

gical practice. These matters are being tackled in a resolute and capable manner, and might well be observed and noted by those who are inclined to live in the glories of the past.

The mine has been favourably commented on by the Royal Commissioner. The Minister cannot say the company has not done everything possible to keep the mine going. It is, therefore, the duty of the Government to go to its assistance. I have here some photographs. One shows a picture of the woolshed that is being built by the Sturt Meadows Co. We welcome such newcomers as Messrs. Hawker, Chomley & Co. They are doing excellent work and are providing admirable accommodation for their employees. I have also a photograph of their shearing shed. This was an old building associated with a picture garden in Kalgoorlie. I have another snapshot showing the shearers' accommodation, the dining room, the kitchen, and the bedrooms. This happens to have been the old totalisator at the Coolgardie racecourse. If we had other employers who were prepared to give this class of accommodation to their workers, such as this and other enterprises are doing, including the Yundamindera Pastoral Co., it would be an excellent thing.

Mr. Latham: Most of them are prepared to do that.

Mr. HERON: It would not then be necessary for the Government to talk about a shearers' hut accommodation Act. I might also say that the Sons of Gwalia Co. made provision for a playground for the children, in conjunction with the co-operative store. Members may be interested to see all these photographs.

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

BILLS (16)—FIRST READING.

- 1, Vermin Act Amendment.
- 2, Plant Diseases Act Amendment.

Introduced by the Minister for Agriculture.

- 3, Coal Mines Regulation.

Introduced by the Minister for Mines.

- 4, Federal Aid Roads Agreement.
- 5, Traffic Act Amendment.
- 6, Road Districts Act Amendment.
- 7, Wyalcatchem Rates Validation.

Introduced by the Minister for Works.

- 8, Administration Act Amendment.
- 9, Constitution Further Amendment.
- 10, Kalgoorlie and Boulder Racing Clubs Act Amendment.
- 11, State Insurance.

Introduced by the Premier.

- 12, Agricultural Bank Act Amendment.
- Introduced by the Minister for Lands.

- 13, Herdsman's Lake Drainage Act Repeal.

Introduced by Hon. J. Cunningham.

- 14, Police Act Amendment.

Introduced by Mr. Davy.

- 15, Guardianship and Custody of Infants.
- 16, Married Women's Protection Act Amendment.

Introduced by Mr. Mann.

House adjourned at 12.30 a.m. (Friday).

Legislative Council,

Tuesday, 24th August, 1926.

	PAGE
Assent to Bill	449
Question: Taxation, land revaluation	450
Resolution: Financial relations, Commonwealth and States	450
Address-in-reply, ninth day	461

The PRESIDENT took the Chair at 1.30 p.m. and read prayers.

ASSENT TO BILL.

Message from the Governor received and read, notifying assent to the Supply Bill (No. 1), £1,913,500.

QUESTION—TAXATION, LAND RE-VALUATION.

Hon. H. STEWART asked the Chief Secretary: 1, Is it a fact that the Taxation Department are making a revaluation of the unimproved value of the lands of this State? 2, Is the revaluation being made by officials of the Federal Taxation Department? 3, Is the expense of the work being borne by the Federal authorities? 4, What is the estimated cost of the work? 5, Is there any statutory authority for the Federal Government incurring the expense of valuing lands the unimproved value of which, in the hands of one person, is less than £5,000? 6, Have the State Government been consulted? 7, Is the authority of the State Government necessary, has it been granted, and on what terms?

The CHIEF SECRETARY replied: 1, Yes. 2, Yes. 3 and 4, No. The expense is borne partly by the Commonwealth and partly by the State, under the agreement for the collection of joint taxes, dated the 18th day of December, 1920. Under such agreement the State had paid on an average during the five years ended the 30th June, 1926, about £13,000 towards the collection and assessing of all State taxes, and including the valuation of all State lands. 5, 6 and 7, Yes. The Federal and State Commissioners, under the provisions of Sections 17, 18, 20 and 21 of the Federal Land Tax Act Assessment Act, 1910-1924, and Section 34 of the State Land and Income Tax Assessment Act, 1907, respectively, have power to value all lands for Federal and State Land Tax purposes. The Federal Commissioner is not restricted in this work where the unimproved value of one person's land is less than £5,000, for the reason that absentees are assessed without exemption.

RESOLUTION—FINANCIAL RELATIONS, COMMONWEALTH AND STATES.

Debate resumed from the 19th August on the motion by the Chief Secretary that the Council concur in the following resolution of the Assembly:—

That this House is of the opinion that there should be no departure from the basis upon which the financial relations of the Commonwealth and States have rested, without the fullest consideration at a constitutional session of the Federal Parliament and the approval of the people by referendum;

and that no financial scheme should be presented to by the States that does not provide for their receiving from the Commonwealth Government an annual payment of not less than 25s. per head of population.

HON. H. SEDDON (North-East)

[4.38]: In contributing a few words to this debate I find myself in rather an invidious position, because while I agree with a certain part of the resolution I cannot support the whole of it. Most members will agree that there should be a constitutional session of the Federal Parliament to discuss the important question referred to in the Assembly's resolution, but when we introduce the matter of a constitutional session we enter upon a field which provides for the decision of many other questions, questions which the experience of Federation has disclosed need adjustment. Those are questions apart from that of the financial relationship. One cannot but recognise that there is considerable overlapping of State and Federal functions. This should be easily remedied, once a means of dealing with the matter has been found. I understand that the original idea was to hold a convention of State and Federal authorities at the expiration of 21 years from the date of Federation, with a view to deciding how Federation had operated and of seeing what steps could be taken to remove any defects which had meanwhile disclosed themselves. Apart from the suggestion of holding a constitutional session, one might discuss other means of remedying certain defects. A constitutional session is defective in itself since it does not afford scope for State representatives to take part in the discussion and represent the State point of view. We have also to recognise that the Senate was designed in the first instance to afford the States an opportunity of having questions discussed in the Federal Parliament from the standpoint of the States concerned. Unfortunately the development of Federal Parliamentary affairs has disclosed a considerable amount of party feeling in the Senate, and consequently we get rather the party than the State outlook there. Many references, most of them condemnatory, have been made to the Federal proposals. There appears to be a feeling abroad in Western Australia that Federation has been an evil thing for the State. Undoubtedly many people hold that opinion. On the other hand, Western Australia has received distinct benefits from

Federation. Those benefits, in my opinion, are not stressed sufficiently, having regard to their importance. The outstanding example is, of course, the construction of the trans-Australian railway. We must recognise that the construction of that line could only have been undertaken by the Federal authorities. The benefits of the railway have been demonstrated again and again. With the disturbances of our sea transport system, the trans-Australian railway has repeatedly given immense help to Western Australia. We have also to bear in mind that the expenses of defence, lighthouses, postal facilities, pensions, and interest on war debts are all borne by the Federal Government, and that these functions would otherwise have fallen upon the States. It will readily be conceded that in such circumstances this State would have had a greatly increased expenditure compared with what it has at the present time, thanks to the functions referred to being Commonwealth matters. The Federal Government, moreover, are taking their share of the great national work of road construction. In the present circumstances it is especially desirable that the advantages resulting from Federation in these respects should be stressed, in order that the people may get a fair idea of the position as to State and Federal relationship. Under the proposals which have been advanced, the Federal Government would retain Customs and Excise duties and a certain proportion of the taxes on incomes and on companies' dividends. While dealing with the Federal relationship, I should mention the fact that last year this State received a special grant of £350,000 from the Federal Government. That sum is now in the hands of the State Treasurer, and is available for the purpose for which it was made, namely, that of remedying the disabilities under which Western Australia has been suffering as a result of Federation. The intention is to continue that special assistance to Western Australia annually. The present proposals of the Federal Government comprise the abandonment of the fields of land taxation, estate duties, and entertainment taxes, and also the abandonment of 40 per cent. of income and companies' dividends taxes. According to the Federal figures the total amount of the proposed remission in the case of Western Australia would be £375,852. On the other hand, the Federal Government propose to discontinue the per capita payments, in

which case this State will lose a sum amounting to £564,688; the difference between the two sums represents a net loss to the State of £188,836. There have been discussions as to the accuracy of the figures, but that is a matter which can well be arranged between the officers of the State and Federal Treasuries. One aspect from which the Federal Government's proposals can be regarded is this: in both instances the people are paying, so that whether the incidence of taxation is taken from the Federal field and reimposed in the State field or not, the fact remains that the taxes will be paid by the same people. A circumstance of special importance in connection with Western Australian taxation is that only 11 per cent. of the people of this State at present pay income tax. That state of affairs is not to the benefit of Western Australia. We are all partaking in the benefits conferred by the State—even the poorest of us. I contend, therefore, that every person should bear a certain amount of responsibility for the upkeep of the State, even though the amount be very small. If a person is engaged in any occupation here and receives wages, that person should make some small contribution towards the upkeep of the State. In this way every person would be imbued with a sense of responsibility. The graduations of the tax could be so arranged that it would not press hardly on anybody.

Hon. A. J. H. Saw: There must be a limit, as otherwise it would not be a payable proposition to collect the tax.

Hon. H. SEDDON: That is so. I understand that such a minimum obtains in the collection of certain taxes. The fact remains that the principle of taxation being distributed over everybody is fundamentally sound; and, as Dr. Saw has pointed out, a minimum could be fixed sufficient to meet the charges. As to the proposal to retain both income and company taxation, it has been shown that the incidence of taxation in Australia is all to the disadvantage of Western Australia, our rates being very much higher than are those in the other States. Perhaps it would have been wiser if the proposal had been drafted with the idea of retaining the whole field of company taxation and making the tax uniform throughout the Commonwealth. That would mean that the companies operating in this State would pay the same tax as the companies operating in the other States. By that means the benefit

that accrues to the companies in the Eastern States, through being able to produce at a lower cost, would be removed, to the advantage of Western Australia. It has been suggested that the attitude of the Prime Minister, in introducing these proposals, was rather arbitrary. The impression I have gathered is that the Federal Government definitely decided that the proposal to carry on the per capita payments had to be abandoned. At the same time I am convinced that the Federal Government are prepared to discuss the question on another basis. I should like to go into a few figures showing how the per capita system operates, and showing that it is certainly operating to the disadvantage of Western Australia. That is why I am in agreement with the latter part of the motion, which declares that no financial scheme should be assented to by the States that does not provide for their receiving from the Commonwealth Government an annual payment of not less than 25s. per head of population. Certainly the gross amount to be paid to the States should not be less than that sum. Anything less than that would work to the disadvantage of Western Australia. On those grounds I am inclined to think that, had the State Premiers looked for a basis upon which they could have discussed this matter with the Federal Government, they might have exploited the position with advantage to the States, and particularly to Western Australia. It is evident that the Federal Government considered that as far as possible each State should stand on its own feet in regard to its financial arrangements. While the Federal Government are prepared to assist the States by raising loans for them—an economical method—at the same time the idea is that each State shall make its own financial arrangements and balance its ledger largely by its own efforts. Just the same it is recognised that those States who entered Federation at a disadvantage should receive special consideration. It is scarcely necessary to say that Western Australia is one of those States due for special assistance.

Hon. J. Ewing: One of the poor relations.

Hon. H. SEDDON: No. We are suffering under distinct disadvantages owing to the fact that we have come to maturity considerably later than did the other States. According to the findings of the

Disabilities Commission, the principal disabilities suffered by Western Australia through Federation were the disorganisation due to the war, and the decline of the gold mining industry. Proposals have been made whereby the Federal Government are prepared to assist us by undertaking the upkeep and development of a very large portion of Western Australia. Other disabilities were established before the Disabilities Commission, namely, the disability arising from the tariff, which operates adversely to Western Australia, both as to its effect on the cost of imports and in giving advantages to the Eastern States.

Hon. A. Burvill: What about the Navigation Act?

Hon. H. SEDDON: The Navigation Act has given us an advantage in regard to the development of our own industries, if only we had the capital to develop them. Incidentally, one of our greatest disadvantages at present is our lack of population. One evil effect of the tariff is that it decreases the purchasing power of loan money raised abroad. Recognising as we do that loan moneys really are brought into the State by means of imports, and that the price of those imports is increased by the tariff, we see that, in consequence, we are not receiving the full value of loan moneys raised abroad. A certain eminent authority has argued that a Customs duty of 25 per cent. represents, before the commodity reaches the consumer, an increase of no less than 80 per cent. From this it is seen what a tremendous effect the tariff must have upon our loan moneys raised abroad. While foreign loans are raised, the tariff cannot keep out imports. Also the tariff benefits the older established industries of the Eastern States. They are protected from overseas competition, and can raise their prices accordingly, with the result that Western Australia, one of their best Australian customers, is made to suffer. Again, the bigger the production the cheaper can one produce. The consequence is that those industries in the Eastern States have the advantage of their own large local market, and this enables them to market their products in Western Australia at a price at which Western Australia, owing to her small population, cannot compete. Now let us consider our imports. In 1925 our imports came from

the following countries:—The United Kingdom, 26 per cent.; from the other Commonwealth States, 44 per cent.; from New Zealand, .2 per cent.; from other British possessions, 7.2 per cent. The total imports from the British Empire amounted to 78 per cent., while 22 per cent. came from foreign countries. The direction of trade there indicated shows that the Eastern States are benefiting by the Western Australian trade to the extent of 44 per cent. of our imports, or twice as much as we get from foreign countries and not quite twice as much as we get from the United Kingdom. Of our exports, 33.5 per cent. go to the United Kingdom, 9 per cent. to the Eastern States, .7 per cent. to New Zealand, 20 per cent. to other British possessions, and 33 per cent. to foreign markets. So, the United Kingdom and the foreign markets take each 33 per cent., whereas the Eastern States take only 9 per cent., while the imports we receive from them amount to 44 per cent. When we analyse the imports we receive from the Eastern States we find that many of them are commodities we could raise ourselves if only our market were large enough. So the disadvantage Western Australia is suffering is owing to the size of our local market, the small population we have as against the populations of the Eastern States. Coming to the question of the per capita payments, can it be argued that the present system will make for increase in population? I think if we examine the statistics we shall see that the progress made by the States in population does not bear out that view. In 1900 New South Wales had a population of 1,350,305; in 1920 it had increased by 733,062, or an increase of 53.9 per cent. Victoria, in 1900 had a population of 1,196,213, which in 1920 had increased by 331,696, or an increase of 27 per cent. Queensland in 1900 had a population of 493,847; in 1920 it had increased by 256,777, or an increase of 52 per cent. South Australia in 1900 had a population of 357,250; in 1920 it had increased by 133,736, or an increase of 37 per cent. Western Australia in 1900 had a population of 179,967; in 1920 it had increased by 151,356, or an increase of 84 per cent. Tasmania in 1900 had a population of 172,900; in 1920 it had increased by 39,852, or an increase of 23 per cent. So, in that 20-year period Western Australia

showed an increase of 84 per cent., the next State being New South Wales with 53 per cent. On the percentage ratio there was a tremendous increase in Western Australia. But that was largely due to the impetus given to the State by the discovery of gold, which had the effect of assisting the development of every other industry in the State. Now, if we take the period from 1921 to 1924, we find that the impetus had lost its sway, and that the condition of affairs existing to-day is almost paralleled in every other State. In 1921 the population of New South Wales was 2,091,722, and by 1924 the increase was 162,728, or 7.7 per cent. In Victoria in 1921 the population was 1,527,909, and by 1924 the increase was 129,186, or 8.4 per cent. In Queensland in 1921 the population was 750,624, and by 1924 the increase was 84,270, or 11 per cent. In South Australia in 1921 the population was 491,006, and by 1924 the increase was 47,500, or 9.6 per cent. In Western Australia in 1921 the population was 331,323, and by 1924 the increase was 32,801, or 9.9 per cent. In Tasmania in 1921 the population was 212,752, and by 1924 the increase was 5,087, or 2.4 per cent. So that during the four year period, Western Australia on a percentage basis was second in the increases. If we take the year 1923-24—the latest for which we have statistics—we find it places Western Australia in the fourth position so far as the percentage increase of the population is concerned. Argued from the percentage basis, we say that the per capita system of assisting the States has not helped us in the way of increasing our population, and we can argue that the policy of development adopted in the States has had the result of giving them an increase pretty well on the same lines.

Hon. J. EWING: What about the development of Western Australia in the next ten years?

Hon. H. SEDDON: We have to consider our Government policy. The policy of the various Governments in the past has been largely agricultural. If we examine the expenditure during the past 15 years, we find that with regard to agricultural development, directly and indirectly, about 70 per cent. of our loan moneys has gone in that direction. There is one thing with regard to agricultural development, that while it is perfectly sound and safe, it only provides

for a comparatively thin population. If we refer to the statistics of population as disclosed by the last two censuses, we find that the increase in the agricultural population in the ten-year period was not very big. In 1911 there were 21,566 people engaged in agriculture in this State, whilst in 1921, ten years later, the number totalled 26,564, an increase, we may say, of 5,000. It will therefore be seen that our policy of agriculture does not provide for the creation of a large population. At the same time, it is a policy that we must recommend as being perfectly safe. Western Australia cannot hope to expand rapidly whilst we confine ourselves to agricultural development. The question then arises respecting the people whom we keep employed in the Eastern States. A very large number are engaged over there in manufacturing machinery and other secondary products for our use. There is no reason, provided we can find the capital, why we should not be able to make up-to-date machinery and also manufacture those other articles that we are now importing from the Eastern States. On the other hand, our greatest disadvantage is our small market. We are just beginning to realise our possibilities and I am inclined to think that our brightest outlook respecting population rests in the expansion of the mining industry, and the provision of cheap power from Collie. The State should derive considerable benefit from these sources rather than from any other direction. So far as I can see from statistics that are available, the assistance we get on the per capita basis does not afford us that help that we would get if the payments were made on a different basis. I wish to draw attention to the advisableness of basing the assistance that might be given to the State on a question of area rather than per capita. In this way Western Australia would benefit tremendously.

Hon. G. W. Miles: That is what is proposed.

Hon. H. SEDDON: The principle has been adopted by the Federal Government with regard to granting assistance for road making. In order to effect a comparison I have taken the per capita figures as given in the Commonwealth proposals, and re-allotted them on the basis of area instead of per capita. Members will see the advantage to Western Australia. If we take New South Wales, under the present system that State receives £2,909,020, whilst

on the basis of area the payment would be £799,500. Victoria now receives £2,144,706 and on the area basis that State would get £227,550. Queensland now receives £1,094,766, whilst under the other system she would receive £1,732,762. South Australia at present gets £700,849, whilst on the area basis the payment would be £932,466. Western Australia now receives only £564,680, whilst under the other system the payment would be £2,522,268.

Hon. J. Ewing: Do you think they would agree to that?

Hon. H. SEDDON: I do not know. I am just showing the difference in the payments, were they to be made on an area instead of a per capita basis. On the area basis, Western Australia and Queensland would benefit to a great extent. The Northern Territory would receive £1,353,000. On the other hand, Tasmania with its small area would get £67,850, whereas under the per capita basis she now draws £273,000. Thus the per capita basis works out adversely towards Western Australia and the Northern Territory, whilst the area basis would work out badly for Victoria and Tasmania. If we could strike a basis of assistance that would take into consideration both those factors, we should be able to arrive at something that would be fair to both, and would not unduly penalise the small States. The area of Western Australia is a considerable disadvantage in regard to both administration and development. Nearly all the primary works such as the making of roads and the building of railways, press very heavily on an area such as ours, especially when the population is limited. Therefore we are entitled to consideration and to ask that our subsidies should be dealt with on the basis of area. We are entitled to ask that that factor should be taken into consideration in any readjustments proposed by the Federal Government. Whilst the Federal Government have adopted the principle of taking area into consideration in making their grants, and seeing that they have also adopted the idea of making special grants to meet the disabilities of certain States, would it not be desirable, instead of simply refusing to discuss the whole question, if the State Government opened up the question of Federal assistance with a view to getting the allotments rearranged, and also securing separate grants to meet our special disabilities. The principle of the Federal Government in the past seems to have been

to adopt a method of giving subsidies to assist industries in the other States, and giving very little, if anything, to Western Australia. We have already put forward our case respecting our industry—I refer to gold mining—and if the Federal Government were prepared to assist us by re-allotting the annual grants on an area basis, and also to grant subsidies as they are doing in the Eastern States, then we should attain a basis of Federal and State relationship that would be of better advantage to both, and the assistance would be more sharply defined. If we examine the gains of the taxpayers of the States, we find that they are more nearly equalised than either the per capita or the area basis provides. New South Wales would gain £459,000, Victoria £125,000, Queensland £50,000, South Australia £51,000, Western Australia £413,000, and Tasmania £427,000. So it will be seen that under the Federal proposals, Tasmania and Western Australia would stand to benefit by the special grants.

Hon. H. Stewart: Are you taking into account the proposed subsidies by the Federal Government for the States' disabilities? There are not yet finalised.

Hon. H. SEDDON: Instead of endeavouring to close the whole field of taxation, and revising it on a per capita basis, why should not the whole question be discussed and adopt my suggestion as a foundation and see whether we can arrive at a basis of assistance to meet our disabilities?

Hon. H. Stewart: The Federal Government are not convinced that we have disabilities.

Hon. H. SEDDON: That is discounted by the fact that the Federal Government are prepared to assist us, by making the grants permanent and proposing to take over the North-West. The whole subject should be discussed with a view to arriving at a satisfactory decision in regard to basis, satisfactory to both parties. Nothing is to be gained by standing off and criticising without offering an alternative proposal.

Hon. J. Nicholson: Getting something on a permanent basis.

Hon. H. SEDDON: Yes, on a basis they are prepared to discuss. I have shown that the per capita basis works adversely so far as we are concerned.

Hon. Sir Edward Wittenoom: That should be the foundation of everything—the per capita system.

Hon. H. SEDDON: I have shown that on the per capita basis we are not likely to get as fair a deal as we would receive on an area basis.

Hon. Sir Edward Wittenoom: But the per capita should be the foundation.

Hon. H. SEDDON: To my mind the whole position is one for discussion, rather than for standing off and criticising. I suggest that the whole thing could be reconsidered and discussions re-opened between the State and Federal authorities to the distinct advantage of Western Australia, whose difficulties arising out of her vast territory and peculiar disabilities would receive special consideration. I cannot support the motion in its entirety, although it contains much with which I am in sympathy.

HON. A. J. H. SAW (Metropolitan-Suburban) [5.17]: I do not intend to oppose the motion. It is one that should be carefully examined and scrutinised. In the first place the present financial relationship between the Commonwealth and the States is, I take it, that both the Commonwealth and the States are exploiting the field of direct taxation. The Commonwealth alone has the benefits derived from the Customs tariff, and makes available to the States special subsidies on a per capita basis. The Commonwealth Government have now put forward proposals that they shall relinquish, in part, the field of direct taxation, giving up a larger share of it to the States, in return for which the Federal authorities propose to discontinue the per capita subsidy. When that proposal was made, there was at once a chorus of disapproval from all the States. That struck me as very peculiar, because the contention of the Commonwealth was that, so far as the States in the mass were concerned, the amount of taxation the Commonwealth was prepared to relinquish by vacating in part the field of direct taxation, practically agreed with the amount that would be gained by the discontinuance of the subsidy payments on the per capita basis. It occurred to me that this might be an arrangement that would suit some States and yet prove disadvantageous to others, particularly to a State such as Western Australia, where there is a small amount of accumulated capital only. Consequently, we here have not the same field for direct taxation. If that be so in a poorly developed State, the converse would be true in a rich State such as Vic-

toria or New South Wales. Because of this, I was surprised at the unanimous expression of disapproval from all the State Governments.

Hon. G. W. Miles: In 1923 they agreed to it.

Hon. A. J. H. SAW: The unanimous disapproval struck me as rather a suspicious circumstance. There was another suspicious circumstance and that was the extraordinary solicitude evinced by the State Governments regarding the interests of the taxpayers. It was a wonderful solicitude! The Chief Secretary told us the other night that had the Government of Western Australia continued to receive the per capita payments from the Commonwealth, they hoped to have been able to relieve the heavy burden of taxation under which the people of Western Australia are at present groaning. I do not know that the proposals of the Commonwealth Government represent to the individual taxpayer a matter of particular moment. It has already been pointed out that the taxation, whether paid to the State or to the Commonwealth, will fall on the same shoulders that bear it now. I do not know that it is a matter of great concern to a lamb which shearers fleece him. I do not understand how any individual taxpayer could take any strong exception to the proposal suggested by the Commonwealth Government, particularly if the amount of taxation he is paying at present will be the same he will have to pay in the future. It merely means robbing Peter to pay Paul. Nor can I understand how it comes about that each State Government has expressed disapproval of the proposal. As to the taxpayers and the solicitude now exhibited by the State Governments for their welfare, it reminded me a little of the incident in "Through the Looking Glass." You will remember, Mr. President, that part in which the Walrus and the Carpenter persuaded the Oysters to join them in a walk. You will probably remember the lines:—

"I weep for you," the Walrus said,
"I deeply sympathise."

With sobs and tears he sorted out

Those off the largest size,

Holding his pocket-handkerchief

Before his streaming eyes.

Tweedledee pointed out to Alice that the reason the Walrus was wiping his eyes with the handkerchief was that the Carpenter should not see that he was taking the largest

share of the Oysters. That is the attitude adopted by the State Governments in connection with the taxpayers. The real reason why the States are opposed to the Federal proposal is not that indicated by them, but because the Commonwealth proposes to relinquish to them a much larger share of direct taxation. There is nothing so unpopular as direct taxation. There are two occasions in the year when everyone has a grievance. The first is when he has to prepare his income tax return for assessment purposes. It is an irksome and laborious proceeding unless one has the advantage of highly skilled assistants. The next occasion is when he receives his assessment and finds that it is much larger than he considers it ought to be. On the other hand, the field of taxation that is covered by the Customs tariff is such that the people pay without, apparently, knowing anything about it. There are many men of moderate means who will purchase a motor car or a pianola and in doing so they will pay more in taxation through the Customs than, in all probability, they pay in the year by way of direct taxation. Such men do not seem to feel it. To my mind that is the real reason why the States are averse to falling in with the proposals of the Federal Government. A similar position occurs to me in connection with surgical operations. We have those conducted under local anaesthesia and those under a general anaesthetic. Under local anaesthesia, the surgeon has to be extremely careful in the manipulation of his instruments, for otherwise the patient calls out. That position I would compare with direct taxation. On the other hand, under a general anaesthetic, the surgeon, unfortunately, can be rough without the patient feeling it at the time or knowing anything about it. The consequences are reflected in the fact that the wound is considerably more slow in healing. I compare the latter position with taxation derived by means of Customs revenue. These are the real reasons animating the States. My objection to the proposal is that if the Commonwealth vacates portion of the field of direct taxation, the Federal authorities will be encouraged to still further raise the Customs tariff. There is nothing that hits us harder than a high Customs tariff. That is one legitimate grievance Western Australia has, and undoubtedly the high Customs tariff presses harshly upon us at present. There is an-

other phase covered in the motion; there is the suggestion that the question shall be submitted to a referendum of the people. I doubt whether any of us has any confidence in questions being submitted to the people by way of a referendum. At the present time, referenda proposals are before the public of Australia. From what I can hear and from the questions I have been asked, I do not believe one person in twenty understands in the least what the issues are. On the other hand I believe that if we desire an ignorant and blind vote, the quickest way of getting it is by way of a referendum of the people. It is not necessary to decide this question by such means. The Federal Government have the power in their own hands already without the necessity for a referendum. I hope that when the question is solved it will be by means of a consultation between the Federal and State authorities. I trust that when that point is reached they will arrive at a solution that will be of advantage to all concerned. The question of Federation has cropped up incidentally during the discussion. It is a pity that those of us who occupy prominent public positions such as members of Parliament, having a degree of responsibility to the public generally, do not take a strong stand against the ridiculous cry for secession.

Hon. J. Cornell: It is a maniacal cry!

Hon. A. J. H. SAW: Sir John Monash, when he spoke at the civic reception to the delegates attending the Science Congress in Perth, alluded to the benefits that have accrued to Australia through Federation. Mr. Seddon told us of some of the benefits, but to my mind he overlooked the most important of all. The one I refer to is that we are now a nation imbued with a national spirit. Sir John Monash went on to say that that was the sentiment that pervaded the thoughts of those of us who had the advantage of serving abroad. During the war we forgot that we were Victorians, Tasmanians or Western Australians, and we became lost in our identity as Australians. That is the right attitude to adopt. I am sorry whenever I hear the bogey of secession raised. I do not believe for one moment that the people of Western Australia want secession. If that question should be seriously raised, although I am loth to stump the country, I will be found doing so on the other side. I do not think that the people who talk about secession envisage what the future of Australia would be had we not federated. Within a few centuries, instead

of having a united Australia, we would have a condition analogous to that which prevails in Europe to-day. We would have a series of petty States that in time might grow into large nations divided by rivalries and antagonisms, leading in the long run, in all probability, to hostilities between them. Without Federation, we could at some future time easily display between Western Australia and Queensland, or between New South Wales and Victoria, the same antagonism as exists to-day between Belgium and France or between Holland and Germany. I do not think that the people desire to see that sort of thing in Australia. If that result were to follow, we would have a series of hostile tariffs and a series of standing armies waiting to proceed against one another should the occasion arise. Under existing conditions, we have legitimate grievances, but they can be remedied inside the Federation, and not outside of it.

HON. SIR WILLIAM LATHLAIN
(Metropolitan) [5.30]: I listened with

very keen attention to the remarks of the Chief Secretary. One would imagine, when he was presenting the motion, that the fact of our having federated was the cause of all the ills and evils from which Western Australia is suffering. I do not subscribe to that idea, because I believe that a number of ills and evils from which we are suffering are of our own creation, and that it is not fair to place the burden of all of them on federation. I am opposed to the motion in its present form, because I consider there have not been the care and attention given to the consideration of the vital issue presented by the Prime Minister to the State Premiers that such an important question deserves. At the first conference the whole of the Premiers simply said, "No, we will not accept the proposals of the Federal Government." Another meeting of the Premiers was then held and they invited the Prime Minister to be present. The Prime Minister did not attend and the Premiers at the second conference were consequently very indignant. As the Prime Minister very courteously told them, he had asked them to make some suggestions or recommendations because he maintained that the figures he had placed before the Premiers were founded on fact and no one at the first conference had shown them to be incorrect in any shape or form. But the Premiers adopted an attitude that I would de-

signate the attitude of surly school boys. They refused to have anything whatever to do with the proposals of the Prime Minister. That was not the way in which to get satisfaction on this question. That this question is of vital importance to Western Australia in particular, every member of the community realises. Judging by the various statements made from time to time, one would imagine that the Federal Government, in proposing to take the per capita payments from the States, were not offering any corresponding advantage in return. When the Federal Treasurer, Dr. Earle Page, made his statement in the Federal House, he was reported in the Federal "Hansard" to have said—

The general effect of the scheme will be that the Commonwealth will surrender £7,780,000 of taxation, whilst the capitation payments amounting to £7,687,000 will be discontinued. Advances will be made to give each State a margin of £50,000 without allowing for the special assistance to Western Australia and Tasmania.

Some four years ago the Federal Government initiated a scheme whereby the Taxation Department dual staffs combined. As a result of the combination a saving of £200,000 was effected, and it was possible to dispense with the services of 600 officers. I take it the Commonwealth Government have in mind that, with the throwing upon the States of the duty of collecting the taxes proposed to be surrendered, the States will be able to effect a considerable saving. Be that as it may, it shows that the Commonwealth Government are desirous of giving the States at least a quid pro quo for the surrender of the capitation grants. Great stress has been laid on the fact that the Commonwealth Government last year had a surplus of £2,700,000, but the Federal Treasurer distinctly told us that over £1,000,000 of it had to be applied to the naval construction scheme, and if it had not been provided out of last year's surplus, fresh taxation would have been necessary to raise the money. In addition to that over £1,000,000 was applied towards the reduction of the war debt. When the Chief Secretary was presenting his case in support of the motion he made no reference to the indebtedness of Australia as a whole in consequence of the war. Every member of the House is well aware that the total war indebtedness of the Commonwealth is £400,000,000, and that the Federal Government have undertaken to repay the whole

of it within a period of 50 years. Therefore, it cannot be contended there is any surplus revenue in any year so long as the Commonwealth Government are faced with any portion of that war debt of £400,000,000. During next year the Federal Government will have to reorganise the whole of their finances, because a loan of £70,000,000 will then fall due. The success of the Federal Government in transposing the last loan of £67,000,000 was a marvellous act of finance, which even the people of the Motherland thought Australia would be unable to carry into effect. I do not wish members to think that, because I am speaking for the Commonwealth at present, I have not just as much sympathy for the rights of the State. My sincere desire is to see this State get not only bare justice, but liberal justice. At the inception of federation—this point has been much discussed during the debate—it was anticipated that the Customs and Excise revenue would produce sufficient money to meet all the requirements of the Commonwealth. Last year the revenue from Customs and Excise amounted to £39,000,000. Against that, the Commonwealth had to provide £29,000,000 for war expenditure, £9,000,000 for old age pensions, £5,000,000 for defence purposes, and £700,000 for maternity bonuses, a total of £43,700,000. Thus the sum of £39,000,000 collected from Customs and Excise duties does not by any means provide all the money that the Commonwealth Government consider is necessary to carry on the nation's affairs.

Hon. J. Ewing: Does that represent the total revenue of the Commonwealth?

Hon. Sir WILLIAM LATHLAIN: No, it is the revenue from Customs and Excise only.

Hon. J. Ewing: They had a revenue of £66,000,000.

Hon. Sir WILLIAM LATHLAIN: They had other revenue and other expenses. There is another important factor to be borne in mind, that practically every Federal Treasurer has decried the per capita grants. During Mr. Watt's term of office as Federal Treasurer he made a definite proposal that the per capita payments should decrease by half-a-crown each year until they were brought down to a minimum of 10s. Had that proposal been carried out the various States, instead of receiving nearly £8,000,000 last year, would have received about £4,500,000. Mr. Seddon referred to

be inequality of the per capita payments. I was much impressed by the statement made by Dr. Earle Page at a recent reception when he gave a specific instance of how unfair and how unjust the per capita system is. Take the steel works at Newcastle. In the first place nature endowed New South Wales and particularly Newcastle with a very rich deposit of coal. It was resolved to start big steel works there. In order to place the steel works on a proper foundation, the Commonwealth Government assisted the Broken Hill Proprietary Co. with very large bounties. In addition the industry is protected by a high protective tariff, apart from the high cost of freight and shipping incidental to the transport of manufactures of that particular kind. As a result of the establishment of that industry, 5,000 men are employed. Taking as a fair average a family of four, that means 20,000 souls. In addition we have to include the number of persons who supply the 20,000 with the necessities of life, so, it is a conservative estimate, the establishment of that industry in Newcastle would mean the presence of 30,000 people in respect of whom the Commonwealth Government are paying the already rich State of New South Wales 30,000 sums of 25s. under the per capita grant. In my opinion the per capita grant is not a fair and reasonable way to distribute the wealth of the country. Further, it is a system that is not adopted by any other federation in the world. It has been tried elsewhere, but the inequity of the distribution has led to its discontinuance. There is another aspect of the per capita system: it is not provided for under the Constitution, and therefore it can be repealed by any Government of the Commonwealth at any time.

Hon. J. Ewing: It ought to have been provided for in the Constitution.

Hon. Sir WILLIAM LATHLAIN: Since Mr. Lang came into power in New South Wales and granted the 44-hour week, what was to have been a surplus in that State has been converted into a big debit balance. The same thing applies in Western Australia as a result of our Premier having granted the 44-hour week to a number of employees of the State. If the Country Party or any other party came into power in the Federal Parliament and desired to give concessions to certain people they could, by a vote of Parliament, delete the per

capita payments. The financial arrangements upon which the States so largely depend should not be left so insecure. In my opinion the present is an opportune time for this matter to be discussed thoroughly with the Federal Government. They have stated time and time again that they are quite willing to give Western Australia all possible consideration. The fact remains that the Federal Government, by retiring from the field of land tax, probate duty, entertainments tax and portion of the income tax, relinquish more than they would save by the abolition of the per capita payments. They are probably sacrificing more under the one heading than they are paying under the other. That is a definite statement. The figures that have been presented to us by the responsible officer show Western Australia in a bad light. The Federal Treasurer has made a definite statement in the House that £7,687,000 is the amount of the per capita payment, whilst £7,787,000 is the amount that has been collected from the States under the items I have referred to. I think that the proposals of the Federal Government are worthy of serious consideration. I feel certain that if they are placed before the Commonwealth Government in a fair and reasonable light, and a sincere desire is shown by all parties to come to an amicable understanding, we shall get a policy that will, not for a year or two, but for at least another 10 years, settle the question of the financial relations between the States and the Commonwealth. In view of the wording of the resolution, therefore, I cannot support it.

HON. H. STEWART (South-East)

[5.47]: I am in accord with a great deal that members have said. I subscribe largely to the opinions expressed by Mr. Seddon. When the Premiers in Melbourne refused to discuss the matter, after it had been under consideration for at least two years, they showed themselves in a weak light. I agree with the opinion expressed by Sir William Lathlain that now is the time to investigate this matter, and to put forward proposals to the Federal Government. We are only one State. However much we are prepared to do this, we are not in a position greatly to influence the opinion of the other States. I feel, as I always felt, that this is absolutely a non-party matter. Unfortunately, in certain environments it seems to have been taken up with a certain amount of party shade. If

that is so, it is regrettable. I see no reason why that feeling should remain.

Hon. E. H. Harris: Do you not think it was shown at the Premiers' conference?

Hon. H. STEWART: I see no evidence in the reports of the conference that this was treated as a party issue. This is not a matter for those who happened to be Premiers of the States at the time this important question was under discussion. It would be much better that it should be dealt with on non-party lines by others than only the Premiers participating in the discussion. Some two years ago five of the States seemed prepared to accept a basis like the Federal Treasurer's proposal. A little while later those five States recanted from the position, and not in all cases were the Governments changed in the meantime. That being so, I do not feel that this resolution expresses the feeling of this Chamber. The suggestion that this question should form the subject of a special session of the Federal Parliament does not seem to indicate that a broadminded settlement would be arrived at, one that would commend itself to the individuals of the States, judged from the feeling of opposition that has arisen in consequence of Federation, and the dissatisfaction concerning the treatment that has been meted out to the States by Federal legislation. The whole question hinges on the per capita payment under the Constitution. I fail to see that the time is not ripe for a consideration of the whole matter. It should be possible for some tribunal to be appointed on behalf of the States. This should take the form of a convention, that would deal with the financial relationship existing between the Commonwealth and the States.

Hon. J. Cornell: What would be the benefit of the convention?

Hon. H. STEWART: If a convention fully considered the matter, and arrived at a basis that seemed to be sound, evidence would be forthcoming that would make Federal members fully acquainted with the exact position. If a convention on the lines of previous conventions was appointed, it would be representative of all sections of the communities of the different States, and would bring out both the State and the Federal aspects of the situation. The conclusions arrived at would be reached after exhaustive investigation. It is not betraying any weakness of the methods or of the attainments of members of legislative bodies

if I say that the information obtained by a convention would enable members, as a whole, to arrive at a sounder decision than they could do without it. Otherwise, they would require to obtain all the material and information for themselves as individuals before coming to a conclusion.

Hon. J. Cornell: That was suggested before, but it was thought to be an interference with the prerogatives of the Federal Parliament.

Hon. H. STEWART: That is not to say that it would be unwise to do this.

Hon. J. Cornell: Is it safe to assume that any succeeding Parliament would adhere to the decision given?

Hon. H. STEWART: I do not suggest that. It is not the best way to deal with the matter to do so through a special session of the Federal Parliament. This resolution deals with the minimum relief, namely, not less than the payment of 25s. per head of the population. It allows for no scope in the event of a convention taking a broader view of the situation. There may be a sounder basis of making payments to those States that are suffering from disabilities, one that will be less subject to the personal opinions of Governments that may be in office from time to time. Sir William Lathlain expressed the view that the Federal Government were willing to give special consideration to Western Australia because of her disabilities. In view of the findings of the Royal Commission, and when I review what has taken place since, and after reading the remarks of the Federal Treasurer, I cannot help thinking that Dr. Earle Page showed great want of sympathy for the financial position of this State. He failed to see that Western Australia was suffering any disabilities, and said that her population had increased, and her development considerably advanced. Undoubtedly the population has increased since Federation, and the State has progressed, substantially, but not in a degree comparable with the progress made by the other States. I cannot help thinking that the tentative proposals that have been made by the Commonwealth have been formulated in a grudging manner, and that the proposed relief is the least that could be offered in view of the recommendations of the Royal Commission. I regret I cannot subscribe to the resolution as it is worded, although I am fully in accord with the desire of members of another place that we should endeavour

to conserve and put on a sound basis our financial relations with the Commonwealth.

On motion by Hon. V. Hamersley, *Debate adjourned.*

ADDRESS-IN-REPLY.

Ninth Day.

Debate resumed from the 18th August.

HON. J. CORNELL (South) [6.1]: Before proceeding on the even tenor of my way I desire to join with preceding speakers in extending congratulations to you, Mr. President, on your elevation to the Chair of this Chamber. I need not enter upon a lengthy dissertation regarding your eminent qualifications for the position you now hold, nor need I go into details concerning our long association as colleagues in the representation of the South Province. I think it sufficient to say that you have well earned the position and that you will fill it with credit to the House and to yourself. I desire also to join in the welcome extended to new members of the House. It seems inevitable that at every election—I know of no exception—someone should fall by the wayside. Having myself once had a close call, I can sympathise with those who have so fallen. Without any reflection on the hon. member who has succeeded Mr. Thomas Moore, I wish to say that I felt a real pang of personal regret at the loss of Mr. Moore's services, he and I having been fellow diggers. My association with him extends over many years, and is almost too long to remember. Moreover, I was a colleague with him in that institution the A.I.F., which made a man an Australian even if he was a States righter. From the personal aspect I regret that Mr. Moore is no longer with us. However, there is the consolation that his successor will worthily maintain the standard set by Mr. Moore. I also join in greeting Sir William Lathlain and Mr. Mann. As they become accustomed to the Chamber, they will find it an excellent debating institution, and that hard knocks can be given and taken within these walls without causing any ill-feeling outside them. Coming now to the text of my remarks, I think it only fitting and proper that as the representative of a mining province I should deal with the mining industry. No one will

dispute the value of that industry to Western Australia in the past. No one will deny it was gold mining that put Western Australia on the map once Bayley had discovered Coolgardie. Another tribute which is due to the mining industry is that even before its decline there was an exodus from it of men who had been raised in agricultural districts of Eastern Australia and had, like myself, been forced by an approach to starvation to come West: those men, upon relinquishing the mining industry, went upon the land here. A great percentage of the early pioneers of the wheat belt and also of other agricultural districts were drawn from the mining fields. In that respect those men showed wisdom: to-day they are wealthy or affluent, whereas if they had continued in the mines they would probably ere this have been in the Kalgoorlie cemetery or the Wooroloo cemetery. Mr. Dodd has remarked that figures are often uninteresting, but I think it right to quote a few by way of showing what the mining industry was and what it is, what it has done and what it is likely to do. I shall not repeat the figures adduced by Mr. Dodd. The figures I intend to quote will include the story told by Mr. Dodd and carry it on to a sequel. It will be generally conceded that the gold mining industry of Western Australia was at its peak in 1901. During that year the industry employed 19,771 men. Coming to 1919 we find that the industry employed 7,242 men, a decline of 12,529. In 1920 the number employed was 7,087, a decline of 155; in 1921 it was 6,019, a decline of 1,068; in 1922 it was 5,787, a decline of 232; in 1923 it was 5,555, again a decline of 232; in 1924 it was 5,296, a decline of 259; and in 1925 it was 5,009, a decline of 287. In the year 1925, the latest for which figures are available, the gold mining industry employed 5,009 men as against 19,771 in 1901, showing a decline of 14,762 men employed. Members can picture to themselves what the condition of Western Australia would be if the number of men employed in the gold mining industry to-day were what it was in 1901. Matters are not improving. Since the figures for 1925 were issued, the Horseshoe mine has closed down, throwing 450 men out of employment. Deducting that number from the 1925 total, we find that gold mining to-day employs approximately 4,550 men. Thus there is a decline

of over 15,000 men in the number now employed by gold mining as compared with the number employed at the beginning of the century. I have also to draw attention to the decline in acreage held under mineral lease. The report of the Mines Department for 1925 contains the following passage:—

The acreage held under mining leases for minerals is 52,802 acres, being a decrease of 4,209 acres when compared with 1924. The area leased for gold mining is less by 1,614 acres, and for other minerals by 5,959 acres. So we find not only a decline in the number of men employed, but a corresponding decrease in the area held for mining purposes. Further quotations taken from the report of the Mines Department for 1925 will serve to show the importance of our gold mining industry in the past, and what it would probably be if there were a revival. The percentage of mineral exports, exclusive of coal, in relation to the total value of exports from Western Australia during the last 25 years has been as follows:—

1901	..	..	..	81.27
1902	..	..	..	83.20
1903	..	..	..	84.53
1909	..	..	..	66.66
1910	..	..	..	57.78
1911	..	..	..	67.09
1915	..	..	..	47.19
1916	..	..	..	62.92
1918	..	..	..	30.34
1919	..	..	..	43.67
1921	..	..	..	13.30
1923	..	..	..	27.16
1924	..	..	..	13.24
1925	..	..	..	1.27

The fall to the very low percentage of 1.27 in 1925 has an explanation. A footnote in the Mines Department's report states—

The mineral exports for 1925 were abnormally low for the reason that the movement of fine gold bars and gold specie was restricted during the year, probably due to the uncertainty of the London-Australian exchange position, also to the restoration of the gold standard and the opportunity afforded banks to replenish depleted stocks. The export of minerals other than gold was approximately the same as in the previous year.

However, the figures tell their own story, aptly demonstrating what the great mining industry of this State has been and the position to which it has fallen. A learned gentleman once had his fortune told by a lady, and she began to tell him about the past. He said to her, "The past I know. What does the future hold?" Most of us know the past of the mining industry. I

have quoted figures only by way of clinching the abstract views which I shall advance. The revival of the industry was part of the policy of the present Government when they were on the hustings. The policy advocated by the present Government as against that of the previous Government was to appoint a Royal Commission. The supporters of the present Government were wise to the position of mining three years ago, just as their opponents were, and as we are to-day. On attaining power, the present Government appointed a Royal Commission with a view to putting the mining industry on a better footing.

Sitting suspended from 6.15 to 7.30 p.m.

Hon. J. CORNELL: Before tea I referred to the policy of the Government when they went on the hustings nearly three years ago and avowed their intention of doing something that would lead to the revival of the mining industry. Soon after they were returned to office, in accordance with their pre-election pledges they appointed a Royal Commissioner in the person of Mr. Kingsley Thomas, an excellent gentleman well qualified to deal with South African mining. Whether or not Mr. Thomas made himself sufficiently acquainted with the conditions of mining in this State before he wrote his report, I cannot say. Certainly he raised a hornet's nest amongst those responsible for the conduct and management of our large producing mines in Western Australia. Some of the comments in Mr. Thomas's report have done a lot to destroy what merit there may be in the balance of his report; for in the last analysis his recommendations would have to be put into operation by those very gentlemen whose methods he denounced. Probably many of the suggestions put forward by Mr. Thomas would have been of great value a number of years ago, when the industry was young; but in view of the condition of the industry to-day those recommendations are of little, if any, value. His comparison of the working of the Western Australian mines with those of the Johannesburg mines is very largely picturesque, and it is doubtful whether the Johannesburg methods are applicable to the mines in Western Australia. In several aspects the two propositions are wide apart as the poles.

Hon. E. H. Harris: Mr. Thomas's recommendations might be right enough on a new field.

Hon. J. CORNELL: That is the point. The formation of our lodes is very different from the formation of the lodes in Johannesburg, and as a further consideration, black labour in the Johannesburg mines is a very big factor to their success. Senator Given, a man who knows a great deal about mining and who visited Johannesburg at the head of the Australian delegates comprised in the Parliamentary Overseas Committee, said he was surprised at the thoroughness of mining in South Africa, but was of opinion that, without black labour, mining in Johannesburg could not continue for six months. I am well aware that in respect of assisting small shows in this State the Government have done just as much as their predecessors. But in their pre-election speeches the Government promised to do something of tangible value for the mining industry as a whole, including the large producing mines. Despite anything the Government may have done, the position of those large producing mines is infinitely worse to-day than it was three years ago. I have quoted figures showing that those mines employ now a much smaller number of men than they employed three years ago. So, although the Government did actually carry out their pre-election promise to appoint a Royal Commission, we have to face the fact that the solution of the problem appears to be as far off as ever. More recently the Government came to the rescue of the Golden Horseshoe mine, advancing £50,000 to keep it going. Nevertheless the continuity of the mine was no more secured than if the £50,000 had not been forthcoming. About all that can be said for that assistance rendered by the Government is that, probably, it kept the mine going a few months longer than it would have lasted without it. Certainly it has not added to the continuity and permanency of the mine and of the employment that it gave.

The Honorary Minister: What could have been done for the Golden Horseshoe?

Hon. J. CORNELL: I recognise that the position of the industry is desperate, but I am quite right in saying the assistance rendered to the Golden Horseshoe by the Government has not resulted happily. Mr. Kingsley Thomas recommended the erection of a central power station at Kalgoorlie, and to-day a committee is sitting to devise means

of putting that recommendation into effect so that the power cost may be considerably reduced. But I say the practicability of such a proposal can only have full confirmation from the two parties concerned. Whether or not the proposition will be satisfactory to both parties, the future alone can determine. In the meantime we can only hope that a satisfactory arrangement will be arrived at. Simultaneously with the erection of a central power house, there comes the question of the conversion of the existing machinery on the mines. I trust that in considering this question of cheaper power, the Government will consider also the relative cost of conversion in order that the producing mines may be in a position to use the cheaper power. Mr. Seddon, an authority on electric power, will agree with me that the question of conversion is just as important as the question of cheaper power. As Mr. Harris has said, the suggestion to apply a new system of power to obsolete machinery is analagous to applying Johannesburg methods to the Golden Mile. Certainly the mining companies will ask themselves this question: "If cheaper power be offered, are we justified in securing further capital in order to convert our machinery?" I desire to say a word of praise for the State Prospecting Board, on which it has been my privilege to occupy a seat continuously for six years. The board acts in an honorary capacity, and its members never hesitate to go to considerable inconvenience in order to further the objects of the board. The board is endeavouring to do much, and it has not done much else it has demonstrated that it can function satisfactorily even with departmental officers and members of Parliament in its personnel. I want to pay a tribute to successive Ministers for Mines and say that never has any of them thrown obstacles in the way of the board; on the other hand, they have practically given the board full power to deal with everything coming within its ambit. One obstacle the board has to contend with is akin to that which faced the Spartan nation. I understand that all the Spartans are dead. I have been dead for a long time. One of the difficulties the State Prospecting Board is up against is that nearly all the old prospectors, who knew the run of the country so well, have gone or will soon go the way of the Spartans, and that the new material is not as satisfactory as the board would like.

Hon. G. W. Miles: What about the mining taxation?

Hon. J. CORNELL: There is only one way to come to the assistance of the industry, and that way is for the Federal Government. Whether it be by way of a bonus or any other form of assistance, the time is overdue when the Federal Government should endeavour to help to stem the downward trend of the mining industry, and if possible put it on a better and more certain foundation. A long dissertation could be entered upon as to whether or not it is sound economically to assist the mining industry in the way I have suggested, or whether a bonus or bounty should be given. It may be unsound economically, and it is generally accepted that assistance by way of a bounty is not economically sound. There is, however, this to be said that the mining industry, in view of all it has done for Australia and all it can do by a revival, is due for consideration by the Federal Government from an Australian and Empire aspect just as sugar, cotton and the other industries that have been assisted. I was very pleased to know that the Prime Minister had directed that one of the first duties of the Development and Migration Commission should be in the direction of investigating the condition of the gold mining industry in Western Australia, and recommending means by which its downward trend might be stemmed. One of the chief reasons for the decline of the industry is that whilst other commodities necessary to life during the last decade have increased in value at the rate of 100 per cent., the price of gold has remained the same. Then with the increase in the cost of labour, and mining costs generally, and the price of gold being at a standard rate, the grade of ore being worked to-day cannot any longer be mined under existing conditions. There is one phase of the industry to which I would draw the attention of the Honorary Minister, and that is the question of fatalities. The Honorary Minister feels just as keenly as I do on that subject. I find that in 1924 in the East Murchison, Mt. Margaret, Murchison and East Coolgardie goldfields there were seven fatalities. In 1925 there were 12 within these goldfields, and yet there were 287 fewer men employed in the industry in 1925 than in 1924. The fact remains that the fatalities numbered five more. The recent accident in the Ivanhoe

mine was appalling. Whilst I do not desire to cast any reflection whatever on our mining inspectors, I suggest that the disasters at that mine seriously call for an early and searching inquiry. Speaking as a mining man, it is quite possible to excuse an accident where two men lost their lives, but it is hardly possible to excuse it when two more men, only two or three days later, were killed in the identical spot where the first two came to an untimely end. I join with Mr. Stewart in offering my condolences to the relatives of those men who lost their lives in the Ivanhoe mine. Two of them I knew for very many years, and there were no more highly respected men in the State. I do trust that a searching investigation will be made, not only into that disaster, but into the fact that in spite of the number of men employed in the industry being so many less, the fatalities should be more. It would be like going to the Pole without an overcoat if I, while on my feet, did not deal with the question of mining diseases. To use a vulgar expression it would be a show without Punch. I do not wish to indulge in carping criticism regarding the Government in this respect; I only desire to reiterate what Mr. Dodd has said about the payment of compensation. I do not think there is a shadow of justification for the statement that the Legislative Council would not have agreed to certain amendments. I have a lively recollection that when the Bill first came before this House many members said to me, "Cornell, move any amendments you like and we will support them." The then Minister for Mines in another place, Mr. Scaddan, told me that if I persevered with some of my amendments he would drop the Bill. That, I consider, was a tribute to the Legislative Council on the subject of miners' diseases. I have yet to discover that during the last seven years any member of this House has shown any opposition to fair and humane treatment of the men employed in the mining industry suffering from industrial diseases. The present system of examination, if it is to be of any value at all, must be periodical and continuous; otherwise it would be as well if we had not started the job. There is another matter that should come into consideration regarding the men who start work in the mines for the first time, and it is that want of physique and non-resistance to pulmonary diseases should be a dominating

factor against permitting them to commence work for the first time in our mines. This is an important matter that is insisted upon in South Africa. The man who starts work for the first time in a mine in that country must not only be free from tuberculosis, but must have been endowed by the Almighty with a strong physique and the power to resist pulmonary diseases. In Western Australia the present method of examining men prior to their going into a mine for the first time is nothing short of a farce. One has merely to go to a qualified medical man and he will say that what I have told the House is correct. An individual who comes under the Miners' Phthisis Act must submit himself for a laboratory examination, but the man who wants to work in a mine for the first time or does not come within the scope of the Act can go to any quack and get a certificate that will permit him to work in a mine. I claim that wherever the principle of examination is in vogue the test of inclusion should be the test of exclusion. I will give an illustration: Two men who were working in different mines were examined at the laboratory and subsequently left those mines and secured employment in the Perseverance mine, having been engaged by tributers. Five months later they were again examined at the laboratory and declared to be tubercular. A doctor at Boulder asked me to supply him with a copy of my report regarding South African legislation. I asked him what he wanted it for and told him that it was to be seen at the Institute. He told me that he had been making medical examinations of men who wanted to work in mines and that those examinations merely consisted of the use of the stethoscope. I submit that a man who wants to work in a mine for the first time should be thoroughly overhauled. Let me say a word or two in regard to silicotic men. I understand that approximately 600 men have been declared silicotic, that is to say, affected with silica dust. The degree of the ailment is not known. The degree should be known and I hope the law will be amended in that respect. In Broken Hill and in South Africa the stage of the disease in which a man is found is indicated.

The Honorary Minister: Do you advocate that in Kalgoorlie?

Hon. J. CORNELL: I do. I understand that the Government are doing all they

can to induce men under that particular section of the Act to leave their employment. I want to make this position clear. I am the member responsible for the inclusion of that section in the Act, but it is not being interpreted in the way in which I suggested. The Miners' Phthisis Act provides compensation for men found to be tubercular and excluded from the mines. No provision was made, however, for men suffering from uncomplicated silicosis. Those people should know their position. If such men were informed along those lines, they would know whether to leave the mines or not. To-day we have provision for a medical examination and all that a man knows is that he is silicotic; he does not know to what extent he is affected. Such men should know what their position is regarding compensation. When the Workers' Compensation Act was introduced, and it included provisions regarding miners' diseases, I was between the devil and the deep sea. I supported it right through, but I held then, as I hold now, that under that legislation a miner would not be able to claim compensation unless he actually fell down on the job. If he did not reach that stage, he would be involved in endless litigation, interpretations and so forth, before he could know where he was. I suggest that the men should be divided into degrees, and that after periodical examinations they should be informed as to which degree they belonged. In South Africa there are degrees Nos. 1, 2 and 3. If a man is declared to come under degree No. 3, he is compelled to leave the mine, but he need not leave it if he is included under degrees Nos. 1 or 2. The law provides, however, that if he comes under degrees 1 or 2, and decides to leave the mine, he is granted a certain lump sum as compensation. Should the man continue working in the mine after he has been notified that he comes within degrees Nos. 1 or 2, and his health becomes such that he is included under degree No. 3 he must leave the mine, and cannot receive any more compensation than was due to him when he was first notified of the appearance of his disease. That furnishes a direct inducement to the men to leave as soon as their health becomes impaired, thus giving themselves a chance to improve their health and continue as useful members of the community. I give the Government every credit for endeavouring to settle these men on the land. Under the Workers' Compensation Act a man who loses the joint of a

finger will receive compensation accordingly. Where the miner is concerned, however, he cannot claim compensation until he falls down on his job.

The Honorary Minister: That is not right.

Hon. J. CORNELL: That question has yet to be tested. I am positive that that is the position.

The Honorary Minister: That is on a par with many other assertions you make.

Hon. J. CORNELL: It is well known that a man can be declared to be silicotic, yet his earning capacity as a miner may not be diminished. On the other hand, his general health may be seriously impaired and his days will be numbered when he encounters the tubercular germ. We should offer an inducement to the men to leave the industry as soon as possible during the early stages of the disease. If compensation were fixed, the inducement would be offered for the men to leave the industry at that stage. If some provision such as that obtaining in the South African legislation were included, a miner affected in the early stages would not be encouraged to continue working in the mine hoping for larger compensation later on when the disease became more pronounced. I wish to be fair and reasonable. I know that the legislative machinery is in its initial stages, and certainly I would not accuse any member of the Government of being unsympathetic towards the miners. I throw out these suggestions in a helpful and not in a carping spirit. There is another point regarding the compensation for tubercular miners. As the law stands to-day, there appears to be no Parliamentary sanction for the rates paid to the men, nor do any regulations cover them. There is nothing definite or lasting regarding the payments. I do not know where the revenue is coming from, nor what authority there is for the payments. I know that the men are receiving compensation, but the Government should ask Parliament to amend the Act so as to provide permanency for the payments. If the Government were to provide for it by way of regulation, I do not think Parliament would object. If that course were followed, the men would have some security and permanency regarding their compensation payments. As it is to-day the position is unsatisfactory. There may be a change of Government, and that might result in the rate of compensation being reduced or, possibly, increased. It is not likely that the

rates would be increased, but something should be done along the lines I suggest. It should not be left to the whim of a Government, and Parliament only should be able to alter the rates of compensation. Turning from the mining industry to agricultural development within the South Province, it is pleasing to note that agriculture has made decided strides. There are some 300 farms in the Southern Cross district, about 200 at Newdegate, over 100 in the Raveusthorpe area, and some 440 in the Esperance district. That is quite apart from the settlement east of the rabbit-proof fence. Thus, though the mining industry has declined, agriculture has advanced, and now there is quite a substantial agrarian population in the province. I am pleased to see it and, in my opinion, the calibre of the settlers cannot be excelled, though it may be equalled in other parts of the State. The other night one hon. member referred to the necessity for a railway from Newdegate to Albany. In my opinion the railway should proceed in an easterly direction. One hon. member suggested it should go to Forrestania. You, Mr. President, and I too knew an old gentleman who died recently, and who had been a resident in these areas for 52 years. He often said that there was a belt of country running east from Newdegate to between Salmon Gums and Grass Patch, equal to the finest agricultural land in any other part of the State. That represents a new territory awaiting development. The great difficulties to be overcome are water conservation and transport facilities.

Hon. J. Ewing: Is there a good rainfall?

Hon. J. CORNELL: Equal to that of the Newdegate and Salmon Gums country. Recently Mr. Barvill accused me of having stolen part of the Country Party's platform when I said that water supplies and railways should precede settlement. I reiterate that contention regarding this particular locality. I have disensed with the Minister the question of educational facilities in the outback districts. If we encourage and assist people to develop their holdings in the back blocks, we should do everything humanly possible to provide them with the best scholastic facilities within our means. Illiteracy should be stamped out. There is another important matter that concerns agricultural development in the South Province. I refer to jetty accommodation at Esperance. Very soon a new jetty must be provided there.

The present jetty is useless and was constructed in the wrong place. The requirements of the district warrant and demand the erection of a new jetty. I have every confidence in our new Engineer-in-Chief, who has been to Esperance to inspect the harbour. He is a big man and will do big things. We do not expect the work to be done this year, but we desire an early start, so that next season the facilities may be available. The Esperance district will progress very considerably during the next 50 years and it will become a State within itself. I will reiterate the words of Mr. Willmott, who said that in the years to come more wheat would be despatched from Esperance than from any other port in the State.

Hon. J. Ewing: They will do pretty well then.

Hon. J. CORNELL: We should take a lesson from Western Canada, where they build not for to-day but for the future. I am pleased to know that, although it is belated, the Agricultural Bank has decided to increase its assistance to Southern Cross settlers. I ascertained that fact from the Southern Cross press. The assistance indicated is not all that you, Mr. President, and I would desire, but perhaps it is a little tribute to our efforts. We have been told that experimental farms are to be established at Southern Cross and Salmon Gums. The Government have acted wisely in deciding to establish those experimental farms; they should have been started long ago. I trust an early commencement will be made so that the two farms will be operating next year. It is no good merely deciding to establish the experimental farms. That is simply a question of policy. If anything is to be done, it will be wise to start as early as possible. Now I come to the question with which Sir Edward Wittenoom dealt the other night, the surrender of the North-West to the Federal Government. For many years I have held that this State is too large. There is no shadow of doubt about that. Though many complaints have been made about centralisation under the federation, similar complaints would be equally justified against the State from the far-flung portions. Excluding the Northern Territory, there are only six States in the Commonwealth. Canada has nine provinces, and nearly one-half of it is still Federal territory. The United States consists of 48 States, all

being about the same size. If a multiplicity of States is liable to be detrimental, that has not been the experience in the United States. In the years to come not only will the North-West be a separate State, but there will be other States within the territory at present constituting Western Australia, as well as in other parts of the Commonwealth. Who is to decide the question? I take it the question of ceding territory to the Federal Government will be decided by members of Parliament interpreting the wishes of the people who returned them. I would cheerfully and willingly vote to-morrow for the surrender of the North-West to the Federal Government—

Hon. V. Hamersley: Without consulting the people up there?

Hon. J. CORNELL: But the people of the North-West should be consulted as far as possible. How far that might be could be ascertained only through the members representing that part of the State. I for one would not favour the taking of a referendum. Parliament is the tribunal to settle the question, and Parliament would be justified in acting on the views of the members representing the northern constituencies.

Hon. V. Hamersley: But those members are sometimes elected by people who are not residents of the North.

Hon. J. CORNELL: I consider that the opinion of the North-West members should be accepted and, if the question comes before us, they will have my vote. I wish to pay a tribute to the work of the Licensing Board. I believe an overwhelming section of the people desire the retention of the present system of controlling the liquor traffic. The trade must be given to understand that it has an obligation to the people, and that obligation is service. If that service is forthcoming, the people will not only have respect for the trade but will feel satisfied that it is an essential part of our social system. The board who have functioned since the latest amendment of the Licensing Act have done very good work because they have aimed at compelling the trade to give the people the service to which they are entitled. If that healthy state of affairs is continued, the time will soon arrive when we shall be able to dispense with the absurdity of taking a poll every five years on the question whether the country should go "dry." The taking of such a poll involves unnecessary

expense and tends to raise feelings that ought not to be stirred up. I wish to pay a tribute to the work of the Electoral Department. I have had occasion to test their work in my province. I had a recount and, out of 2,000 odd votes, no difference was discovered. Enrolment for the Legislative Assembly is compulsory, but the Electoral Department is being starved. The officers have not enough money to do their work. I am satisfied that if sufficient funds were made available, the officers could do the work. I would like to know why the Chief Electoral Officer should have to put all his departmental business through the Under Secretary of the Crown Law Department in order to reach the Minister. What relationship is there between the Electoral Department and the Crown Law Department? This is an anomaly that should be wiped out. The chief of the Electoral Department should be able to approach the Minister just as the Chief Inspector of Factories is able to do.

Hon. E. H. Harris: That should have been done away with years ago.

Hon. J. CORNELL: Yes. The officers of the Electoral Department do their duty fearlessly, regardless of what political party might be in power. I regret having to touch the matter I am now coming to, because it savours more or less of the muck-rake, which I do not care to handle at any time, and I would certainly prefer to leave it alone on this occasion. I wish to bring under the notice of Parliament an instance of "crook" voting, in which I am as satisfied there was connivance as I am that I now stand on the floor of this House. Not only was there "crook" voting, but a postal vote officer exceeded his powers. During your election, Mr. President, I was privileged to act as a sort of factotum and busied myself to find out why a certain postal vote officer went 100 miles from where he was authorised to act and there took postal votes. I made inquiries at the Electoral Department thus—

Why and how did electors at Carbine, Ora Banda, Broad Arrow, Kurrawang Main Camp, and Kurrawang vote before one C. B. Williams, Postal Vote Officer from 25 to 60 miles from the above-named places, when there were postal vote officers at each place? One George Pattenden, No. 1821, 41 Chaffer street, Boulder, miner, freeholder, voted by post before C. B. Williams on 6th May, 1926. All inquiries I have made appear to substantiate that this elector was in Queensland on that date.

To cut the story short, the Electoral Department were good enough to address 21 electors at Ora Banda, Kurrawang, Carbine and Kurrawang Main Camp. In some instances they were 70 miles from the Boulder electorate. The department asked them, twenty-one in all, before whom they had voted and 16 replied that they had voted before Mr. Williams.

Hon. V. Hamersley: Who is Williams?

Hon. J. CORNELL: Organiser for the A.W.U.

Hon. E. H. Gray: Were they entitled to vote by post?

Hon. J. CORNELL: This was the query sent out—

Please inform me by return mail where your postal vote for the above-mentioned election (South Province) was recorded. An addressed envelope which does not require postage is enclosed for your reply.

One of the replies received from Ora Banda stated—

I recorded my postal vote with Postal Vote Officer, C. B. Williams, of Boulder.

Another voter replied—

A union official, C. B. Williams, collected it at Carbine.

Williams was appointed postal vote officer for the electorate of Boulder. His duty was to go to the house of a sick voter at Boulder on polling day or just prior to it, and take his vote. If a person thought that he could not be at the poll, or would be seven miles distant, he could go to a postal vote officer to record his vote. Williams, in his capacity as A.W.U. organiser, took his book to Ora Banda, 40 odd miles from Boulder, notwithstanding that there were two postal vote officers at Ora Banda. He went to Carbine also, notwithstanding that there were two postal vote officers at Carbine.

Hon. E. H. Gray: In the same electorate?

Hon. J. CORNELL: Yes. He took his book to Kurrawang despite the fact that there were two postal vote officers there. He took his book to the main camp, although three postal vote officers officiated there. That was a grave breach of the Act. I would not for a moment complain of any postal vote officer who took a vote where there was no such officer available, but where officers are available, another man should not go outside his own district.

Hon. E. H. Gray: The other officers may have been away.

Hon. J. CORNELL: He was organiser for the A.W.U., and evidently carried his postal vote book with him and took votes.

Hon. E. H. Harris: Was he travelling around in a motor car with a candidate?

Hon. J. CORNELL: This is a copy of a letter that the Chief Electoral Officer sent to Mr. Pattenden who, the scrutiny revealed, voted before Mr. C. B. Williams in Boulder on the 8th May, two days before the election—

I shall be glad if you will be good enough to inform me as to whether or not you recorded a postal vote for the Legislative Council biennial elections held in Western Australia on the 8th May last and, if so, about what date and where the vote was recorded. Thanking you in anticipation of an early reply in the attached addressed envelope, stamped.

To that Mr. Pattenden replied on the 13th July—

Dear Sir,—I was unaware of the fact that I was entitled to vote on account of my leaving the State of Western Australia; otherwise I would have recorded my vote.

Hon. E. H. Gray: Is there any evidence of undue interference on the part of the officer?

Hon. J. CORNELL: Mr. Pattenden was not in Western Australia on the 6th May. A postal vote was recorded for him by someone else before Mr. Williams, and Mr. Williams knew Mr. Pattenden as well as I know the Honorary Minister. He was a member of the A.W.U., a returned soldier, and was identified with the Returned Soldiers' League. In the circumstances there can be no question of any impersonation. In order that a comparison might be made between the butt of Mr. Williams' postal vote book and the claim card for Mr. Pattenden, signed for enrolment, the Chief Electoral Officer wrote from Perth to Mr. Williams as follows:—

I should be glad if you would kindly forward to this office the postal vote books used by you for the Legislative Council elections held on the 8th May last for the usual inspection. An envelope is enclosed for return of same, which does not require postage.

By the 20th July Mr. Williams does not reply to the Chief Electoral Officer. He does, however, write to Mr. Mark Sanders, the electoral officer for the South Province, who is three miles away from Mr. Williams' office. In his letter he says—

Would you be kind enough to accept my resignation as postal vote officer for the South Province. Some time ago I forwarded my

books at the department's request to Perth, and had no further word re same, so take this opportunity of resigning as I have become a member of the A.L.P. Council in Kalgoorlie and understand that I am no longer eligible to continue the position. Trusting this is satisfactory.

The Chief Electoral Officer wrote to Mr. Williams, who had not the courtesy to reply, but who wrote to Mr. Sanders as I have just shown. The position is clear. If the book was not available, the butt could not be compared with Mr. Pattenden's claim card with a view to seeing that the signatures were identical. Simultaneously with this the Chief Electoral Officer had satisfied himself that Mr. Pattenden was not in the State at the time the vote was recorded. This is what the Chief Electoral Officer put up to the Minister. He mentioned Section 94 of the Act and Section 178 which quotes a penalty of £200, and said—

As the result of a communication received from the Hon. J. Cornell, M.L.C., inquiries were made as to the alleged actions of Mr. C. B. Williams, a postal vote officer at Boulder, when it was found that he had seemingly contravened the provisions of Section 94. It was further found that someone seemingly impersonated an elector named George Pattenden and voted by post before Mr. Williams, the elector himself being in Queensland at the time (see page 23 of this file). I have purposely used the word "seemingly" owing to the regrettable fact that Mr. Williams' postal ballot books (C10526-50 and 44051-100) are not available for comparison of the electors' signatures on the respective butts, nor does there appear to be any likelihood of these books being found. In the circumstances I cannot see how any useful proceedings can be instituted under the provisions of Section 178 and, as Mr. Williams has tendered his resignation, I recommend that no further action be taken in the matter.

Hon. E. H. Gray: That is Mr. Cook's letter.

Hon. J. CORNELL: Mr. Cook wrote to me as follows:—

With reference to your verbal and written inquiry of the 21st June last respecting the alleged irregularities in the South Province election, I much regret to inform you that all my inquiries in the matter, and they have been most thorough, have been without any practical results in the direction of legal proceedings. This is due to the fact that the postal ballot books concerned, although specifically asked for, cannot be traced. There is no reasonable doubt in my mind that your complaint in respect to the impersonation of G. Pattenden by someone who voted by post in his name is thoroughly justified, as I hold a letter from that gentleman, now a resident of Queensland, stating that he was not in this State at the time.

There was no impersonation so far as Mr. Pattenden was concerned, because Mr. Williams knew him as well as I know the Honorary Minister. There is another case of a gentleman who voted twice at my election in 1926. He was a justice of the peace, but was struck off the roll of justices and fined £5. That gentleman was a postal vote officer and resided at St. Ives, where he voted by post. After doing this he met with an accident and had half his hand blown off. He came in for medical attention on the day of the election. A friend said to him "I am going to vote; are you coming?" This gentleman also went in, and voted again in person.

Hon. E. H. Gray: As a J.P. he should have known better than that.

Hon. J. CORNELL: A member of this Chamber long deceased once voted twice at different polling booths. This ex-justice of the peace on Sunday morning rang up the returning officer and told him what he had done. On the Monday morning he again explained the whole thing to the returning officer, but he was struck off the roll of justices and fined. I have demonstrated to members as clear a case of malpractice as was ever put up. The only way to arrive at proof in connection with Mr. Williams was through the recovery of the postal vote books. These books have not been returned to the department. I suggest that if the person indicated had nothing to hide he would have taken reasonable precautions to see that the books were returned to the proper place. He need not have written the letter he did. He could have taken the books in and handed them over to Mr. Mark Sanders, the district electoral officer. I will now deal with the question of the Government's practice of giving preference to unionists. I may have been charged with many sins of omission while I was associated with the Labour Party, but never was any charge laid at my door in regard to preference to unionists. Never did I advocate the adoption of the principle. There was only one factor worthy of consideration and that was the factor of reason, whether a man was a unionist or not. If a man could not be reasoned into a union, the union was better without him. We have advanced a long way on the road since then.

Hon. E. H. Gray: Hear, hear!

Hon. J. CORNELL: Not only have we gone off the track of reason, but, as Mr. Dodd has said, we have prostituted reason for tyranny and oppression. I know many

men in this town, who are married, are respectable, law abiding and good living citizens, who cannot get work.

Hon. E. H. Gray: In Perth?

Hon. J. CORNELL: Yes. The question whether they get work or not depends on their first joining a union.

Hon. J. R. Brown: Preference is given to returned soldiers by the Government.

Hon. J. CORNELL: At a conference of the Labour Party at Bunbury in 1910 this question of preference to unionists was discussed. There it was thought that it was bad enough that a man should have to beg for work, and if at the time a job was open to him he was not solvent enough to join the union, it was suggested that he should be given a certain period after commencing work in which to find the money. To-day, he has to find the money beforehand.

Hon. E. H. Gray: That is gross exaggeration.

Hon. J. CORNELL: There is much that the Labour Party fights for and advocates that I still uphold, but I cannot uphold it on the question of coercion and conscription of labour. I was a conscriptionist during the war when there was a higher motive than the conscription of trades unionists. I was a conscriptionist because there were big issues at stake, and until that issue was decided everything else had to be laid aside. To-day not only are men conscripted into unions, but into a particular class of union. A man is conscripted into a union which supports the policy of the Australian Labour Party. The law of the land says that a union can be registered as a trade union and as an industrial union under the Arbitration Act. It thus becomes a registered entity. The law does not say that its members shall subscribe to any political fund, doctrine or shibboleth, but leaves that optional with the individual. If members want a better illustration of the efficacy of conscripting men into a union, or forcing men to adopt a political faith, let them look at the result of the last Federal election. Take the case of Mr. Watson and Mr. Curtin of Fremantle. If ever there was a indictment against the conscription of unionists into the political side of trades unions, it was this particular election.

Hon. E. H. Gray: It had nothing whatever to do with it.

Hon. J. CORNELL: I know hundreds of men who pay up, but never vote Labour. All that Labour gets from them is their

money; Labour does not get their votes. The law of the land describes what a trade union shall be. The Government, by their policy, say that irrespective of a man's being in a union he must be in a union subscribing to the platform of the Australian Labour Party before he can get preference of employment. I have a case in point, and I will quote a copy of a letter received by the secretary of an industrial union registered under the Trade Unions Act and the Industrial Arbitration Act.

Hon. E. H. Gray: What is the name of the union?

Hon. J. CORNELL: I will leave the hon. member to find that out for himself. The letter is signed by the gentleman whom I just charged with being a party to crooked voting. The letter arose out of an altercation that occurred with a financial member of a union who applied for work to the A.W.U., the body handing out work in the Esperance district. The union member in question claimed that, being a member of a union, he was entitled to employment equally with any member of the A.W.U. The letter reads as follows:—

A.W.U. Office, Boulder, 12th August, 1926. Dear Comrade.—Sorry not to have answered your first letter, but was in hopes of seeing you personally. In reply to this letter of to-day's date, you evidently don't understand the position. The work that is performed on the roads is covered by the A.W.U. agreement and any man working there must belong to the A.W.U., and, as you know, the policy of the Labour Government is preference of employment to unionists affiliated with the Australian Labour Party; and, that being the case, Mr.———was told that he did not belong to a union that had that standing, and I allowed him to be picked up on the understanding that he took a ticket in the A.W.U., which he did. You will understand the position we are in: At the present time there are quite a few of our members with tickets unemployed who should have had preference over Mr.———. As to your request that we instruct our representatives not to collect any money from him, I am sorry that cannot be done. The work is purely A.W.U. work, and any man who goes there must belong to the A.W.U. For your information, knowing that Mr.———was a financial member of your union we issued him a ticket for the 1926-27 financial year ending in September, 1927. We see enough of the policy of allowing men working away from their callings here on the mines, who claim they are in the carpenters', engineers', or engine-drivers' union, dodging the union that has the award for the calling they are now following, working on the mills and underground, to allow that sort of thing to creep in where we have preference to members of our union. The mistake is your union's, as they should have been members

of the Australian Labour Party either as a union or P.L.P. members. Trusting that this is quite clear, and is written with no feelings other than of one unionist to another, and I think in the main you will agree with me. Yours in unity, (Sgd.) Charles B. Williams, Organiser, A.W.U.

Hon. E. H. Gray: You take the writer as an authority.

Hon. J. CORNELL: Here is the position: Pretty well everything that the Government do in Boulder is done through the A.W.U. The writer of the letter is one of those who stood up and asked what the Government were going to do when the Horsehoe Mine closed down. Mr. Harris was there, and can confirm this. The Honorary Minister knows as well as I do what a live unionist the writer of the letter is, and what an authority he is. Not only is he organiser of the A.W.U., but he is also president of the local branch of the A.W.U. If anyone wants a more definite interpretation of the policy of the Labour Government as to preference to unionists, I do not know where it is to be found. Summed up, that policy amounts to saying that so far as work offering on the goldfields is concerned, a man must be a member of the A.W.U. before he receives employment, though probably if the man were a member of some other union affiliated with the Australian Labour Party, the discrepancy might be overlooked. The position is intolerable. Moreover, the position in regard to unemployment is intolerable. I regret to have to say what I am now about to say. Going back for years, I remember an occasion when a Government of another political complexion was in office and any number of Labour members led unemployed deputations before Ministers, showing great solicitude in behalf of the men out of work. But unemployment has not been more prevalent for the last 10 or 15 years in this State than it is now.

Hon. E. H. Gray: There are more men working for the Government now.

Hon. J. CORNELL: With the solitary exception of the member for East Perth (Mr. Hughes), I have not heard of one member of the Labour Party so poor as to do the unemployed reverence. I do not wish to be egotistical, but when Mr. Scaddan was Premier, I as acting secretary of the Trades Hall took along a deputation of unemployed from the Trades Hall to Mr. Scaddan and introduced them to him, and they had a heart to heart talk. As a result, something tangible was done for the unemployed. But to-

day, I repeat, there is no member of the Labour Party except the member for East Perth so poor as to do the unemployed reverence.

Hon. E. H. Gray: Ridiculous!

Hon. J. CORNELL: If it was good policy to use the unemployed as a means of intimidation when a Government of a different political complexion was in office, it should be good policy to do so now, when a Labour Government is in power, especially as conscription to unionism now obtains.

Hon. E. H. Gray: You do not know anything about the unemployed in Perth, or what the Labour Government are doing, and yet you criticise.

Hon. J. CORNELL: No Labour member has publicly raised his voice against any action of the Government as regards unemployment. When the late Government were in power, Labour members fell over one another to bring forward the unemployment problem. If it was wise to do it then, is it not a wise thing to do now? When a Government of another political complexion is in power, Labour members simply use the unemployed as a means of getting the Government out at election time, as a means towards catching votes. Now Labour members remain silent regarding unemployment, because their own Government is in power and would probably lose votes if the unemployed difficulty were stressed. But what is sauce for the goose is sauce for the gander. Surely to Heaven if there is one thing in which there ought to be unanimity, in regard to which there should be no political prostitution, it is the case of unfortunate men out of work, willing to work, and unable to get work.

Hon. E. H. Gray: You are making political capital out of them now.

Hon. J. CORNELL: No. I am pointing out to the hon. member his own responsibility. His interpretation of responsibility is quite different, now that a Government of his particular calibre is in power, from what it was when a Government of another calibre was in office. I regret having detained the House so long. I also regret it if I have said anything which I ought not to have said. What I have said may be distasteful. However, I have not said it in any party spirit, but with the best of intentions and with the sole object of assisting a deserving section of the community and keying up to their obligations those who are so solicitous for the welfare of the unemployed.

HON. A. BURVILL (South-East) [8.57]: Before addressing myself to the Governor's Speech I wish to congratulate you, Sir, on your attainment of the office of President, and also Mr. Cornell in regard to the Chairmanship of Committees. I have not the least doubt that both of you will admirably fulfil the duties of those positions. I desire to express my regret that certain members who were with us during last session are now absent. Old associations have been broken, but I suppose the fate of those members will prove to be the fate of all of us sooner or later. I congratulate members recently elected, and I entertain not the slightest doubt that they will do their duty by their provinces. On reading His Excellency's Speech I was disappointed to learn the amount of the deficit for the year. As the cause of this, the first consideration which struck me was the Railway Department. On looking through the comparative statement of results issued by the Commissioner of Railways and collating it with the returns for the two previous financial years, I find that in 1923-24 the Railway Department had a surplus of some £142,000, and in 1924-25 a surplus of £190,000 odd, whereas for the last financial year there is a deficit of £31,982. Train miles run for the last financial year have decreased by 15,807 as compared with the previous year, and passenger journeys are less by 738,953. I find there were 10 locomotives less used during last year than there were in 1924-25. Undoubtedly this fact shows that economy has been exercised in the management of the railways. One is led to the conclusion from this and other details that there should have been a greater surplus from the railways last year than there was in the preceding year.

Hon. E. H. Gray: There was not so much wheat to carry last year.

Hon. A. BURVILL: I shall come to that point directly. As regards the reduction in the number of locomotives, I presume that engines of a larger type have been substituted for engines of a smaller type, and that the larger locomotives are able to haul increased loads without requiring bigger crews. However, despite that reduction in staff, the number of persons employed by the Railway Department last year showed an increase of 399 as compared with the number for the previous year.

Hon. G. W. Miles: That is because of their working shorter hours.

Hon. A. BURVILL: In Appendix J we find that the average earnings per ton mile have increased from 1.90d. in 1924-25 to 1.91d. in 1925-26, while earnings from wheat have decreased from £349,253 to £302,045. Fertilisers increased from £51,123 to £57,132.

Hon. E. H. Gray: There is no profit in fertilisers.

Hon. A. BURVILL: The average price of wheat per ton mile in 1924-25 was 1.06d., but it increased in 1925-26 to 1.11d. The earnings from timber have increased from £404,200 to £416,639. Livestock also has increased this year, and so has the first class traffic, while wool has increased from £50,000 to £58,000. Timber has returned 2.26d. per ton mile, livestock 2.41d., first class traffic 5.06d., and wool 4.80d. All the products paying a higher rate have increased, so instead of a deficit there should have been a surplus. We have had less mileage, fewer locomotives, higher average earnings per ton mile in all the higher freight goods, notwithstanding which we have a deficit. Compared with last year, we are £222,547 short. My analysis of those figures lead me to believe that on account of economical management there has been less work done by the railways, but that we have had more men, higher wages and shorter hours. We cannot blame either the Commissioner or the Government for the increased wages, but it is owing to the Government policy that we have the 44-hour week and, instead of preference to efficiency, preference to unionists, all of which have resulted in a deficit instead of a substantial surplus. I suppose it does not matter which Government may be in power next year, now that we have the 44-hour week it will be very difficult to amend that policy. The harm is done and we have to find the best remedy, other than the raising of freights and fares. One of the best means of economising on the railways is to get the produce hauled to the nearest possible port. That is to say, where we have cheap haulage. Where we have dear haulage, such as wool and first class goods, it does not particularly matter to the railways whether the haulage be to the nearest port or over a longer distance. Take wheat during the past three years: In 1923-24 the average price per ton hauled was 1.04d. In 1924-25 it was 1.06d., while last year it was 1.11d.

In my opinion in all future railways the objective should be the lessening of the distance to the nearest port of destination, and the securing of fertiliser back loading from the principal seaports. Also future railways should cut out dead ends as far as possible, so as to make for economical working. I wish to touch upon the Newdegate railway and the country served by that line. Newdegate is connected by rail with Bunbury, the distance being 240 miles. That distance cannot be lessened. If a railway were built to Albany from Newdegate, the distance direct would be 149 miles. When that railway is built to Albany it will do away with the spur end at Newdegate, and will take in the Pingrup spur railway and also the Ongerup spur line, thus doing away with three dead ends, and at the same time shortening the distance to the port. The Esperance railway could be connected with the Newdegate country, the distance from Newdegate to Scaddan being 159 miles, and from Scaddan to Esperance 34 miles.

Hon. G. W. Miles: That would open up new country, too.

Hon. A. BURVILL: Yes. Allowing for the deviation, it would mean 220 miles to Esperance. So Esperance would be the second nearest port for the Newdegate country. Forrestania is 51 miles from Newdegate, but is not exactly in the direction of Esperance. Fremantle also comes into the picture. The distance from Fremantle to Newdegate at present is 381 miles, notwithstanding which a great deal of wheat comes up here in preference to going to Bunbury or Albany. If the Brookton-Armadale line be built, and the Kondinin to Corrigin line be linked up with Newdegate, Fremantle will be 235 miles from Newdegate.

Hon. E. H. Harris: You would get better grades along the Esperance route.

Hon. A. BURVILL: No, one cannot say that the grade would be better. At any rate, I put these figures before the House so that the position might be clearly understood. The country between Newdegate and Albany is good, and should be opened up, especially around Lake Magenta. I will have something to say about Ongerup later on. A railway from Ongerup to Needilup was promised in 1913. The settlers have been there for quite a number of years. This year they took in a considerable quan-

tity of grain to Ongerup, and a great deal of wool. Still, they are working under very great difficulties by reason of their distance of from 17 to 30 miles from a railway. There have been deputations recently to the Minister for Railways on the subject of wheat. There is not the slightest doubt, especially at the southern end of the State, and the same thing has occurred at the northern end, that there has been a tendency to ship the whole of the produce from one port and to neglect the others. The actual figures for this year I have not been able to get, but I have these for the previous season. In 1923-24 the average mileage in respect of wheat hauled was 142.75, and the mileage regarding fertiliser hauled was 143.16. That would indicate that almost the whole of the wheat was going to Fremantle because it was being carried nearly the same distance as the fertiliser. In 1924-25 the figures were 139.27 and 147.48 respectively. In that case a little of the wheat must have been going to Geraldton, Bunbury and Albany. This year the figures are given as 131.38 for wheat, and 144.44 for fertilisers. To form an idea as to where this wheat was hauled last season, I obtained a return from the railway authorities. This showed the quantity railed from all stations and sidings to Fremantle that was loaded at points nearer to Albany by rail, was 3,312 bushels. The wheat railed to Bunbury and which was nearer to Albany totalled 185,040 tons. The wheat railed to Fremantle and which was nearer to Bunbury was 1,055,808 bushels, and that railed to Bunbury totalled 1,696,140 bushels. We must not forget that Bunbury lost over 1,000,000 bushels. The total wheat railed to Fremantle which should have gone to Albany and Bunbury was 1,244,160 bushels. In looking over the returns of the Bunbury Harbour Trust for the past two years I find that 42,865 tons were shipped from that port last season, and on examining the report of the Bunbury Harbour Trust I find that Bunbury shipped 52,092 tons this season, a slight improvement. I would like to know whether South-West members regard the position as satisfactory when they find that they were robbed of 20,338 tons last season. Bunbury has been taking wheat which should have gone to Albany, but far more wheat has gone to Fremantle that should have gone to Bunbury. Although I

cannot state the amount of wheat shipped this season direct to Fremantle that should have gone to Bunbury and Albany, I do know, that the wheat shipped ex Katanning Flour Mills when the season was over totalled 13,284 bags and that went, not to Albany or Bunbury, but to Fremantle. The point I wish to make is that the extra freight has to be paid by the farmers. It is false economy when we compel the farmer to pay extra freight in this manner.

Hon. G. Potter: It would cost a great deal more to send a ship to Albany for such a small consignment.

Hon. A. BURVILL: Some means should be found to prevent this. The extra money that the farmer is compelled to pay, and that the railways lose through carrying wheat over long distances, would be far better in the pockets of the farmers who would be able to devote it to improvements on their properties.

Hon. E. Rose: That matter should have been thrashed out at the Primary Producers' Conference.

Hon. A. BURVILL: I consider it is a matter that this Chamber might consider. A great deal has been said about the zone system. Representations have been made to the Minister and the matter has been brought under the notice of this House; also we are all cognisant of the position through reading the papers. The Minister has stated he is going to give preference to the nearest ports. How that will work is not for me to say. I think it is a move in the right direction so far as the primary producers are concerned, because if they get their wheat shipped from the nearest port, they will get more for it by reason of saving freight. I notice that the representatives of the wheat buyers are complaining about this. One of those complaints is that they must mix soft with hard wheats in order to get f.a.q. quality. They can do this by shipping hard wheats with soft at Bunbury and Albany. Hard wheats are produced in the Albany and Bunbury zones, but are shipped from Fremantle. There is one other point on which I wish to touch in connection with economising on the railways in respect of low freight goods. I allude to flour. Flour mills are nearly all concentrated around Perth. Bunbury, I believe, has a flour mill; Albany has none. There are mills at Katanning, Wagin and Narrogin, and under specially cheap rates flour is taken to Fremantle. The position

that obtains at Fremantle is this: Flour is taken from the Katanning mill to Fremantle in spite of the fact that Albany is the nearer port. It is taken through at a special grain rate less $12\frac{1}{2}$ per cent. That is cheaper than wheat. It costs 11s. 7d. per ton to take it to Albany, less $12\frac{1}{2}$ per cent., but only 13s. if sent to Fremantle, less $12\frac{1}{2}$ per cent. That means that the Government gets 3s. 3d. for hauling it an extra 120 miles. That surely cannot pay the Government. A few days ago I asked for a return showing the amount of flour shipped ex Bunbury, ex Albany, ex Fremantle, and ex Geraldton, for the last two years. I learn that ex Albany and Bunbury nothing was shipped, ex Fremantle the total was 69,857 tons for last year and 87,414 for this year. From Geraldton last year the total was 5,051 tons, and this year 4,444 tons. It will be seen, therefore, that shipments of flour are being concentrated at the one port at the expense of the railways. Another phase of the question is this: we are looking forward to the development of the group settlements as the result of dairying operations. It will be necessary therefore to have bran and pollard as cheaply as possible. We find that wheat is gristed mostly at Fremantle, and then freight has to be paid on the bran and pollard that is sent back to the dairying centres. I contend that our principal flour mills should be at Bunbury and Albany, because the dairying country is between those two ports. I wish to say a few words about the group settlements at Denmark. I am sorry that the officer in charge of group settlements, the late Mr. Richardson, came to such an untimely end. He rendered valuable service in connection with the settlement scheme and he was always enthusiastic and cheerful under the greatest difficulties. He was a sterling officer and under his management group settlement developed rapidly and well. During the last 12 months there has been an alteration in the management, there has been a substitution of piecework for day work.

Hon. G. W. Miles: And by a Labour Government too.

Hon. A. BURVILL: I have studied the alteration and find that it is working admirably. Certain difficulties cropped up, but they have been overcome. I had the pleasure of accompanying Sir Edward Wittenoom out to the groups after the system had been inaugurated, and having been out before, I was able to make comparisons be-

tween the two systems. One case that I came across was perhaps extreme. The land had been cleared at a certain figure under the sustenance arrangement, but under piecework the job had been carried out at 50 per cent. less cost and the man doing it had made in wages 25 per cent. more. That represents an extreme instance, but nevertheless it shows what is occurring throughout the group settlement areas. Piecework has spelt efficiency. The remarkable thing is that the piecework system should have been inaugurated by a Labour Government. I cannot help contrasting that position with what obtains in connection with the Railway Department.

Hon. E. H. Gray: You would not advocate piecework for the railways.

Hon. A. BURVILL: It is a pity the Minister for Lands is not in charge of our railways. Much criticism has been indulged in concerning the Group Settlement Scheme and the management of the groups. Many politicians have visited the group settlements. Although it may be a delicate subject, I wish to comment on that position because I have watched closely the progress of the scheme from its inception. Members of Parliament representing all sections, have visited various groups and doubtless all of them wished that success should attend the effort to settle the South-West. In their own way they have tried to help the settlers, but sometimes they have done more harm than good. In my visits to the various groups, I quickly found that if I listened to all I heard without having some system upon which to work, I would soon be in difficulties.

Hon. E. H. Gray: And you would not be the only one either.

Hon. A. BURVILL: Others have got into difficulties. If members of Parliament would first find out the rules under which the groups were working—I guarantee that not half the members of Parliament know anything about them—it would help them considerably when dealing with the complaints they might receive. I found that there is an exalted opinion regarding members of Parliament, particularly among the newcomers from Great Britain. They seem to think it possible for a Parliamentarian to get far more done than is possible. If members of Parliament, when they received a complaint, were to go to the official's first in order to discuss it, I am certain not half of the criticism would appear in the papers. This does not apply to members of the

Country Party and Nationalist Party alone, but to Labour members as well. During the last Federal election a candidate visited Denmark. He quickly received complaints regarding various matters and concerning the foreman and supervisor. The would-be politician advised the settlers not to take any notice of tin-pot bosses, but to take their troubles to head-quarters. As soon as advice of that sort is given by a member of Parliament or a prospective member, there is trouble for the officials and for the Minister in charge. That is what followed as the result of this individual's advice. Other equally foolish things have been done by some Parliamentarians. If members made inquiries and discussed complaints with the officials, they would find out that there is not nearly so much trouble on the groups as is imagined. Let me give one instance that came under my notice. A settler was grumbling because he considered one of the group foremen wanted to push him off his block in order to let one of his friends have it. When I inquired into the position and found out the rules that applied, I quickly saw that the man had been misleading me. Even if the group foreman had tried to push the settler off the block, it would not have been an easy thing to accomplish, because if the block became vacant and any other member of the group desired to secure it, the block would have to be submitted to a ballot. Hon. members will see that there was nothing in the settler's complaint and many similar foolish complaints have been made from time to time. At the last sitting of this Chamber, I asked some questions regarding medical attendance at Denmark. I asked the Minister if he was aware that the medical officer at Denmark had definitely refused to attend group settlers' wives when they were in a critical condition, unless they were brought to the local hospital. I asked him, too, if he was aware that the doctor had refused on a Sunday to see female patients who were in a delicate state of health when they had been conveyed in from the groups. If he had not learned of such incidents, I asked him to make inquiries concerning them. I received a reply from the Honorary Minister stating that complaints had been made along those lines and that independent of those complaints, the medical practitioner concerned had resigned the position of district medical officer as from the 31st July last and that the resignation had been accepted. The Minister also pointed out

that the doctor, while remaining at Denmark, was merely a private practitioner and as such, was not subject to the authority of the department. The doctor concerned is a competent man, but is rather old and I am not surprised therefore that he has retired. It will be recognised by hon. member that some groups in that district are 35 miles away from Denmark and even when one reaches them, a further four or five miles has to be traversed through the bush. It may not be expected that an elderly doctor would proceed to such far distant parts in order to attend women in a critical condition. He has always contended that women should be brought into Denmark beforehand. That is all very well, but accidents often happen in the bush. Then again, instances have occurred when patients have been brought to Denmark on Sundays, but the doctor has refused to see them. Perhaps that is not altogether the doctor's fault, because he is so old. I am afraid, however, that the authorities in charge of the department may desire to economise where group settlers living so far away are concerned. Although the present doctor can easily attend to the requirements of Denmark itself, the subsidy that he has given up would substantially help a younger man if he were to undertake medical duties in the district. Dealing now with the railway matters in the South-West, a Bill was passed three years ago authorising the construction of a railway through Nornalup, passing near these outlying groups. That line is being constructed now. It should have been built long ago. The absence of the line has meant largely increased costs to the departments concerned with the development of the group settlement areas, and I cannot understand why the delay has occurred. Settlers do a lot of spare-time work in preparing extra areas for cultivation; some have fine swamp lands, but it has been useless for them to go in for side lines. They are gradually procuring cows as they have grass available for feeding purposes. They will be prevented from developing their holdings to any extent for another year or two until the line reaches their centres. In order to give some indication as to what potential loss has been sustained by the group settlers, I can quote one instance of the production of a settler who has a block alongside portion of the line already established. The results of this man's work have been investigated

by the chief inspector of potatoes. The settler put four acres four chains under potatoes. He sold 50 tons of marketable potatoes and still had two tons left. The average price he got for his potatoes was £15 on rails. Some of the group settlers have land equally as good as that possessed by the potato grower I have referred to. There is one large swamp comprising several thousand acres that will be drained when the railway is put through that part of the country. I contend that the group settlers have been deprived of their opportunity to do what the potato grower has done. I did not intend to speak at such length this evening, but in view of recent happenings at Albany, and comments made by the Premier, I regret that I will have to deal with the disabilities of Albany. Some time ago a conference of municipal representatives throughout Western Australia was held in Perth and delegates from the Albany Council attended. At their instigation a motion was passed supporting the principle of Federal aid to meet the disabilities under which the State is suffering. In consequence of that, a meeting was called of the various public bodies in Albany and a case was framed in support of that proposition. The result of their deliberations was to be put before the Albany Municipal Council and later on was to be forwarded through the member for the district to the Premier. The matter was brought under the Premier's notice beforehand, and the following statement was published—

“Whining” Albany.—“They are always whining about something,” declared the Premier (Mr. P. Collier) yesterday, referring to a decision of a conference of local bodies at Albany, requesting the Council to apply to the Premier for a grant of £25,000 from the special Federal grant of £450,000 for the purpose of reducing the Albany water board's liability of £62,582 and to ask for a royal commission to take evidence regarding any further disabilities the town and district has suffered. “By the way they talk of their disabilities,” the Premier went on, “anyone would think that ever since responsible government was instituted there has been a conspiracy to keep the lands of the Albany district idle, and to withhold roads and bridges from them. I notice that the mayor said that the water board was over £2,000 in arrears in interest payments and some £4,000 in sinking fund payments, but that does not worry them, because it is owing to the Government. I also notice that they persist in saying that the Federal grant to the State is £450,000, although it has been explained a dozen times that the grant is really only £350,000. The

proposals of the conference are too ridiculous for consideration.”

On the following day another paragraph appeared—

Referring yesterday to a paragraph which appeared in Saturday's issue relating to requests from a conference of local governing bodies held at Albany, the Premier (Mr. P. Collier) said that in case it might be inferred that his remarks referred to the whole of the people of Albany, he wished to make it clear that that was not his intention. What he meant to convey was that a few Albany people were not prepared to give the Government credit for anything at all, and saw in every action a further attempt to deprive Albany of its rights. “The complaint,” said the Premier, “has been against every Government during the last twenty-five years. The Government have no desire to injure Albany, and are prepared to consider every request on its merits.”

I should like to refer first of all to the request, not yet received by the Premier, to reduce the cost of the water scheme. The Albany water scheme was constructed by a Labour Government some years ago. Tenders were called for the work and a contract price of £42,000 was submitted. The Government estimated that the work could be constructed for less than £40,000. It is curious that whenever there is a contract price, the estimate of the Government is generally below it. The actual cost of constructing this scheme by day labour was £62,582, or fully 50 per cent. more than the Government's estimated price. Thus the Albany town council have to pay interest and sinking fund on the Government policy of day labour. Under contract the work would have been done for £42,000. Even at the enhanced price under the Government day labour system, the work has cost a good deal for repairs since. That was not quite such a ridiculous proposition as the Premier would have us believe. It is a State disability on account of the policy of the Government who built the scheme; it is a Federal disability because the Navigation Act came into operation in 1921 and deprived Albany of a large amount of revenue from the sales of water. To show how the receipts from the sales of water have decreased since the proclamation of the Navigation Act, let me quote the following figures:—1921, £001; 1922, £846; 1923, £648; 1924, £463; and 1925, £456. Thus the revenue from the sales of water is a vanishing quantity owing to the Navigation Act—a Federal measure. Again I do not consider that the proposals of the confer-

ence were too ridiculous for consideration. That one, at any rate, was not. Take another disability under which Albany is suffering. I would not have touched on these disabilities, but for the remarks of the Premier, which I cannot allow to pass unchallenged. The Premier went back 25 years; I shall go back 30 years. During the last 30 years 64 railways have been authorised in this State, five of them in the Albany zone, namely, the Katanning-Kojonup, Katanning-Nyabing, Nyabing-Pingrup, Tambellup-Ongerup, and Denmark-Nornalup—the last-named is now being constructed—in all 186 miles which cost £555,043. The 59 other railways, totalling 3,069 miles, cost £7,832,041, and five of them are over 100 miles in length. One or two of those railways have not yet been constructed. A railway from Albany to Nornalup and through to Bridgetown was promised 30 years ago. So far only a section of it has been authorised and its construction has been delayed for three years. A portion of the Newdegate railway, which should be constructed to bring the wheat to Albany, was promised in 1913. A tremendous quantity of wheat and wool is being raised in the Newdegate district, farther out than the farmers should have to cart it. As to the quality of the land, it was recently reported—

The discovery of cultivable areas suitable for growing lucerne, apples, potatoes, oats, rape, barley, turnips, subterranean clover and other fodders, is mentioned in a report prepared as the result of a special tour made by Inspector Bostock, of the Lands Department, throughout an area extending from east of Ongerup across to the Great Southern railway at Tambellup, then south right down to Marbellup, and westward to Denmark. The area inspected comprises about 700,000 acres, all of which, except 50,000 acres, is within 12½ miles of a railway.

The report then goes on to describe the class of country and its suitability for wheat, sheep, apple, and potato growing. The remarkable thing is that the Government have discovered this land. Not a great while ago it was reported that the land between Newdegate and Albany was no good, although land has been settled there since 1838 and other land has been settled for three generations. The intervening land, however, was said to be not fit for cultivation. Now the Government have discovered that it is fit. As a result of a land committee's work in Albany four or five years ago, experiments were begun on the bottle brush country

and continued by the late Government. A certain experiment was being conducted at Marbellup, but that has been abandoned by the present Government. We were told in the Governor's Speech that there are four experimental farms outside the safe wheat areas. So far we have not an experimental farm of any description in the South-West or in the Albany district. Yet we have 700,000 acres of land with a safe rainfall, all except 50,000 acres of it within 12½ miles of a railway, and nothing is being done with it. Experimental farms are established outside the safe wheat areas and yet inside the safe rainfall areas nothing is done. That is one of the disabilities from which Albany is suffering. The Torbay-Grassmere drainage scheme I touched on last year and Mr. Stewart referred to it this year. Owing to the Premier's statement I must refer to it again. According to "Hansard" of 1913, page 442, Mr. Price, then member for Albany, said—

Despite the fact that a very large sum of money has been spent on these drainage works, I have, during the past few weeks, received scores of letters setting forth the fact that whereas in years past the settlers at this time of the year were able to go on to their land by opening up the sand bar, this season, despite the fact that a comprehensive drainage scheme has been carried out, they have not been able to get on to their land, and the flooding is infinitely worse than it was before the Works Department took this scheme in hand.

In 1914 Mr. Price, speaking on the Loan Estimates, said—

I notice here an item of £350,000 for the Water Supply and Sewerage Department. I sincerely hope it will be expended in a more satisfactory manner than was the money expended in my district by the department in connection with the Torbay-Grassmere drainage scheme. . . . A drainage scheme was entered upon and what was the result? It drained a huge area of land held by a private owner who is putting it to no use. About 20 per cent. of the settlers received a slight benefit from the scheme, and the other 80 per cent., many of whom prior to the inauguration of the scheme were not affected by flood waters, now have the water carried down on to their land and for two years they have been unable to get their crops off.

At the inception the settlers objected to the scheme of the engineers, and entered a protest as far back as 1911. A reply to their protest, bearing the date 29th August, 1911, read—

In reply to your recent communication, I have obtained a report from the departmental engineers who do not approve of any departure from the present drainage scheme which has been adopted at Torbay. Their views are

endorsed by the Engineer-in-Chief who, however, states that if it be found necessary later on, provision can be made for altering the scheme in the direction shown by experience to be an improvement. If a flume proves to be necessary, it can be provided, that is, if the work you expect a flume to do is not performed by the flood gates. (Sgd.) H. Daglish.

The scheme was launched and the flood gates were made a national work. The settlers were paying for the drainage only. A drainage board was then formed, but this board refused to rate the people. The Government then assumed control of the scheme, took 31 of the settlers into court, and eventually lost the case. Since then, despite what Mr. Price and other members said, the Government would do nothing to remedy the position. Recently the new Engineer-in-Chief visited the district and looked for a remedy for the trouble. In one part of his suggested remedy he said:

It has been suggested that the existence of the flood gates accentuates the action of the bar, and causes it to close earlier, after having been opened, than would otherwise have been the case. As the gates, off necessity, must have some effect in retarding the velocity of the out-going water, and do, in fact, entirely control the depth at which that water can move, it is likely that this view is accurate.

In effect, the Engineer-in-Chief condemns the scheme. It has been condemned by everyone, except the original engineers who established it. This is where the sting comes in. A covering letter came with the remedy of the Engineer-in-Chief, signed by the Under Secretary as follows:—

I am further directed to inform you that any expense which may be involved in effecting improvements to the drains, and in keeping the bar open, must be met from rates which are to be levied within the drainage district, and therefore, in the event of the department deciding to carry out any new work, the settlers concerned must first signify their willingness to accept the cost as a charge to capital account, and agree to pay interest and sinking fund thereon. This, of course, will involve the creation of a new drainage board.

The Government departed from the original idea of making this a national scheme, and now they want the settlers to pay for remedying the blunder that was made. The remedy will cost far more than the original scheme. The settlers are willing to keep to the original agreement, and pay for drains, but not for the blunder the Government made, over which they have lost so much money. Now I come to the allocation

of the Federal road grant. I asked the following question:—

1, How much money has been allocated to the Perth-Armadale road during the last three years from—(a) State funds or grants, (b) Commonwealth funds or grants? 2, What proportion of traffic fees has been allocated to this road during the last three years? 3, How much was contributed by local authorities?

The answer was:—

1, (a) £10,007 15s. in year 1923-1924; (b) £30,000 in 1926. 2, For the past two years in which the traffic fees have been allocated, the amount of £12,510 2s. has been expended on work outside of the City of Perth. 3, Information is not recorded in the Department.

The proportion allotted to the three road boards interested would be somewhere about £5,000 each. In the last three years £44,000 has been spent on the Perth-Armadale road out of State and Federal funds. During the last three years money has been asked for on account of the Albany end of the road, but every request has been refused. The Plantagenet and Albany road boards have had nothing from State funds. A sum of £48,000 was given by the Federal Government for reconditioning main roads. The Albany Road Board and the Plantagenet people thought they were entitled to get some of that, but applied in vain for a few thousands. Yet the Premier says we are complaining about harsh treatment. Under the National Roads Bill the States will receive from the Commonwealth the following sums: New South Wales, £5,520,000; Victoria, £3,600,000; Queensland, £3,760,000; South Australia, £2,280,000; Western Australia, £3,840,000; and Tasmania, £1,000,000. The distribution will be on the basis of three-fifths for area and two-fifths for population. We thought we should get something out of that basis, but we received nothing. The £30,000 from the Commonwealth grant, that is supposed to be spent on the basis of three-fifths for area, has been spent within a few miles of Perth. That is unjust treatment. A working bee was then started in Albany on this road. This organisation, combined with the road board, put up £250 worth of work in public subscriptions, voluntary labour, and money from the Albany Road Board. The Government gave £250, and later another £250 for 14 miles of road. This road passes through land that is unalienated, and only £21 a year in rates comes from it. The Albany Road Board were subscribing money that should have been devoted to the mak-

ing of roads to enable settlers to get their produce to the nearest railway station. The Premier said we had been grumbling for 25 years, and had declared we had not received a fair deal. I asked a further question—

1, How much money has been spent by the Government on reconstruction and maintenance work on the Perth-Fremantle road during the last 25 years? 2, How much was contributed by local authorities?

The answer was—

1, £61,798 16s. 10d., and in addition £12,486 17s. 4d. from the Traffic Fees Trust Account. 2, Information is not recorded in the Department.

The Albany-Denmark road is just as old as the Perth-Fremantle road. Anyone who wants to take a motor car by rail from Albany to Denmark may do so at a cost of £1. The road is impassable, and yet we are supposed to be complaining. Although Albany has the best harbour in Western Australia, we have been trying in vain to induce the Government to give us a harbour trust.

Hon. G. W. Miles: The best harbour in the South-West.

Hon. A. BURVILL: I do not know why the Government persistently refuse this request. During the life of the last Government a grant of about £40,000 was made for constructing a basin alongside the wing of the deep water jetty. While this was being excavated the Chamber of Commerce and the Town Council asked that the area be slightly reduced so that there might be something left over to make a fairway to the town jetty. This was desired so that Interstate boats might come to the town jetty, lessen the expense of unloading, and reduce railway costs. When the work was finished, according to the restrictions asked for, a sum of £3,000 was left, but the Albany people did not get it. It is written that "To him that hath shall be given, but from him that hath not shall be taken even that which he hath." This is exactly what happened. On the 14th May, 1923, the Chamber of Commerce wrote to Mr. Scaddan as follows:—

Dear Sir,—Re depth of water and approach to Town Jetty. I confirm telegram sent you—"Town jetty improvements this morning Chamber interviewed Tchan who returns this afternoon and brings letter from us for you." As indicated in the above telegram, the Chamber met Mr. Tchan and Mr. Ralph Taylor this morning. We gathered

from these gentlemen that there was approximately £3,000 to the credit of the big dredge scheme and we further understood that the big dredge would finish up on Friday. We realise, therefore, how important it is that any work to be done at the town jetty should be decided upon promptly so that it shall be started immediately after the big dredge completes the big scheme. In discussing the question of improvements to the town jetty, this Chamber decided that we should have a minimum depth of 25 feet in the channel leading to the town jetty and a similar depth of water in the swinging basin at the town jetty. With the money available left over from the big scheme, Mr. Taylor estimates that approximately two-thirds the length of the channel could be dredged to a minimum of 25 feet with a width of 300 feet across the channel. At present the channel is 400 feet wide; but after talking the matter over we considered that in order to get the depth something could be saved by making the width 300 feet, which should be ample for any vessel to comfortably approach the town jetty. We, therefore, asked that the work be commenced immediately at the eastern end of the channel, that is really the entrance of the channel leading to the town jetty, and for Mr. Taylor to do as much work as he possibly can with the money available. This should take approximately three weeks. To complete the scheme, Mr. Taylor estimates that a further £3,000 would be sufficient for this work. It seems a pity, therefore, that the scheme should be left incomplete for the sake of the extra money required. As you know we are arguing with the Interstate Shipping Companies regarding the service to Albany, and we do not want them to use the fact of the bad approach to and the berthing at the town jetty as a lever against our request. We consider that all the Interstate boats bringing cargo and passengers should berth at the town jetty, more particularly as it is more economical from a shipping point of view and also better service is rendered by the Railway Department at the town wharf. We ask you, therefore, to use every influence to get the balance of money required to complete the scheme at the town jetty. We certainly think that we are entitled to have the £3,000 remaining from the big scheme spent on improvements to the harbour and, in our opinion, the suggested improvements to the town jetty waters are necessary; therefore we look for that £3,000 to be spent there but it seems ridiculous to have that scheme incomplete just for the sake of a further £3,000. After all, Albany is not asking very much when we read of the amounts which are authorised to be spent on other ports in Western Australia, so that we do look, with every confidence, to having our request carried out. Trusting you will be able to move in the matter promptly so that there shall be no delay and that the big dredge may proceed with the work without any interruptions.

The work was not carried out; and late during the present Government's term, the following letter was sent to Mr. A. Wan

brough, M.L.A., by the vice-president of the Albany Chamber of Commerce:—

Albany, 17th May, 1924. Dear Sir,—Re dredging Albany harbour. At the last meeting of my chamber I was instructed to write you regarding the above and request that you make representations to the Minister for Works to have the fairway to the Albany town jetty dredged to enable interstate vessels to use this jetty. When with reasonable safety vessels can approach this jetty, it is likely they will use same, as from a shipping point of view it can be more economically worked than the deep sea jetty which is at present used. If the fairway be dredged and the town jetty used, the Railway Department could also more economically handle shipping there than at present. When the big dredge which was hired from the Commonwealth Government was nearing completion of the Banjo area scheme, we made representations through our then member to have this work completed. At that time there was approximately £3,000 unexpended on the Banjo area scheme, and it was computed that about another £3,000 was all that was necessary for dredging the fairway to the town jetty, a width of 300 feet with a minimum depth of 25 feet. Notwithstanding our representations, the unexpended portion of the amount from the Banjo area scheme was taken back into revenue, and our request not granted. I understand there is a prospect of the present Government purchasing this big dredge, and we would ask you to use your best endeavours to have this work carried out while the dredge is still at Albany. The cost of this undertaking at the present time should be considerably less than was the case previously, as now the high rental charged by the Commonwealth Government, together with the two crews then necessary and other incidentals, will be eliminated. I am enclosing herewith the chamber's file on this matter, from which you will see the whole of the correspondence relating thereto. I would particularly draw your attention to our letter of the 14th May, 1923, addressed to the Hon. J. Scaddan, from which you will see the proposition which we then put up. Trusting that your efforts in this connection will be successful, and thanking you in anticipation, yours faithfully.

From this correspondence it will be understood that nothing has been done to the harbour in the direction required. I now propose to go back to 1913 in order to prove that the work has been asked for over a number of years. On the 6th August, 1913, Mr. Price, then member for Albany, asked the Minister for Works—

1, Have plans and specifications providing for extensive harbour improvements at Albany been prepared? 2, Have such plans and specifications, if any, been considered by Cabinet? 3, In view of the fact that £5,000 was placed on the Estimates last year for harbour improvements for Albany, will he indicate when such work is likely to be commenced? 4, Has his attention been drawn to

the fact that certain interstate steamers, including a new steamer arriving next month, cannot use the town jetty owing to the shallow water, and refrain from using the deep water jetty owing to its dilapidated condition? 5, If so, will he cause early action to be taken so that the necessary berthage may be provided?

The reply of the then Minister for Works, Mr. W. D. Johnson, was as follows:—

1, A comprehensive report has been furnished to the Government by the responsible officers. 2, The report is receiving the consideration of the Government. 3, When a scheme has been adopted by the Government the question of a start being made with the work will receive attention. 4, One of the interstate companies asked for certain information respecting the port, and it was supplied. 5, In view of the comprehensive scheme mentioned it is not deemed advisable to undertake any temporary work.

The work of improving the fairway to the town jetty still remains undone. Certain improvements have been effected in the deep water jetty, but even there a great deal remains to be done. In this State $3\frac{1}{4}$ millions sterling has been spent on harbour improvements, and of that amount $2\frac{1}{2}$ millions have been devoted to the interests of Fremantle. I am not objecting to Fremantle getting even more than its fair share. My objection is to what Mr. Collier has said regarding the complaints of Albany, now extending over 25 years. During the past 30 years £2,471,000 has been spent on the Fremantle harbour, while at Geraldton £77,000 has been spent, at Bunbury £519,000, and at Albany £163,000. In Fremantle the Government have spent as much money in trying to make a dock as they have spent altogether on the Geraldton and Albany harbour works.

Hon. G. W. Miles: But God made Albany harbour, and man had to make Fremantle harbour.

Hon. A. BURVILL: I consider I have proved conclusively that Albany has cause for complaint. Before concluding I desire to congratulate Mr. Drew on the report he has made regarding the prospects of trade with the Dutch East Indies. I understand that £900,000 worth of flour is purchased there annually. Freights from Fremantle and Albany to the Dutch East Indies are 5s. cheaper than the corresponding freights from ports in the Eastern States. I consider that Western Australia should get some of that trade. Albany and Bunbury in particular should have a large share of the East-India trade, seeing that they

are the ports of export for other products required in the same quarter. Albany is right in the apple-growing district, and Mr. Drew tells us that 55,000 cases of apples were sent from Australia to the Dutch East Indies last year—52,000 of them from this State. The apples should be shipped from the nearest port, and Mt. Barker is only 40 miles distant from the port of Albany. Certainly flour and apples for the Dutch East Indies could be shipped from Albany. I thank hon. members for their patient hearing.

On motion by Hon. W. J. Mann, debate adjourned.

House adjourned at 10.25 p.m.

Legislative Assembly,

Tuesday, 24th August, 1926.

	PAGE
Question: Water Supply, Churchman's Brook Scheme	482
Assent to Bill	482
Bills: Federal Aid Roads, 2r., Com. report	482
Wyalcatchem Rates Validation, 2r., Com.	504
Soldier Land Settlement, 2r.	505
Vermin Act Amendment, 2r.	509
Plant Diseases Act Amendment, 2r.	509
Agricultural Bank Act Amendment, 2r., Com. report	510

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

QUESTION — WATER SUPPLY, CHURCHMAN'S BROOK SCHEME.

Mr. E. B. JOHNSTON asked the Minister for Works: 1, What has been the cost of the Churchman's Brook water scheme to date? 2, What is the estimated cost of the completed work? 3, Will the scheme be completed within three years from date? 4, Is the Engineer-in-Chief satisfied with the methods under which this work is being carried out?

The MINISTER FOR WORKS replied: 1, £165,237 to 31st July, 1926. 2, £300,000, including all Head Office charges. 3, Yes. 4, Yes.

ASSENT TO BILL.

Message from the Governor received and read notifying assent to Supply Bill No. 1 (£1,913,500.)

BILL—FEDERAL AID ROADS AGREEMENT.

Message.

Message from the Governor received and read recommending appropriation in connection with the Bill.

Second Reading.

THE MINISTER FOR WORKS (Hon. A. McCallum—South Fremantle) [4.37] in moving the second reading said: The Bill consists practically of the agreement that has been signed by both the Commonwealth Government and the State Government, embodying the terms that were arrived at during a conference between Ministers from the States and the Commonwealth Minister, governing the provisions under which the Commonwealth propose to make £20,000,000 available during the next ten years. I do not anticipate there will be any objection by this Parliament to ratifying the agreement, because it will be agreed readily that the terms Western Australia has secured under the agreement are the most favourable we have yet secured under any financial arrangement between the State and the Commonwealth.

Hon. Sir James Mitchell: It is practically the same as the agreement in 1920.

The MINISTER FOR WORKS: No.

Hon. Sir James Mitchell: Yes, it is.

The MINISTER FOR WORKS: Much of the allocation is on the same basis, but there is a considerable difference in the conditions, which have been modified. For instance, we pay only 15s in the £, instead of pound for pound.

Hon. Sir James Mitchell: I hope we will get value for our money.

The MINISTER FOR WORKS: Some important modifications have been made. This means that we will now have ahead of us a definite road-making programme for ten years. As a result, we can look forward to very substantial improvements in the thoroughfares throughout the State. It will mean that we shall spend £672,000 a year for ten years, so that at the end of that term there will have been spent on road construction in Western Australia, £6,722,000, less