government from dealing harshly with us.

Mr. O'Loughlen: You have hit the nail on the head.

Hon. W. C. ANGWIN: I personally object to extending the operations of the Agricultural Bank as proposed by the motion. The bank has done good work. Let it continue to do that work. It has been established for the special purpose of land development. If the Government would do what I think they should do and start a bank of issue, so as to carry on banking in the same way as private banks and the Commonwealth Bank, I would support them. There is no doubt that the best credit to-day is the national credit and not the credit of private individuals. A bank with the whole power and assets of this State at its back offers far better security than any private institution based on the credit of private persons. I think that under our constitution we have power to establish a State Bank, though I do not know that we have power to issue bank notes—I wish we had. I regret that the member for Katanning has moved this motion, and I do hope that it does not merely represent another election cry.

Mr. GRIFFITHS (York) [9.13]: It is becoming quite a common gibe to say across the floor of the Chamber that some member is bringing a matter forward for the purposes of electioneering. I think that everybody who knows the operations of the Agricultural Bank will admit that the good words which have been spoken of that institution to-night are thoroughly justified. Not so very long ago I read in a magazine an article referring to the various systems of credit, such as credit societies, banks of issue, agricultural banks, and so forth; and in that article the Hon. John Seadman was quoted as giving details of the work of the Agricultural Bank of Western Australia. The hon. gentleman was represented as having boasted that our Agricultural Bank was one of the finest banking systems in the whole world for the agricultural community. I fully agree with that, and I am also prepared to agree with the member for North-East Fremantle (Hon. W. C. Angwin) that there are difficulties in the way of making our Agricultural Bank a bank of issue. However, I wish to state plainly to that hon. member what really was in the mind of the member for Katanning when he moved this motion. I know the source from which the request for the moving of the motion came. The man who put up the request has a property which is worth fully £3,000. He obtained from the Agricultural Bank an advance sufficient to enable him to develop his farm a little, to develop it to the point of yielding fairly good returns. However, he could only get an advance of £900. He had £3,000 security and drew up to £900, and was trying to get sufficient advance to carry him through his operations for the season. The idea of the member for Katanning is

more to enable those settlers who have been helped so far and who can get no further.

The Attorney General: Why should they not go to another bank?

Mr. GRIFFITHS: No doubt they would if they could, but when the Agricultural Bank has all the security there is not much chance to go to another bank. I hope to see some day something in the nature of rural credit societies in this State, on lines similar to those in existence in Europe.

Mr. ANGELO (Gaseoyne) [9.18]: I have read the motion carefully and from what I can learn the object of the member for Katanning is to obtain the facilities of a bank of issue for the Agricultural Bank, and also by having a fluctuating overdraft, to save a certain amount of interest. I agree with the Premier that to turn the Agricultural Bank into a bank of issue would mean considerable expense. When a bank is dealing with cheques far more clerical assistance is necessary. The desire of the member for Katanning could be secured in this way, that provided the Agricultural Bank had securities, it could go to a chartered bank and guarantee its customers to the extent of £100 or £200. That kind of thing is done where mortgage banks are operating. Mortgage banks are not institutions that a customer can draw on by cheque. A mortgage bank could guarantee an account with a chartered bank up to say £200, and the amount be recouped from time to time, the chartered bank charging interest only on the daily overdraft. The Government are doing the same thing at the present time with North-West Meat Company. Instead of lending them money out of the coffers of the State they have guaranteed those people and are charging them interest day by day on the fluctuating overdraft. The Government, however, hold all the security as against the guarantee which they have provided at the Commonwealth Bank.

Mr. O'Loghlen: Did not the Commonwealth Bank have enough confidence in you to guarantee the money?

Mr. ANGELO: The Government promised to advance us pound for pound.

Mr. O'Loghlen: But both are Government institutions.

Mr. ANGELO: The Government are secured because they hold the security in their safe. In the same way the Agricultural Bank would hold securities on behalf of its customers, as against the guarantee which they could provide. I merely throw that out as a suggestion which may meet with the approval of the member for Katanning.

Mr. PICKERING (Sussex) [9.22]: The step suggested by the member for Katanning is an unwise one to take. It would be well to refer back to the original Act which was introduced by the late Lord Forrest, and to show what he had in mind in

1894 I will read an extract from the speech he made when he introduced the Bill to Parliament. He said—

I have been carefully trying to find out some means by which to encourage the occupation and cultivation of the agricultural lands of the Colony. The subject is a difficult one. The smaller settlers on land are generally struggling men who may have a little capital and are not generally men of means; so that the difficulty is as to how persons of that class can be assisted in the early stages of settlement without risk to the State. For one has to consider very carefully whether in assisting them one would not be incurring the risk of losing the capital with which they were assisted. However, after years of consideration and thought on the subject the result of my deliberations up to the present is contained in this Bill.

After years of deliberation the Act was passed, and it contained this provision—

(a) For the purpose of making improvements (as hereinafter defined) on unimproved holdings or (b) adding to improvements already made on holdings . . . Improvements for the purposes of this Act shall mean clearing, cultivation and ringbarking, but shall not include any other kind of improvement. . . . No advance shall be made on any property which is encumbered by any previous mortgage or charge, other than a mortgage or charge under this Act.

There have been amendments since then, but they have been in the direction of developing the bank on the lines on which it was originally formed. The object of the bank, namely the development of the country on sound lines, is a most laudable one. I have had cause to complain in this House because of the non-extension of the operations of the bank towards the south-western part of the State, and I have contended that in the event of an increase in the capital of the bank the operations of the institution should be directed to every portion of the State including the South-West. Personally I am not aware of any agitation for that which is sought by the member for Katanning. The usefulness of the bank should be confined to the original intention. I agree with the member for North-East Fremantle when he says that if we are to convert it into a bank of issue it should be a State bank and should be available to everybody. The Agricultural Bank was never intended to be a bank of issue, and there is quite enough for it to do in connection with the work of development for which it was established.

Mr. JOHNSTON (Williams-Narrogin) [9.26]: The member for Sussex read to us what Sir John Forrest said when he introduced the original Bill to Parliament. Since that time, however, conditions have changed so much as to create a demand for an

alteration of the bank's powers to an extent probably not foreseen by its illustrious founder. I agree with the Premier that the Government, with a deficit of $4\frac{1}{2}$ millions staring them in the face, cannot easily enter on the foundation of a general State bank for all classes of the community—a general bank of issue. It appears to me, however, that the Government might agree to the motion to the extent of permitting the present holders of overdrafts from the Agricultural Bank to retain the amount they have drawn from the bank on current account, that is to say, that if a farmer has £800 from the Agricultural Bank, instead of being compelled if he wishes to remain on that institution to owe the bank the whole of the £800 all the time, the Government might at least let him repay a portion of it with the right to operate on that amount. That, I think, will meet the main desire of the member for Katanning. At the present time it seems to me it is an absurd thing if a farmer owes the bank £800, and if he wishes to utilise £600, he has to put it on current account at a private bank without interest, and draws it out as he requires. If it were deposited with the Agricultural Bank the Government would have the use of the money, that is to say, the Agricultural Bank would have it to lend out again. It would never happen that it would all be called out at once. A great deal of the money possessed by the farmers who are dealing with the Agricultural Bank, and which to-day is left on current account with the private banks, should be available to the Agricultural Bank. At the present time the Government take all the risk of establishing new settlers on the land through the Agricultural Bank. We put men on the land with very little capital, lend them money on the full value of their improvements as they effect them, and these loans are made at a time when very little rent is paid on the agricultural properties, when their full value has not been properly established, and the State takes the whole risk in the matter. Later on that settler gets on in the world. His property is fenced and cleared, water is provided and it becomes a good security to any institution from whom that settler may borrow money. The Agricultural Bank say to him, "We have lent you £1,000. You have to keep the whole of that loan out, and you have to pay us interest on the money for the whole 12 months or you cannot remain on our books at all. If you have a good sum from your property this year and repay it to us at all, it is repaid altogether and you cannot get it out again except by the process of making a fresh application for a new loan." If the man were to pay in £500 which he had got from his crop he could not get a fresh loan up to that amount from the Agricultural Bank except for the purpose of effecting further improvements. He has, say, £500 from his crop and possibly he does not want to use more than £300 of it during the

year. Why should he not be permitted to pay it into the Agricultural Bank and get a remission of interest instead of paying it into a private bank at no interest at all and at the same time pay the Agricultural Bank the full rate of interest?

The Minister for Works: He can put it into the Savings Bank at $3\frac{1}{2}$ per cent.

Mr. JOHNSTON: Through the existing policy of the Agricultural Bank he is practically compelled, once he gets on his feet, to take his account to a private institution. I do not see why the Agricultural Bank should have to carry all the poor and risky accounts, do all the work of helping the pioneer, and when that pioneer gets on his feet compel him to hand over his profitable business to a private institution. I believe a scheme could be evolved under which, without increasing the present liability of the Agricultural Bank, the farmer could be permitted to leave part of his overdraft, when he had the money, on deposit with the Agricultural Bank, even if they did not allow him the full rate of interest. If that were arranged the Agricultural Bank would have the benefit of the money for lending out in other directions until required by its owner. Particularly after harvest, the settler has a good deal of money and would like to be able to deposit with the Agricultural Bank the surplus cash rather than leave it with a private institution where it is of no benefit to him at all. Apart from that, in view of the great success achieved by the Commonwealth Bank and of the success achieved by the Agricultural Bank, I do not think the House would run any further risk in extending the sphere of the usefulness of the Agricultural Bank. I do not share the view of the member for Sussex that when the late Lord Forrest, in making his speech in this House, laid down his ideas, he meant those ideas to be like the cast-iron constitution of the United States, something which could not be altered. I believe that that illustrious statesman, if he were here, would be quite pleased to know that his successor of to-day was extending and improving the great institution which he in the first place designed, rather than that the views he expressed over twenty years ago should be regarded like George Washington's charter of freedom, as almost immutable.

The ATTORNEY GENERAL (Hon. T. P. Draper—West Perth) [9.35]: I cannot help being struck by the omission from the several speeches of any reference whatever to the interests of the public. Apparently it has not occurred to any hon. member to consider what is good for the public. Yet it is the public who would have to subscribe the capital necessary to any expansion in the operations of the bank. Let me, before proceeding, remove what appears to be a fallacy. Reference has been made to the success of the Commonwealth Bank. No one seems to have asked himself why the Commonwealth Bank has succeeded. Yet it is very obvious. The

Commonwealth Bank has succeeded because it has the credit of the Commonwealth behind it, and also because it has power to issue bank-notes which are passed as so much gold.

Mr. Griffiths: And a monopoly of that power.

The ATTORNEY GENERAL: That is so. The Commonwealth in that has a power which no other Bank in Australia can now exercise. The success of the Commonwealth Bank depends on the power it has to issue notes and on the fact that it has the credit of the Commonwealth behind it. Moreover, during the war period it had a very great advantage over other banks. These are the reasons for the phenomenal success of the Commonwealth Bank. What many hon. members do not seem to recognise is that the Agricultural Bank was established for the purpose of developing the lands of the State, and also because the ordinary banks would not make advances on unimproved country, not regarding it as sufficient security. The State took the risk, and went even further, in that the advances made by the State were repayable over a period of 30 years. As long as the borrower paid his interest and, after the first period of five years, paid back instalments regulated so as to cover the whole of the loan at the end of 25 years, he was perfectly safe against having his money called up. The Agricultural Bank has not its capital at call, as other banks have. If the Agricultural Bank has to carry out the functions of an ordinary bank its capital will have to be increased enormously, and the stability of the bank will be very seriously interfered with. Hon. members recognise that the Agricultural Bank could not really be made to take on the functions of the ordinary bank. One hon. member suggested that the farmers should be allowed credit for money lodged, in the same way as moneys in credit in an ordinary bank. That hon. member forgets that if the Agricultural Bank is to be allowed to carry on business in the same way as an ordinary bank, the Agricultural Bank must have power to call in its money in exactly the same way as the private bank. The two institutions are quite different. I submit that if the motion were carried and put into effect by legislation it would result in disaster; in fact, no Government with any sense of responsibility would undertake to carry out the suggestion made. Hon. members must keep in mind the totally different circumstances under which the Agricultural Bank is financed and under which an ordinary bank is financed.

Mr. HICKMOTT (Pingelly) [9.40]: It has been pointed out on both sides of the House that it would be an advantage if an alteration could be made in the methods of the Agricultural Bank so as to allow it to operate in the same way as ordinary banks. When first I came to Western Australia the usefulness of the Agricultural Bank was held up to me as one of the great advantages

open to the agriculturist in this State. At that time there was a bit of a boom in land business in Western Australia, and a number of the associated banks were lending money very freely. I arrived here as a stranger, and the banks were actually chasing me to give me anything I wanted. I think the fact of the associated banks offering money so freely at that time was the downfall of a great many settlers in Western Australia; for they left the Agricultural Bank and went where they could get more money than the Agricultural Bank would lend them, and in the end they got in far too deep. If the Agricultural Bank were to be allowed to deal with people as the chartered banks have done, many of the settlers would still want more and would get so deeply into debt—if the Bank would allow them—that it might prove their downfall also. Some person from Scotland went to England a long time ago and told the people in England if they were allowed to open a bank he would finance them. I believe that was the start of the bank of England. The same procedure was adopted in the United States. Instead of sending gold out of the country, as we do now, they kept their gold, and by opening a bank of their own the money was circulated in and out and they had plenty with which to finance their requirements. It would be a good thing if something of the kind were done here to assist the people further than they are already being assisted. I support the motion.

Mr. THOMSON (Katanning—in reply) [9.47]: I am surprised at the attitude adopted by the member for Sussex (Mr. Pickering). That hon. member has frequently stated that he is speaking on behalf of the Country party, and yet a motion directly affecting the primary producers is opposed by him. The hon. member is probably right in holding the opinions he does, if he is sincere.

Mr. O'Loughlin: Hardly any of his constituents are getting advances now, and they would be crowded out altogether under your proposal.

Mr. THOMSON: I think there would be more money available. To show that the motion is not an innovation and that it is up to date, and that the same trend of thought is in the minds of other people, I will quote an article which appeared in the "West Australian" recently under the heading of "Agricultural Industry; a Financial Suggestion." It is as follows:—

Sydney, October 5.—Giving evidence before the Special Parliamentary Committee which is investigating the question of improving the agricultural industry, Professor R. F. Irvine, who occupies the Chair of Economics at the Sydney University, pointed out to-day that restricted credit was crippling the primary industries, and that unless a system of extensive rural credit was established we were in danger of reaching a crisis in connection with agriculture. This might come within the next two or three years. The witness recommended the formation of a Farmers' Co-operative Credit Association on the mutual

principle which would form the basis of the operation of what might be termed Farm Land Banks. Farmers would be enabled to obtain loans by giving mortgages to these associations which would have the districts bank standing behind them. He also recommended the establishment of a National Rural Bank which the Government could finance primarily up to two million pounds.

Mr. O'Loughlen: The restricted credit in 1910 saved scores of our settlers.

Mr. THOMSON: I do not know if the hon. member is speaking from experience.

Mr. O'Loughlen: I am. I can give you the names of the farmers.

Mr. THOMSON: Here is evidence of an endeavour to broaden the principles of one of the best institutions in Australia, namely the Agricultural Bank of Western Australia. I am only endeavouring to bring it up to the requirements of the people. When Lord Forrest first established the Agricultural Bank it was considered that he was too liberal and was taking too great a risk. The idea of lending money up to 50 per cent. on the improvements of our agricultural lands was thought to be dangerous. The fact that the amount was increased to 100 per cent. is probably one of the reasons why we hear it so frequently said in the House that the farmers have been spoon-fed. I would remind hon. members that the Labour Government under the leadership of the present Minister for Mines, brought in an amendment to increase the amount from £500 to £2,000.

The Premier: That was not so.

Mr. THOMSON: The Act provides that at no time shall the advance to any one person exceed the sum of £500.

The Premier: That was years ago.

Mr. THOMSON: I wish to show the advancement which has taken place. At first £500 was the maximum, but to-day the Agricultural trustees consider that they can with safety advance the sum of £2,000.

Mr. Troy: Did not Parliament pass a Bill increasing the amount of advance?

Mr. THOMSON: That is so. I have just given credit to the Labour administration for this amendment.

The Premier: Not from £500.

Mr. THOMSON: It was increased to £2,000 from £500.

The Premier: Over a period of years.

Mr. THOMSON: Taking into consideration the advancement in our agricultural industry and the increase of the advance from the Agricultural Bank to £2,000, it is clear that the motion is not a dangerous innovation. The member for Sussex said he had no knowledge of any desire on the part of the farmers for this advance. The motion, I would point out, emanated from a branch of the farmers and settlers in my district. The question was discussed at the district council on which were represented 17 different branches. When an hon. member says this is not desired by the farming community he is speaking without knowledge.

The Premier: I have not heard much about it.

Mr. THOMSON: I hope to be able to persuade the House to accept this motion. If it is not carried I do not think it will be long before we see the Agricultural Bank liberalised in the direction I have indicated. The member for Canning was opposed to the motion and said that no ordinary bank knows its commitments. Under the Constitution of the Agricultural Bank it does know the amount of money involved in its operations. He went on to say that the trouble was that the farmers were too prosperous. I wish that the greatest trouble we had to face in this country was that the farming community were so prosperous that they did not need the Agricultural Bank. He also said that when the farmers became prosperous they were anxious to pay off the Agricultural Bank so that they might trade with the chartered banks. That is not so. The men who are desirous of having this privilege extended to them are men who probably have a considerable amount of property. I would quote the case of the man who brought this very question forward at the meeting I have spoken of. He has property estimated to be worth £3,000 and has a loan from the Agricultural Bank of £900. He has not sufficient capital to carry on and pay for his goods as he requires them. If he was in a position to pay cash, he could claim 2½ per cent. discount on his superphosphates. Unfortunately, he cannot pay cash for his fertiliser. He has to give a three months bill, lose the 2½ per cent. discount, and pay 10 per cent. on the bill. If he is not able to pay up in three months he has to pay compound interest on the money outstanding. By the time the farmer is in a position to pay for his superphosphates it has probably cost him 15 per cent. more than it should do. If he could purchase his ordinary stores he could obtain the 2½ per cent. discount, and if he were in a position to buy his machinery parts outright he could effect a considerable saving. It is gratifying to know that the Agricultural Bank is administered at the rate of 1½ per cent.

The Premier: That is the margin now on the last money.

Mr. THOMSON: If the investments of the State Government were showing as good returns as the investments of the Agricultural Bank, there would be no four million pounds deficit.

Mr. Davies: At one-half per cent. interest margin?

Mr. THOMSON: It is not all at a one-half per cent. margin. The securities of the bank are worth more than the money at stake.

Mr. Smith: What about the 800 abandoned farms?

Mr. THOMSON: Most of these will be taken up with but little loss to the Agricultural Bank.

Mr. O'Loughlen: They will have to write off a lot.

Mr. THOMSON: Is there any business man who has not to write off a certain percentage for bad debts? Taking into consideration the whole of the advances of the Agricultural Bank, I maintain that this institution is not in a worse position than any other financial institution in the State.

Mr. Teesdale: Do you think that if 50 per cent. of the abandoned farms were written off it would cover the lot?

Mr. THOMSON: Nothing like that number will have to be written off.

Mr. Johnston: Most of them are re-selected already.

Mr. Teesdale: On what terms?

Mr. THOMSON: I can assure hon. members that settlers have no desire to leave the Agricultural Bank. In 1912 the private banks apparently had a surplus of money and they were anxious to let it out on good security. They went to the farmers and suggested that they should go on developing land and offered to provide the money. The Agricultural Bank willingly released the farmers. A great many of these settlers are sorry they ever left the Agricultural Bank. That institution has never been known to push a man off his farm. They gave every assistance and saw them through. As member for Katanning, I have had occasion to interview the bank authorities and they have always given the farmer a fair deal. That is more than can be said for a great many of the private banks. That is the reason why the farmers in my district are desirous of retaining their connection with the Agricultural Bank. Is it a reasonable proposition that the State shall say to a farmer: "Here is virgin land; we will advance you money, and carry you on until you become practically settled and self-supporting." Then when they get to that stage should the State say: "We will not assist you further; you must go to the private banks; they will probably squeeze you should troublous times arise?" The Premier has said that he would not give effect to the motion if it were carried.

The Premier: No, I said I could not give effect to it.

Mr. THOMSON: I believe that the Premier, if he remains long enough in the position he occupies, will see the wisdom and justice in the arguments I have advanced. If the Premier is desirous of having the fact brought under his notice that there is such a necessity, when the House meets after the next election, plenty of evidence can be produced to that effect. Evidence will be easily forthcoming that the farming community are desirous of having the privileges of an ordinary banking institution applied to the Agricultural Bank. The Attorney General stated that the Commonwealth Bank naturally must be successful because it had the Commonwealth behind it. For my part, I say the Agricultural Bank has been successful because it has had the State behind it and because it has pursued a policy of opening up our country. Hundreds of farmers are successful purely owing to the splendid terms and assistance received from the Agricultural Bank.

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

Ayes	10
Noes	20

Majority against 10

AYES.

Mr. Griffiths	Mr. Thomson
Mr. Hickmott	Mr. Troy
Mr. Johnston	Mr. Willcock
Mr. Jones	Mr. O'Loghlin
Mr. Lambert	(Teller.)
Mr. Maley	

NOES.

Mr. Angelo	Mr. Mullany
Mr. Angwin	Mr. Robinson
Mr. Broun	Mr. Scaddan
Mr. Cheeson	Mr. Smith
Mr. Davies	Mr. Stubbs
Mr. Draper	Mr. Teesdale
Mr. Duff	Mr. Underwood
Mr. Foley	Mr. Willmott
Mr. Hardwick	Mr. Pickering
Mr. Hudson	(Teller.)
Mr. Mitchell	

Motion thus negatived.

MOTION—ELECTRICITY, TIDAL GENERATION.

Debate resumed from 22nd September on the following motion by Mr. Underwood:—

That in the opinion of this House it is desirable that the Federal Government should offer a substantial reward for the invention of a successful method of generating electricity by tides, and that the Government make representations to the Federal Government accordingly.

Mr. ROBINSON (Canning) [10-10]: When the member for Pilbara moved this motion, some members of the House were sceptical as to either his sincerity or the feasibility of the proposition. Personally I have no doubt about either. The member for Pilbara has noticed in the North-West the natural phenomenon of the huge rise and fall of the tides. In his own mind, he has thought that that huge rise and fall could be harnessed in some way to produce electrical power. Up to the present time, the idea has been favoured by many scientists but no actual effective research has been carried out. In a recent publication of "Science and Industry," I noticed a very interesting article dealing with this subject. It largely supports the views that have been so admirably and ably put forward by the member for Pilbara.

[The Deputy Speaker took the Chair.]

The Minister for Mines: That is only copied from another journal: it is not original.

Mr. Lambert: It does not lessen its value.

The Minister for Mines: It was taken from "Nature."

Mr. ROBINSON: All the same, the Australian Institute of Science and Industry would not publish a full-sized illustrated article on this subject if it were not one proper to publish and one well within the realm, not of practical politics, but of practical economics.

The Minister for Mines: Who was on that board to say whether it was or not?

Mr. Teesdale: Stirling Taylor.

Mr. ROBINSON: No, he is not. Such men as Mr. G. D. Delprat, Mr. Russell Grimwade, Mr. Piddington, Professor Douglas Stewart, and Professor Watt are on the Executive Committee.

The Minister for Mines: I do not think any one of them knows anything about the generation of electricity.

Mr. ROBINSON: What I want to show is that the view put forward to this Chamber by

the member for Pilbara is shared by scientists in other parts of the world, as set out in this article. It is natural in such places, where such a large tidal movement takes place, that efforts should be made to harness the power in the tides. An instance is given to show that at Chepstow the range was 42ft. at spring tide and 21ft. at neap tide. The maximum currents at St. Malo in France, were 42·5ft. at spring tide and 18ft. at neap tide. The member for Pilbara tells me that the range at Yampi Sound is 36ft., very much approximating that of the Severn. The tidal range in the Dee is 26ft. at spring, while the mean range of spring tides around the coast of Great Britain is 16·4ft., and of neap tides 8·6ft. So the tide at Yampi Sound is well within the running of the larger tides I refer to. This article sets forth five different schemes of tidal power which have been suggested from time to time and which are very clearly illustrated. They have been scrutinised and compared. The author of this article says—

Owing to the relatively large variations in working head in any simple scheme, and to the small working heads, the design of hydraulic turbines capable of giving constant speed with reasonable efficiencies, and of moderately high speeds of rotation, is a matter of considerable difficulty. Modern developments, however, promise much better results in both these respects than would have appeared possible only a few years ago, and turbines are in existence which are capable of operating under a variation of head equal to 50 per cent. on each side of the mean, with efficiencies which do not fall below 70 per cent. over this range, and with reasonably high speeds of rotation under the heads available. Even with such turbines, the number of technical problems to be solved before a tidal scheme of any magnitude can be embarked upon with confidence is large. The questions of single versus double-way operation, of storage, of the effect of sudden changes of water-level due to strong winds, of wave effects, of silting in the tidal basin, and of scour on the down-stream side of the sluices, of the best form of turbine and of generator, and of their regulation and of that of the sluice-gates, are probably the most important, though not the only, subjects to consider. On the other hand, the possibilities of tidal power, if it can be developed commercially, are very great. Assuming a mean tidal range of only 20ft. at springs, and 10ft. at neaps, and adopting the single-basin method of development with operation on both rising and falling tides, each square mile of basin area would be capable, without storage, of giving an average daily output of approximately 110,000 horse-power-hours. In such an estuary as the Severn, where an area of 20 square miles could readily be utilised with a spring tidal range of 42 feet, the average daily output, without storage, would be approximately 10,000,000 horse-power-hours. At the present time it is difficult to obtain an even rough estimate of the total cost of such a scheme, owing to the uncertainty regarding many of the factors involved. The whole question would appear to merit investigation, especially on matters of detail, by a technical committee with funds available for experimental work. As a result of such an investi-

gation, it is at least possible that a definite working scheme could be formulated capable of generating power at a cost at least as small as and possibly much smaller than that of power generated from any coal-fired installation.

The member for Pilbara (Mr. Underwood) is only asking that we should agree to a motion that it is desirable that the Federal Government should offer a substantial reward for the invention of a successful method of generating electricity by tides, and that the State Government should make representations to the Federal Government accordingly. I have pleasure in supporting the hon. member in his object, and I think the evidence I have quoted shows that there are other people who have considered the matter and that although no one at the present time can say whether it can be brought to a successful conclusion, the whole subject is so important that it is well worth the consideration which it is suggested should be given to it.

Mr. SMITH (North Perth) [10·10]: I move

That the debate be adjourned.

Motion put and negatived.

The MINISTER FOR MINES (Hon. J. Scaddan—Albany) [10·20]: I suppose no hon. member has any real objection to inquiry being made into any subject likely to be beneficial, whether to Western Australia or to the Commonwealth generally. Nobody of course would object to an inquiry which might lead to the use of our tides or even of the sun's rays for the supplying of heat and power. But the member for Canning (Mr. Robinson) touched upon the point which I think is the weakness in the motion. The State is sovereign in its own realm and, if we are desirous of doing something, we can go ahead and do it. I do not see why this Government should be asked to submit a proposition to the Federal authority when, as the member for Canning has pointed out, we have the Commonwealth Institute of Science and Industry, which has seen fit to publish an article dealing with the question of the harnessing of tides for the purpose of generating electricity. I should think that body would be better even than this Parliament for approaching the Federal Government in the manner suggested. I asked the hon. member, when he was quoting from the article, which of the members of the Institute of Science and Industries were in a position to express an opinion as to whether the contents of that article were of as much value as the hon. member would lead us to believe. The hon. member quoted the names of quite a number. I do not know any of those gentlemen very well, but I am not sure that Mr. Piddington, one of those mentioned, is an electrical engineer or even a civil engineer; as a matter of fact he is a K.C. And, after all, this article was only culled from another publication, is a reprint from "Nature," and was probably contributed to "Nature" by a gentleman—

Mr. Robinson: Obviously an engineer.

The MINISTER FOR MINES: Yes. But my point is that if the Institute of Science and Industry, which is essentially a Commonwealth body appointed by the Commonwealth Government and operating at the expense of the Com-

monwealth Government and under directions to submit proposals to the Commonwealth Government for the advancement of science, if it considers it worth while taking up the subject to the extent of publishing an article in the journal, then surely that, and not this Parliament, is the proper body to submit to the Commonwealth Government the proposal that a reward be given for an invention for harnessing the tides.

Mr. Johnston: But a resolution from this Parliament would probably be forwarded to that body, and so the thing would be set in motion.

The MINISTER FOR MINES: I admit that if we can find means of harnessing tides for the purpose of generating electricity it would be a forward step of tremendous value; because our coalfields cannot last for ever, and I suppose in this, as in other matters, Nature is providing means by which we can overcome our difficulties when coal and other commodities used for the generating of heat and energy become exhausted.

Mr. Robinson: And also for treating those iron deposits.

The MINISTER FOR MINES: That, of course, is the important point. But I do not think the hon. member would suggest, until such time as it had a fair trial, which would mean probably very heavy expense, that a community such as ours in Australia could undertake to establish by way of experiment the harnessing of the tides in the North-West for the purpose of treating those iron deposits. Even if the Commonwealth Government were to offer the proposed reward, there are not many in this Chamber who would be likely to see the reduction of that iron ore at Yampi Sound by these means. As a matter of fact this is no new thing. We have files in the department containing all sorts of propositions, some from the very electorate represented by my friend the member for Canning. They all say in effect, "I have thought out a scheme by means of which we can harness the tides, if only the Government will do what I want them to do." I am afraid that if the motion were carried my time for the next few months would be very busy.

Mr. Robinson: But we do not suggest that you should do it.

The MINISTER FOR MINES: No, but all these inventors would be coming to my department with their proposals. The trouble is that no motion carried here will make any advancement in science or engineering, because if we lack anything at all in Parliament it is engineers. I say that in its broadest possible sense. We have in Parliament no engineers of any type whatever. I have in my hand a paper contributed by Mr. J. A. Archibald, on a tidal power scheme to be utilised in the marsh areas of Western Australia. This is dated July, 1908.

Mr. Jones: Where are the marsh areas in Western Australia?

The MINISTER FOR MINES: There are plenty of them in the North-West. I have read this article, and I find it equally as interesting as that read by the member for Canning. But the difficulty about it is that it is only on paper. Up to date we have had no practical results from the harnessing of tides, and until such time as we do get practical results, I am afraid the Commonwealth Government will not undertake the responsibility of financing the engineers while they make a test of this nature. Not even the member for Pilbara would suggest that they should adopt such a course. But I cannot see how any person who may have the ideas is likely to be able to put them into operation without the necessary financial backing. While coal is available for producing heat and energy, capital is not going to be found to put this experiment to the test. The member for Coolgardie (Mr. Lambert) pointed out that we are not to-day utilising every thing that Nature has made available to us, simply because in some instances we can provide all that we require by a cheaper or easier method. But in time, as one means cuts out, we take up another. For instance, if all the companies that have manganese deposits were to take out all their ore at once, there would be some difficulty before very long. Thus, Nature might be storing up for us means whereby we shall be able to make good the losses accruing through taking from the ground coal and oil which cannot be replaced, and through using up other energy and power, she might be providing energy in the rise and fall of tides which energy might some day be harnessed. This, however, is so far from the realm of practical politics that I am doubtful whether it is not going a bit too far to suggest that we, who have given little study to the question, should by carrying the motion ask the State Government to seriously submit this proposal to the Federal Government. I know that the member for Pilbara is keen on harnessing the tides of the North-West in particular for the purpose of treating the iron ore at Yampi Sound, but I am hopeful that we shall find a quicker method of treating that ore. I believe we have not yet failed in our efforts to generate electricity cheaply enough by other methods, subject of course to discovering means for using the electricity on an economic basis, to smelt the crude iron ore. This, I think, is an easier problem than that of harnessing the tides. We are making progress along the lines of employing electric furnaces to treat the crude iron ore, but we are making no progress in the direction of obtaining electrical energy by harnessing the tides. Should not we, therefore, follow the line on which progress has been made, rather than forsake it and devote attention to this other proposal? Would it be wise to carry even a pious resolution asking the Government of the State to do something which has not received the full and proper consideration of the House? If we approached the Federal Government in the mat-

ter, we would probably be told that they had established an Institute of Science composed of men representing the best brains of Australia who had gone into the question, and that when these men recommended the offering of a reward, it would be considered. On what grounds could the State Government approach the Federal Government? The members of the Institute of Science and the Federal Government know that there is a big rise and fall in the tides of the North-West, and we shall not make any headway by merely carrying this motion. It would be far better if we directed our efforts to work along the line where there seems a possibility of early success, rather than do something which is not likely to give any real results probably in our generation.

On motion by Mr. Angelo debate adjourned.

[The Speaker resumed the Chair.]

MOTION—RETIREMENT OF J. J. O'NEILL.

To inquire by Select Committee.

Debate resumed from 22nd September, on the following motion by Mr. Smith—

That a select committee be appointed to inquire into the circumstances surrounding the compulsory retirement of Mr. J. J. O'Neill from the position of acting land resumption officer.

Mr. STUBBS (Wagin) [10.35]: I rise with a great deal of diffidence to speak on this motion, because I realise that, if every officer of the State service who is dismissed could bring sufficient influence to bear to get his case re-opened, it would have far-reaching effects. But there are reasons which require a few words from me on this subject. I have known Mr. O'Neill for a great many years. During the time that a number of railway and other public works were being constructed in the Great Southern districts, I had a good deal to do with him. I well remember that, in the course of several transactions one fairly large amount, nearly £1,000, was involved, and the discrepancy between the price asked by the seller and the price offered by Mr. O'Neill as representing the Government, caused me to step in and endeavour to ascertain the reason which actuated Mr. O'Neill in valuing this particular property at the price he did. After considerable discussion and many interviews I went to the Minister controlling the department, and told him that in my opinion the officer was endeavouring to beat down to too low a figure the person whose property had been compulsorily taken by the Government. The Minister told me that he had implicit confidence in Mr. O'Neill, and that he could not assist me in any way if I could not induce Mr. O'Neill to agree to the figure

which the seller asked. After several days finality was reached. I well remember the interview on the day on which the deal was closed. Mr. O'Neill said to me, "The price is £800; that is the best price we can offer your client." I said "I do not think he will take that." Mr. O'Neill said, "It is equal at all events to £340." I said, "How do you make that out?" He replied, "If he had to put it into the hands of an agent for sale, there would have been at least £40 commission to pay." I said, "But you are not claiming that commission." He said "Yes, I am claiming it on behalf of the Government."

The Premier: What! on resumed land?

Mr. STUBBS: Yes. He said, "I claim to have the right to bring the price down to that which the seller would have received if he had placed it in the hands of an agent, because he would have had to pay an agent commission." This explains the sole reason I have for speaking to-night. I am not here to defend Mr. O'Neill in any shape or form. If he was guilty of the offence and committed the error of judgment of which in the opinion of the board he was guilty, he was doubtless deserving of dismissal. To my mind, however, there is a doubt, and having known Mr. O'Neill for a number of years as an honourable and upright man, I would be wanting in my duty if, knowing there is a doubt, I did not endeavour to get a rehearing of his case, so that all doubt might be cleared up.

The Minister for Mines: How many tribunals should a man have? That is the point.

Mr. STUBBS: One of the first principles of British justice is that when a man has been tried by a certain judge or person and found guilty, the same judge or person should not sit to hear the appeal. That is one of the reasons why I am endeavouring to-night to induce the House to agree to an amendment of this motion, to the effect that in the opinion of this House it is desirable that a Royal Commission should inquire into this case. That would be the best thing that could happen to clear up the doubt in my mind as to the finding against Mr. O'Neill. I therefore move an amendment—

That the words "select committee" be struck out, and "in the opinion of this House it is desirable that a Royal Commission should" be inserted in lieu.

Amendment put and passed.

Question as amended agreed to.

BILL—RAILWAYS CLASSIFICATION BOARD.

Message.

Message from the Governor received and read recommending the Bill.

MINISTERIAL STATEMENT—WHEAT GUARANTEES.

The PREMIER (Hon. J. Mitchell—Northam) [10.45]: With the permission of the House I should like to make a statement on the subject of wheat guarantees. I know that this question is exercising the mind of many people of this State, and I should like to let the House and the public know as early as possible what is being done with regard to the payments on the guarantee of 5s. a bushel made against the wheat to be harvested in a few months. Arrangements have been completed for the payment of 2s. 6d. on presentation of certificates, in other words upon delivery of the wheat to the pool. A further 2s. 6d., completing the 5s. guarantee, is to be paid on the 30th April next.

Hon. W. C. Angwin: That is worse than was the case last year.

The PREMIER: That is so. I regret that the 5s. is not to be paid as was the case last year upon delivery to the pool, but this is better than any advice we have hitherto had. It does mean that the farmer will know when he is to get his money. I hope this will be improved upon. The price to be charged for wheat for local consumption in the States, other than this State, is to be 9s. a bushel from the 1st January to the 31st December of next year. This State is no party to that agreement, and the matter will not be considered by the Government until the return of the Honorary Minister, who will bring back with him the agreement that has been entered upon, together with full information as to the world's markets. We are not concerned in this arrangement.

Hon. W. C. Angwin: I see from the "Australasian" that they can get American wheat in London for 10s. and 10s. 2d. a bushel.

House adjourned at 10.47 p.m.

QUESTIONS (2)—NURSES, GOVERNMENT HOSPITALS.

Increases in Salaries.

Hon. A. H. PANTON asked the Minister for Education: 1, Have the nurses in Government hospitals signed a round-robin application for an increase in salary? 2, Have the Government considered the application? 3, If so, what action has been taken?

The MINISTER FOR EDUCATION replied: 1, Yes. 2, The matter has been under consideration by the Department concerned, which, after making full inquiry, is on the point of forwarding a recommendation to the Minister. 3, Answered by No. 2.

Railway Fares.

Hon. A. H. PANTON asked the Minister for Education: 1, Is it a fact that nurses on finishing their training in the Kalgoorlie Government hospital have now to pay their fares back to their homes? 2, If so, will the Government take steps to revert to the former practice of paying the fares of these nurses?

The MINISTER FOR EDUCATION replied: 1, No. The system is that probationer nurses sign on with the Medical Department for four years. For the first three years they receive the relatively low salaries paid to probationers, and they do their training at Wooroloo and Kalgoorlie. When going on annual leave each receives a railway holiday pass. During the fourth year, nurses are paid the full salary of staff nurses (£72 per annum), and their services are utilised at the smaller Government hospitals. In respect of their fourth years' leave no free rail pass is issued, because they rank as and are paid as staff nurses, and receive the same privileges as staff nurses, which do not include a free holiday pass. 2, Formerly fourth year probationers received £48 per annum and a free railway pass when going on annual leave. This practice continued until recently, when it was reviewed, and the issue of free railway passes ceased for the reasons set out in the answer to Question No. 1.

QUESTION—WHEAT DIVIDEND.

Levy for Elevators Company.

Hon. J. DUFFELL (for Hon. A. Sander-son) asked the Minister for Education: 1, Have the Western Australian Wheat Marketing Committee received any objection from farmers to a levy out of the wheat dividends for the benefit of the West Australian Graingrowers' Co-operative Elevators, Limited? 2, If so, what objections are advanced against the levy?

The MINISTER FOR EDUCATION replied: 1, Yes. 2, Various. With regard to (2) the objections include—(a) Shares in the company have been cancelled; (b) original applications for shares are alleged to have been made in error; or (c) have been withdrawn owing to inability to pay; or (d) involve other persons without their authority.

Legislative Council,

Thursday, 11th November, 1920.

PAGE

Questions: Nurses, Government hospitals—(1) In-creases in salaries; (2) Railway fares ...	1440
Wheat dividends, levy for Elevators Co. ...	1440
Bill: Public Service Appeal Board, Com. ...	1441

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