

Legislative Assembly,

Wednesday, 15th October, 1924.

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

QUESTION—LOCAL GOVERNING BODIES ANNUAL STATEMENTS.

Mr. SAMPSON asked the Minister for Works: 1, Will he take steps to ensure the resumption of the publication of the annual statements of local governing bodies showing classification of road boards, particulars of road board finances and associated matters, as previously issued? 2, In addition, will he give instructions that an annual report respecting local government is published and that copies are distributed to members of both Houses of Parliament and to local governing bodies concerned?

The MINISTER FOR WORKS replied: 1, Road Boards have not been classified since the basis upon which subsidies were granted was altered, but a table giving particulars of road board finances, etc., will be included in the Public Works report next financial year. 2, A brief report respecting local government is included in each Public Works report; this will be continued. These reports are always presented to Parliament, and a copy will be supplied to any local authority requiring one.

QUESTION—HOSPITAL FOR INSANE.

Mental Patients.

Mr. SAMPSON asked the Premier: 1, Have the Government arrived at a decision regarding the erection of a Mental Reception House and Convalescent Home? 2, If so, when will the actual construction be commenced?

The PREMIER replied: 1 and 2, The Public Works Department has now in hand the preparation of revised plans, which will be considered by the Government as soon as possible.

QUESTION—RAILWAYS, WHEAT FREIGHTS.

Mr. E. B. JOHNSTON asked the Minister for Railways: 1, Has any alteration been made in the railway freight on wheat? 2, What is the extent of, and reason for, such alteration?

The MINISTER FOR RAILWAYS replied: 1, No. 2, Answered by No. 1.

QUESTION—WYNDHAM MEAT WORKS.

Mr. COVERLEY asked the Premier: 1, Is it a fact that during last killing season at Wyndham a quantity of beef was treated and stored ready for export, but was ultimately returned to the works for the manufacture of extract and fertiliser? 2, If so, can he give an estimate of the loss which accrued to the works thereby and the reason for the change? 3, What was the cost per lb. of beef to receive, kill, freeze, and place on steamer at Wyndham for export for the years 1923 and 1924 respectively?

The PREMIER replied: 1, At the close of the 1923 season 616 surplus crops of beef unsuitable for export were boiled down. 2, No loss. This was the most economical mode of disposal in the circumstances. 3, The figures asked for are not available.

QUESTION—EDUCATION, EXPENDITURE.

Mr. MILLINGTON asked the Premier: 1, What is the amount of expenditure for the last financial year for (a) University education, (b) secondary education, (c) technical education? 2, What are the numbers of students who receive instruction at (a) the University, (b) secondary schools, (c) technical schools? 3, What is the per capita cost of buildings for (a) the University, (b) secondary and high schools, (c) technical schools? 4, What is the amount expended on permanent buildings for (a) secondary schools, (b) technical schools? 5, Does the Government favour the establishment and extension of technical schools to secondary schools in the metropolitan area?

The PREMIER replied: The information is being prepared and may be available on Tuesday next.

BILL—STATE LOTTERIES.

Third Reading.

The PREMIER (Hon. P. Collier—Boulder) [4.35]: I move—

That the Bill be now read a third time.

Hon. Sir JAMES MITCHELL (Northam) [4.36]: Even at this late hour I ask the Premier to consider whether it is wise to pass the Bill in its present form. This House is asked to say that the Minister in

charge of State lotteries may run as many lotteries as he pleases, in the way he pleases, appoint any official he pleases, and having run his lotteries and got in the money, may spend the money as he pleases. That is bad legislation. If that had been suggested when the Premier sat on this side of the House, he would have protested a great deal more vigorously than I have done, or propose to do. We have discussed the advisability of instituting this system fairly fully. If this Bill be passed, the law prohibiting gaming and the running of lotteries should be cancelled. It is not right that there should be a law to permit a Minister of the Crown to do a thing for which a member of the public would run the risk of being imprisoned. Surely the Premier will see the unwisdom of passing the Bill in its present form. If we must run lotteries, let us have a proper Bill drafted, giving the control of the lotteries to the Government subject to Parliament, and making the Government responsible for the disbursement of the profits. It would be a very easy matter for the good name and fair fame of Western Australia to be damaged by lotteries run under this Bill, or by any other lotteries run by the Government, for Ministers cannot be expected to control every detail of the work. It would be better to draft a Bill to give Ministers acting together executive control over these lotteries. I suppose no Bill has ever been submitted to the House drafted in the way this Bill is, empowering, as it does, one Minister not only to collect revenue but to disburse revenue.

The MINISTER FOR LANDS (Hon. W. C. Angwin—North-East Fremantle) [4.39]: The Leader of the Opposition does not realise that the practice to which he objects has been in existence here for many years. Under the Road Districts Act the Minister for Works is voted a sum of money with which he may do as he pleases.

Hon. Sir James Mitchell: Subject to the Treasurer.

The MINISTER FOR LANDS: He can divide it up and make grants where he thinks fit.

Hon. Sir James Mitchell: But the vote has to be passed by Parliament.

The MINISTER FOR LANDS: The money is put on the Estimates, and the Treasurer knows he has to find it. Then there is the vote connected with the running of hospitals. A lump sum is set down to be divided up as the Minister may think fit. In nearly all our legislation there is provision to enable the Minister to do certain things. Sometimes a Bill says that the "Governor" may do certain things, but that, after all, is another word for "Government."

Mr. George: The Treasurer must have control of the money.

The MINISTER FOR LANDS: There would be a great cry from some members

opposite if the Bill provided that the money should be paid into the Treasury.

Mr. Latham: It should be paid to a trust account.

The MINISTER FOR LANDS: It should not be paid into the Treasury. It will be raised for a certain object, and will be paid into a special fund for that object, and for that object alone. The same thing applies in other directions, in cases where the House merely votes a lump sum. It would be impossible to give members every detail for every sum that is placed on the Estimates. The Minister for Works would not go to the Treasurer and say he wanted £1,000 towards the construction of a certain road; he promises the amount and subject to its being available, pays it.

Mr. George: He has to find out whether the Treasurer has the money, and to exercise common sense before making promises.

The MINISTER FOR LANDS: Of course. In this particular case the money will be paid into a special fund, and unless there is money in the fund it cannot be drawn out.

Mr. George: The cases are not parallel.

The MINISTER FOR LANDS: This Bill will do a lot of good.

Hon. Sir James Mitchell: I hope you may find it so.

The MINISTER FOR LANDS: There has been opposition in some quarters against this Bill, but people have failed to realise that it will be of great benefit in the case of children. From the very time when a child can toddle he is given a penny by his mother or father to buy a prize packet at a lolly shop. These packets are shown in the shop windows in order to attract children to indulge in a little gambling.

Hon. Sir James Mitchell: Are you speaking of Cornwall?

The MINISTER FOR LANDS: I am speaking of what is going on here.

Mr. George: They are too canny in Cornwall.

The MINISTER FOR LANDS: Children gamble in this way from the day when they can just walk. The excuse is made that they receive lollies in the packets, but when a child gets a packet, the contents of which he does not like, he throws it into the gutter and gets another penny with which to buy a fresh packet. Some of those very people who are teaching their children to gamble in this way are those who are opposing the Bill. Not a word has been said against this class of gambling on the part of the tiny toddler. If we wipe out this form of gambling and the numerous small lotteries that are going on in Perth to-day, we shall be doing a great deal of good. Only to-day I saw two motor cars being put up for sale by means of shilling tickets.

Hon. Sir James Mitchell: Did you buy a ticket?

The MINISTER FOR LANDS: No. Then we see other sweeps advertised in shop windows, for which the public are invited to buy tickets. We shall do a great deal of good if we pass a Bill that will wipe out all these sweeps and lotteries. Before anyone can take part in a State lottery, he must pay 5s. or 5s. 3d. for his ticket, plus postage, and the tickets will not be available in the general way that they are available to-day.

Hon. Sir James Mitchell: You have not gone carefully into the details of the Bill.

The MINISTER FOR LANDS: The present system is detrimental to the rising generation. If we can wipe out this pernicious system that has operated here for so long, we shall be doing a world of good. I hope this Bill will prove to be of benefit to those who are sick or in distress.

Mr. GEORGE (Murray-Wellington) [4.45]: The only redeeming feature about the Bill is that it will do away with the various lotteries and sweeps that are permeating the State to-day and lowering the moral tone of the people with whom we have to deal. I do not mind anyone having a flutter; I do not say that I am any more moral than most other people. The fact remains that these sweeps and lotteries are bad. Ministers in the Mitchell Government would have been wrong had they dealt with funds voted by Parliament without consulting the Treasurer to ascertain whether or not the cash was available. During the whole of the Mitchell Government's regime, we had some difficulty in securing the necessary money, and if I had embarrassed the Treasurer by incurring expenditure without communicating with him, I would not have been loyal to Sir James Mitchell.

The Premier: There were other ways in which you could embarrass him without incurring expenditure.

Mr. GEORGE: I do not know about that, but had I taken such action I would not have been loyal to my chief. There should be close touch between the Treasurer and his Ministers, and Ministers, if they are loyal to their Government and to their Premier, will not expend money to the embarrassment of the Treasurer. There was no difference between Sir James Mitchell and myself in that we desired to be true and loyal to Western Australia.

The PREMIER (Hon. P. Collier—Boulder—in reply) [4.47]: There seems to be an impression in some quarters that a departure has been made in this Bill regarding the powers conferred upon Ministers.

Hon. Sir James Mitchell: There has been a departure, too!

The PREMIER: The Leader of the Opposition knows perfectly well that the power conferred upon the Minister under the Bill is that commonly conferred upon Ministers

in nearly every measure we pass in this Chamber.

Hon. Sir James Mitchell: No.

The PREMIER: If the hon. member looks through the various Acts we have passed he will see similar provisions included. In one of the first Bills on the file this session we have an interpretation clause defining the "Minister," and then powers are conferred upon the Minister who, it is provided, "may from time to time if he thinks fit" do certain things. It is necessary to confer powers upon the Minister charged with the administration of an Act, in order to give effect to the intentions of Parliament. That is all the present Bill provides. The Leader of the Opposition should not assume that because the Bill confers upon the Minister powers to do certain things, the Minister will act independently of his colleagues in the Ministry. The Minister concerned is responsible to the Government. While we must confer such powers upon him, it does not say that he will carry on irrespective of the wishes of his colleagues. The member for Murray-Wellington (Mr. George) knows perfectly well that before a Minister would involve the Treasury in any expenditure of importance, he would consult with the Treasurer and with Cabinet. There is no warrant for saying that the Honorary Minister in charge of this Bill will depart from that practice. The Bill is in accordance with the usual practice.

Mr. George: I understood from the Minister for Lands that the Minister would dispose of the money voted by Parliament.

The Minister for Lands: So he will.

The PREMIER: So he can, if he wishes.

The Minister for Lands: He would naturally consult the Treasurer about the money.

The PREMIER: The member for Murray-Wellington knows that when certain money was voted to him in his former capacity as Minister for Works, the expenditure of that money was authorised, without necessity for further reference to the Treasurer. I am aware that Sir James Mitchell, when Premier, somewhat curtailed the powers of the Public Works Department regarding expenditure of money without Treasury approval.

Hon. Sir James Mitchell: That applied to all departments.

The PREMIER: For instance, a large sum of money is voted for buildings. It had been the practice for the Minister for Works to deal exclusively with the expenditure under that heading. There was a change in recent years, however, and the Minister for Works was not permitted to authorise expenditure from that vote without Treasury authority.

Mr. George: That was on account of the finances.

Hon. Sir James Mitchell: There was no money available.

The PREMIER: There is no change authorised in the Bill. We should be honest with ourselves regarding the principle involved in the measure. The Bill does not

carry us any further than the practice that has been in vogue in Western Australia for many years past. By a special Act of Parliament we authorised and established gambling machines on the racecourses, notwithstanding anything to the contrary in the Criminal Code. Let us be honest with ourselves! If the Leader of the Opposition is so opposed to the Bill, let him bring down a Bill to repeal the Act by which we established gambling machines on racecourses. Let us enforce our existing legislation and clean our streets of the large army of gamblers and bettors who frequent those streets! Let us go throughout the whole ramifications of gambling in Western Australia, including sweeps, lotteries and so on! Hon. members know perfectly well that that has never been attempted, nor would anyone attempt it now. Public opinion has been, and is, too strong for that. The people like a little flutter.

Hon. Sir James Mitchell: We restricted it.

The PREMIER: The vote on the motion for the second reading of the Bill fairly well reflected outside public opinion.

Hon. Sir James Mitchell: I agree with you, but we must do our duty.

The PREMIER: The Bill will have the effect of wiping out altogether many of the objectionable forms of gambling such as sweeps, lotteries and so on.

Mr. Richardson: Your Honorary Minister said it would knock all of them out; you say it will knock some of them out.

Member: The Premier is more guarded.

Question put and passed.

Bill read a third time and transmitted to the Council.

BILL—TRUST FUNDS INVESTMENT.

Returned from the Council with an amendment.

ANNUAL ESTIMATES, 1924-25.

In Committee of Supply.

Debate resumed from 9th October on the Treasurer's Financial Statement and on the Annual Estimates; Mr. Lutey in the Chair.

Vote—Legislative Council, £1,346.

Hon. Sir JAMES MITCHELL (Northam) [4.55]: I congratulate the Premier on the very clear and lucid way he presented the Budget. If I possessed his eloquence I could imagine myself saying what he said, and if the Premier only possessed a little of my optimism, I could imagine it still further. It was the Treasurer's first Budget, and I think the public are satisfied with the way he handled the situation. I well remember my first Budget. The circumstances were very different. The war had been concluded only for a few months when I came

into office in 1919. Depression was rampant; a great many men were out of work; many men were coming back from the war; and the finances were in a bad way. The Premier well knows the troubles that were due to the war and other causes. These made the position very difficult. I inherited trouble respecting the deficit, and stagnation and depression made things more awkward. We could not have expected it to be otherwise at the time. The position is different now, however, although the Government still have trouble in connection with the finances, principally on account of the exchange problem. Apart from the difficulties I have referred to, I also had to find nearly £1,000,000 for additional wages and salaries, but, of course, the Premier has to do that now. The methods by which that position has been met are now in operation. The improvement in our finances is due to no temporary expedient, but is on a permanent basis, due to the solid development of the State's natural resources. We can look forward to much better times. The Treasurer will remember that in 1919 I said there were two ways of squaring the ledger. One was by imposing taxation, which the people could not stand, and the other was by the slower process of increased development and production. The country agreed with me that the latter method was the better. In 1920 the deficit was £668,000; in 1921, £686,000; and in 1922, £732,000. In 1923 we began to secure some of the advantages from the investment of money for developmental purposes and the deficit in that year was £405,000. Last year it was £229,000, or £500,000 better than two years previously. The Treasurer's Estimate for this year is £188,000. Later on I will endeavour to show the Treasurer that his ledger will balance this year.

Mr. Heron: You are the State's optimist.

Hon. Sir JAMES MITCHELL: If a man shows a little faith in his country, he is dubbed an optimist. I am surprised at such a remark coming from my good-looking friend. It is not often a man of his build leans to pessimism. There is nothing like faith. Without it this country would soon go to the dogs. From the increased production achieved, we have produced work and produced cash. I hope the Committee will agree with me when I say that our primary products constitute the only real money we have. We have many customers for our primary products, but none for our manufactured goods. Our primary products, therefore, constitute our real money. It may, of course, be more or less, for the crop is influenced by the price we get. If our 20,000,000 bushels of wheat are sold at 4s. we get £4,000,000, whereas if they be sold for 6s. we get £6,000,000. All other exports, of course, can be regarded in the same way. This is money that is of real advantage, that gives us trade, with profits for all, and especially for the State's revenue, which we are discussing. Some peo-

ple say the ledger has been balanced because of loan expenditure. That is perfectly true; but what they mean when they say that, is that it is due to loan expenditure on public works. We have spent very little money indeed on public works. Of all the money we have borrowed, 63 per cent. has been loaned to farmers, including the soldier farmers. Of the money borrowed last year, 70 per cent. was loaned to farmers. Of course, during the spending of that money some advantage comes to the Treasury, although it is not comparable to the money that will come to the Treasury as the result of the production of crops due to that loan expenditure. We have settled down to the creation of wealth by the development of our natural industries. We have settled down to this work as our one great piece of business. Through the creation of this money, unemployment has disappeared and the finances have been put in order. To continue this business actively is our simple duty to-day. There is a long vista of progress open to us. The end will not be in our time, nor in that of the next generation. Land development is a very slow business. It took some years to achieve any result from active expenditure in the country. But it would be a pity if we allowed anything to get in the way of continuous effort to improve production on farms, to improve stock, and indeed, to improve production generally. Now the way is open, and for a year or two the advantage will still pile up; because we shall get the same return from land already under crop, and an added return from work done this year. Indeed, two years from now we shall still be reaping advantage from the expenditure of money last year. I hope the Treasurer will continue that expenditure in order that there may be no stoppage of increased production. We started to increase production in 1919, but it was 1922 before we got the full benefit of our earlier efforts. The reduction of our deficit since 1922 is an achievement that will bear repetition. The average deficit for the last two years has been £250,000. The Treasurer has told us that there is an increase of 339,000 acres under crop this year, as against last year, including 484 acres of new land prepared for planting this year. There will be a still larger area of new land prepared for the next crop, because this year we have spent more money on clearing than ever before. I hope the Treasurer will get the benefit that cannot fail to come from the increased crop. Notwithstanding the Treasurer's estimate, I say the ledger will balance this year, unless trade activities are curtailed. Of course, I hope the Treasurer will not misunderstand me, will not think for a moment that I am saying that offensively. Far from it. But the Treasurer must know that the influence of government is of very much greater importance than is the work of government which, after all, no matter what we may do, means but a limited ex-

penditure within well-defined areas. I wish to deal with advances to farmers, but first I should like to say a word about taxing production. Another £10,000,000 spent on solid development and in advances to farmers would produce more to the Treasury than do our present land and income taxes combined. It is only in this way that we can hope to reduce taxation. In the other States money has been available from ordinary sources for this work of farm making. But it means a long-term advance, and there are no financial institutions in Australia that can do the work to-day as they once did it. So at this stage in Australia's development the responsibility for advancing money falls to too great an extent upon the Government. However, that cannot be helped. It must be gone on with if the country is not to stagnate. If we pledge the collective credit of the people to borrow a million of money that we lend to individuals, we have to pay £60,000 in interest, and charge the individuals £60,000 for it, and in addition a very small sum for the working costs of the bank. So interest is paid and interest is received. I venture to say that the trade activity due to production, the result of that expenditure, would bring to the Treasurer, when the expenditure is fully used, at least £100,000 per annum. Some have said that during the years I controlled the Agricultural Bank I gave the farmers £1 for 5s. To say that is to misunderstand local finance altogether. If a private person loaned money he would, of course, get his interest, but that would be all that he could get. When the Treasurer loans money he not only gets his interest but, having transport facilities at hand, he gets the advantage of transport over the railways, he gets the advantage of work in the harbours, he gets taxation from the farmer direct, he gets increased taxation from the people with whom the farmer trades, and, in a word, he gets advantages all along the line. In a hundred ways something comes to the Treasury from all activity. It seems to me a man cannot spend any money without producing something for the Treasury. That is why in a time of activity the finances are very much more buoyant than when times are dull. It is not the amount of money available to the people, but rather is it the way in which the money is used. A sovereign may do many things in the course of 12 months, or it may do few. When people are active and cheerful, naturally it does many. We have in the result of the year's operations convincing evidence of this in the railway figures alone. This year the Premier expects to do £117,000 better than last year. That will be £542,000 better than was done in 1919-20. The Premier knows that the railways opened this year will not add very much to that result; though they will add a little. All this is entirely due to trade activity. A man who grows 1,000 bags of wheat puts it on the train and away it goes. It is followed by agents and people

who travel, and goods pass over the railways to the farm while the products of the farm are passing to the port. It is impossible to follow all the ramifications to a conclusion, but we know how much such activity means. We have a lasting, solid advantage from this work of farm making. The one great piece of business we made our simple task was the production of money from our natural products, and the one great piece of business before the Government to-day is to produce money from the development of our natural industries. The Premier will agree that this is an easy task now because the work is in progress and has only to be continued. We have more land than has any other State; we have a more certain rainfall; we have wider opportunities of production—

Mr. Hughes: But you cannot get land for cultivation in this State.

Hon. Sir JAMES MITCHELL: If the hon. member would undertake to go on the land and work it, he would get a block in five minutes.

Mr. Hughes: But I cannot get it.

Hon. Sir JAMES MITCHELL: That is an insane interjection. Eight million acres of land have been sold in the last five years. Of course the town hall and cathedral sites are gone; the hon. member cannot get them.

Mr. Hughes: I cannot get any land at Northam.

Hon. Sir JAMES MITCHELL: I hope the hon. member will not go to Northam. We have wider opportunities of production than has any other State. Our potential wealth is greater than that of any other State. We are nearer to the world's markets. One day we shall have more people and more wealth than has any other State, but I often ask myself, "When?" I hope it will not be long hence. When I say we have wider opportunities I think of our country running right into the Tropics and right down to the heavy rainfall areas in the South-West. The one end of the State can produce cotton, sugar cane, rice, peanuts, bananas, and in fact all tropical fruits, and at the other end we can grow everything that a cold country can grow. Everything that can be grown in the open or under glass in England can be grown in our South-West. There is nothing man wants that cannot be grown in this State. That is a very wide range, and some day we shall develop this State far more actively than has been done in the past. The north will be a very big asset to Australia, just as the wheat belt is to-day and just as the South-West is fast becoming. We have an unfortunate habit of appointing a Royal Commission every time we get anything going. I have been reading of the development of Australia in the early days, and I find that in 1829 a Commission was appointed to inquire into the work of agricultural development.

Mr. Richardson: Notwithstanding all that we are still going on.

Hon. Sir JAMES MITCHELL: It is useless to worry about the past; that is dead and gone and done with. But the future is ours, and if we are true to our trust and true to the Empire that has entrusted us with the management of this valuable portion of its territory, we shall get to work and develop it. I have said five hundred times that Australia is not safe while peopled by only six million souls. America is a new country, just as we are. American independence dates back 148 years. In New South Wales settlement is 134 years old. America's population has gone up by 110 millions, while that of Australia has gone from nothing to six millions. America is the safest country in the world in which to live. Australia is the least safe of all because of its being so isolated. Yet in the years that have gone we have hesitated to bring in people to populate Australia. To make this country safe for our children, people must be poured into it. We would be very happy if we were left alone, and we could be well off, too, but that is not the point. It is a matter of safety. We have our women and children to protect, and it is because I felt we were not safe that I did all I could to bring in more people. I have received protests from English people visiting the State against bringing any more people out. A man would be a fool to stay here if we had no intention of increasing the population. We need a long outlook and we need courage. We shall have troubles of course, but troubles are only made to be faced. We must face them too, lest in our carelessness we provide greater troubles. There is no insurmountable difficulty ahead. We should go right on. This country has been tested. When we talk of posterity having to pay, we should remember that we are handing to posterity something worth ten times the debt it will take over. We have created an asset quite equal to the money we have spent, and apart from our institutions and our civilisation, no one can doubt that posterity will say, "We have received a very good deal indeed."

Mr. Teesdale: Let them pay a little for it.

Hon. Sir JAMES MITCHELL: But they will not pay.

Mr. Teesdale: Well, make them.

Hon. Sir JAMES MITCHELL: We have paid the price in more ways than one. Posterity will come into a wonderful asset and the accompanying debt will be exceedingly moderate.

Mr. Teesdale: Leave them a bit of work, too.

Hon. Sir JAMES MITCHELL: There will be plenty of work for posterity to do. Nature sees to that. When the bread of the world came from the sickle, the world was fed. Now that it comes from great machines, the world is no better fed. Every day the world is looking for a supply of bread. Nature sees that we have plenty to do. Sometimes I wish Nature was not so insistent upon requiring so much work to be done. If posterity finds it must work,

it will surely remember all that has been done by the 350,000 people of this State. It is sometimes said that men loaf. When I look at the aggregate work of the people of this State, I marvel that we have accomplished so much. It is really wonderful how much has been done. Posterity has been well looked after by every act of government and every work of development that has been carried out. The items on the Estimates are necessarily much the same as those of last year. The Treasury is fairly well organised and efficiently staffed, and the work is done well. Nothing can be gained by discussing the details of the Estimates now or later on. Of course members do discuss them. Still, salaries are fixed by the Public Service Commissioner and the Appeal Board, and unless there is some matter of policy that is going to alter the whole position, there is really nothing to discuss. We must satisfy ourselves, of course, that economy is being practised. I am satisfied it is. There are not six items on the Estimates that I wish to discuss. Yet members spend a great deal of time discussing items with absolutely no result. What we should discuss is the general position. It is the general discussion on the Estimates that is of value. The most important item on the Estimates is the one line representing interest. Dead and dull are the other items relating to salaries, grants and incidentals, but this one line "interest," indicated by the Premier as an ever-growing amount, represents activity and progress, provided the money is wisely expended. We can borrow safely on land for production: we can borrow to provide the necessary transport and market facilities. The money so loaned is not a sink, but a mint coining money, the only money that we have. To-day I am glad not to be on the Treasury bench, because I can devote my time to persuading the Committee to look on the position as I do. By the way, money borrowed to-day for all purposes is costing the taxpayer very little. Next I want to deal with the Estimates, and to prove to the Premier, if I can, that he will balance the ledger this year; and in this connection I hope I shall be regarded, not as an optimist, but as having done something of value to the Treasurer himself. I want the hon. gentleman to realise that I was at the Treasury for five years, producing five Budgets, as against the six months he has been at the Treasury—fairly busy months too. Therefore the probabilities are that I know as much about the items on the Estimates as the Treasurer knows, and that I know more about some of the larger items than he can possibly have had the opportunity of getting into his mind in the short space of half a year. I am sure the hon. gentleman will not mind my saying this. The estimated deficit is £188,000, an improvement of £40,000 as against last year's improvement of £176,000 and an improvement of half-a-million for the past two years. Last

year I estimated a deficit of £298,000, and the actual deficit was £229,000, the improvement on my estimate amounting to £69,000. I repeat that if nothing happens to stop activity, the Treasurer will balance the ledger this year. I have no means of knowing what the Treasurer proposes to get by way of taxation. I am aware that the landowners will get an extra dose of taxation, while the mine owners are to be let off something. However, that aspect can be discussed when the necessary Bills come along. In the meantime I wish to assure the Treasurer that the super tax must go, by reason of a vote of this Chamber.

The Minister for Works: Oh dear!

Hon. Sir JAMES MITCHELL: Apparently the Minister for Railways is right and there is only one voice here. I thought the Minister was joking, but it seems that he is right, and the super tax is not to go. Still, I trust it will go, because the finances are now in decent order.

The Minister for Lands: Please say that again.

Hon. Sir JAMES MITCHELL: Isn't the Minister for Lands well?

The Minister for Lands: I am not when you talk like that.

Hon. Sir JAMES MITCHELL: That is just where Ministers do the harm. I say the finances are in decent order. The Premier pointed out the other night that the payment to the sinking fund, not the increase in the sinking fund, which is more than twice the amount of the cash payment to the sinking fund, but the cash payments to the sinking fund, will amount to more than the deficit. Therefore, the deficit is created by the payments to the sinking fund.

The Minister for Lands: But that does not make the finances in good order.

Hon. Sir JAMES MITCHELL: It does. The people of this country have on the one hand a deficit of £188,000, and on the other hand an increase in sinking fund of £540,000, and an actual cash contribution to sinking fund by the Treasurer of £230,000 odd. It all depends on how one views these things. Budgets are facts when the Treasurer produces them here. They are accurate as far as the officers know, though of course mistakes may occur. Return No. 13 is a noteworthy return, and well worth inspection by the Committee. Public utilities, not State trading concerns, for the year 1921, showed a deficit of £715,000, in 1922 a deficit of £507,000, in 1923 one of £250,000, and in 1924 one of £23,000. Apparently this year they are expected to show a deficit of £114,000. What a difference in a few short years! In the space of a very few years public utilities have improved to the extent of £829,000. In our public utilities we are handing down to posterity a very valuable asset. The Premier's estimate shows an improvement of £138,000 over last year, as against an im-

provement of £227,000 over the previous year. With an increased area under crop of 339,000 acres, with the timber industry very active, and with general trade good, the improvement is very much underestimated by the Premier; there is no doubt about that. For the first time the gold mines are holding their own, and their production is not decreasing, as it has been during the last few years. I cannot imagine that anything will prevent the Treasurer from getting a greater improvement than he anticipates—an improvement of only £138,000 as against an improvement in the previous year of £227,000. He estimates that public utilities will return £99,000 worse. Of course I do not know why the hon. gentleman has so budgeted. I know the Commissioner of Railways is always very disinclined to put returns up. Every year he gets far more than is shown on the Budget. I know a little about the methods by which these things are worked, and I tell the Treasurer he will get a far greater improvement than he has estimated, unless he proposes to reduce freight on wheat, or reduce fares, very considerably.

The Premier: The responsible officers do not think what you think.

Hon. Sir JAMES MITCHELL: Last year we had an additional 100,000 acres under crop, as against 239,000 acres more this year.

The Premier: I can tell you the Commissioner's estimate. Of course you have had experience.

Hon. Sir JAMES MITCHELL: I can guess. I could tell the Premier.

The Premier: I dare say.

Hon. Sir JAMES MITCHELL: In my first year as Treasurer, though not with the present Commissioner of Railways, I was new to the game. In my second year I was still a little new. But when the third year came round I knew a bit about the game. It is the same with the Taxation Department. All departments think they will have to spend more than they actually are compelled to spend, and they all think they will get less revenue than they actually do receive. Of course it must be borne in mind that the departmental heads do not know exactly the intentions of the Government. However, the increased activity of the railways is due largely to the loan expenditure of the last few years. It is not only the increased produce that is carried, but the traffic created by the money resulting from the sale of the produce. I have another reason for believing that the ledger will balance this year. I find that reason in the items mentioned by the Treasurer the other day, items that can be estimated accurately. I do not know how the difference came about, but in the one case expenditure on interest went up by £57,000, which is equal to a year's interest on nearly two millions, whereas the Treasurer had the money for only half a year. The amount received into

revenue for interest paid by the various departments was £106,000 less. But for those two amounts we should have got within £65,000 of balancing the ledger. It is easy to estimate closely the amounts to be received and those to be paid away in this connection. Interest, of course, is received from the Agricultural Bank, the Soldier Settlement Scheme, the Industries Assistance Board, the Workers' Homes, and other concerns of a like nature; and the amount of that interest must increase annually. I hope the Treasurer will give attention to the figures which I am about to use. It seems to me that a mistake has crept in somewhere. In 1922-23 the interest bill amounted to £611,000. The money loaned is spread over the year, and carries interest on the full amount for only half a year, as is easily understood. The interest for the half year ended should have been £56,000 greater than the previous year's interest, being interest on £2,200,000. Further, the interest on £2,200,000 loaned last year should have been, whilst the money was going out, £69,000. The Premier will see that these amounts can be calculated when one knows the figures and knows how the money goes. We received only £708,000, whereas we should have received £776,000, and that is something the Premier might look into. However, my estimate was £811,000, and not £776,000, because I proposed that on works under construction interest should be debited just as it would be if a private person undertook the work for the Government. According to the figures, that does not seem to have been done.

The Premier: I did not do it.

Hon. Sir JAMES MITCHELL: The Premier will do it.

The Premier: I think not.

Hon. Sir JAMES MITCHELL: Yes, he will do it, because he is carrying out work as agent for the metropolitan area. The thing does not matter much when the work is a railway which will be owned by the State; but even in that case, the principle of not debiting interest during construction is wrong. The State is spending three millions for the metropolitan area. Is the State to carry the interest on that amount during the time it is being used for construction purposes?

The Premier: That has always been the practice.

Hon. Sir JAMES MITCHELL: Yes, but it is not right. The Government are acting as agents for the people of the metropolitan area, and the interest would amount to a considerable sum. When the works are handed over, as they will be, they will not be handed over at their proper cost at all, because interest on money during construction is part of the cost. I never did charge interest during construction, but I had decided to do it this year. I think that when the Premier goes into the matter he will see that it is a fair thing to do. To refrain from charging up interest during construction is not right, really, even where we are

doing work for ourselves; and it certainly is wrong where we are doing work for other people. The fact of that interest not having been charged accounts for the difference between my estimate of £811,000 and the £776,000 which I have mentioned.

The Premier: As a fact, it would account for more than that.

Hon. Sir JAMES MITCHELL: Possibly; but it accounts for that difference, anyhow. It would not account for very much more, seeing that the expenditure is spread over the year. We received only £708,000 against £776,000, which I know ought to have come in. The Premier, therefore, will have that money to come into the return this year. He will have £69,000 more this year in interest on the £2,300,000 advanced to the farmers last year. If he advances, as I hope he will, another £2,300,000 he will have another £69,000 to come from the Agricultural bank and soldier settlement. So that the estimate should be £914,000 as against £839,000, which he shows on the Estimates. Last year we lent £2,300,000 and of the balance of loan expenditure, £1,600,000, part was loaned to other people and part used for public works and other undertakings. Seventy per cent. of the total loan expenditure, however, was lent to the farmers. I know that these figures are difficult to follow, because there is some confusion when one considers the interest that is being paid on money expended over the whole year and the interest on the amount for the next year, which must be twice as much. It is easy to calculate it. We know that £2,300,000 has been loaned to farmers, and we know what it has cost us and what we shall get for it. When we come to the Fremantle Harbour Trust, the figures given are £203,000 as against the previous year's receipts of £203,501. Surely with largely increased traffic we shall get more than £203,000 this year. We have an additional 339,000 acres under crop this year. There must, therefore, be something wrong here.

The Minister for Lands: A number of steamers came in last year for small parcels.

Hon. Sir JAMES MITCHELL: Why cannot they come in this year?

The Minister for Lands: They will go to Albany.

Hon. Sir JAMES MITCHELL: Well, that is just as good. But I am sure they will go to Fremantle. It is no use saying we are only going to receive the same amount as we got last year, when we know there will be an increase. Of course those figures will only represent gross receipts. I hope the Government will tell us what the profit is, because we know there will be little left after interest has been paid. The revenue from railways and harbours should materially improve side by side, and the improvement will be due to the same cause—increased trade, due in turn to increased production. I believe that the Government

will make records this year all along the line.

The Premier: In some ways, yes, but not all along the line. I mean with regard to receipts.

Hon. Sir JAMES MITCHELL: Yes, you will. There will be increased revenue from timber, wool, wheat and income tax.

The Premier: No.

Hon. Sir JAMES MITCHELL: Oh, yes. If you, Mr. Chairman, will permit me to make a bet I will bet the Premier on this point, and notwithstanding the Lotteries Bill. The Premier is going to get far more from railways and harbours than he imagines, and from other harbours too. Income tax must be greater than the Premier has estimated. I know Mr. Black.

The Premier: I am afraid I will not get my estimate from income tax.

Hon. Sir JAMES MITCHELL: You will get a fair sum.

The Premier: No; you are suspicious about that estimate.

Hon. Sir JAMES MITCHELL: I am very suspicious about it and I should not have said so if the Premier had not suggested it. The Premier says he will receive £450,000 this year as against £502,000 collected last year, when the estimate was only £390,000 the year before. He will admit there was a big sum of money outstanding at the end of 1921-22, and yet the Commissioner estimated that he would get £390,000 in spite of what he knew in regard to what was outstanding.

The Premier: Knowing there was a big sum outstanding the Commissioner did not anticipate being able to collect it all.

Hon. Sir JAMES MITCHELL: Of course he did. Why, hang it, try to escape paying taxation, and see what will happen! £390,000 was estimated, and there was collected in 1923-24, £502,000. What has the Premier to say to that?

The Premier: A special effort was made.

Hon. Sir JAMES MITCHELL: Mr. Black makes a special effort all the time, and he does it pretty well, too.

The Premier: Even if he collects the same proportion, there is outstanding some £90,000 less than was the case last year.

Hon. Sir JAMES MITCHELL: I know that Mr. Black will get in more than £502,000. Look at the value of wool this year!

The Premier: Look at the reduced clip! The value, of course, is high.

Hon. Sir JAMES MITCHELL: Look at the quantity of wheat that has been exported, and look at the trade generally of last year.

The Premier: You are arguing for a reduction of taxation.

Hon. Sir JAMES MITCHELL: I hope the Premier will realise that I was where he is now for a period of five years, and that he has been there for six months only.

The Premier: I was over on your side for a long time.

Hon. Sir JAMES MITCHELL: I can do no more now than repeat the arguments used by the Premier with respect to taxation at the time when he was in opposition. If I do that it will be an adequate rejoinder.

The Premier: I always stuck to you in the matter of taxation.

Hon. Sir JAMES MITCHELL: You were not able to show that I had understated income; you said that I had overstated it and you did not expect that I would get the results that came about.

The Premier: On the income tax assessments I said you had underestimated.

Hon. Sir JAMES MITCHELL: I did much better than I thought. I could have come to this House and said "let go taxation." Of course it would have been very popular to do that, but I am afraid the House would not have respected me very much at that time, because everyone would have known that with the deficit standing as it did it should not have been done. Had I done it, probably I would have been on the other side of the House to-day.

The Premier: It only would have affected a few at the top of the tree.

Hon. Sir JAMES MITCHELL: No, everybody. It would have been very popular with everyone and with my own party. I am endeavouring to show the Premier that his figures are wrong. So far as I know my figures are correct. I know that the Premier will get more because everything is buoyant; there are better prices and more money. Stamp duty, I think, will yield a little more, and timber should give as much revenue if the trade continues active, as I hope it will do.

The Premier: The timber industry was worked at top pressure last year.

Hon. Sir JAMES MITCHELL: I have shown that the Premier will have a substantial credit balance.

The Premier: I hope you are right.

Hon. Sir JAMES MITCHELL: The supertax can go. There should be no increase in taxation. We can afford to have a small deficit so long as we are contributing a greater amount in cash to the sinking fund. No other State in the Commonwealth has a sinking fund worthy the name. During this session we are passing Bills that will cause people in many ways to pay out more than was formerly the case. We are giving them an opportunity of subscribing to State lotteries, and through the Workers' Compensation Act Amendment Bill they will be paying more than heretofore, but without benefiting the worker. We, therefore, ought to reduce taxation, and later on I shall move for a reduction. The Premier shows an improvement of £40,000 over last year. That comes from the profits of the savings bank £20,000, which he has rightly transferred to revenue, and an additional £30,000 from sandalwood, represented by the three-fifths of the income that he has taken from the Forests Department. These two amounts account for the improvement in the deficit. I

know that no great economy is possible in the departmental expenditure. People are always taking economy, but the Premier will agree that it is being practised, and that he has control of the finances such as no Treasurer has had until recent years. All over the State there is work that we rightly ought to do. With our increasing population and the transference of people from the gold-fields to our agricultural areas we have to spend more money, because we have to create new schools and new hospitals for people who were served in that direction before. There is no escaping that expenditure, and it offers no possibility of economy. During the last few years, through the officials of the department, we have practised economies that were never practised before. We have had to refuse the legitimate requests of taxpayers for money, but that was unavoidable. With regard to the question of borrowing, the Premier said that we borrowed in Australia £10,000,000, and in London £28,000,000. Our share of the Australian loan would be £1,200,000, which is more than we had before, and our share of the London borrowings would be £2,300,000. I object to the Federal Government exercising any restraining hand upon our borrowing, particularly outside Australia. They have no right to interfere with our London borrowings, and it is not generous of them to do so. They know that if we denied them the right to borrow for Australia the competition that would ensue would increase the cost of money. We know that our State would have had less chance of getting it than the bigger and richer States where the money is. Queensland, Tasmania, and Western Australia would have had less chance of borrowing than the other three States, where the expenditure of the money would benefit the people who were lending. The money would be spent around them. The Commonwealth authorities say, "We will borrow for you in Australia if you will let us restrict your borrowing in the old land." I object strongly to the Federal Government exercising any such authority over us.

Mr. Thomson: What would you have done if you had been faced with the same position as the Premier?

Hon. Sir JAMES MITCHELL: I am coming to that. It was ungenerous of the Commonwealth to insist upon this. The Premier had no option but to allow them to borrow for us. I doubt if we could get the money ourselves at 6½ per cent. if we went on the market in opposition to other people. I do not think the Premier will object to what I am saying. There is no doubt the Commonwealth authorities have the big end of the stick. I hope this will not occur again. I do not blame the Premier, for I know he made a protest.

The Premier: I protested as much as possible. No one disliked it more than I did, but they had us. We had no option but to agree. There was no escape, for they had the advantage.

Hon. Sir JAMES MITCHELL: The Premier will have a good deal of money to spend this year. He cannot get money out from London, but he can make many of his purchases there. He has money collected with which to pay interest, and can use it in London. He will have practically £3,500,000 to spend, and roughly £3,000,000 of this will be spent here. The rest will be for purchases of rails, etc., in London. I hope if he does buy rails in Australia he will insist upon payment being made in London.

The Premier: We will insist upon payment in London for all things possible.

Hon. Sir JAMES MITCHELL: I hope so. That will be continuing the arrangement we made. If he does pay in London, the money will be costing five per cent. instead of six per cent. in Australia. The Broken Hill Company tendered for £100,000 worth of rails for this State. I told them they could not have the order unless the account was paid in London. They agreed to this, and the transaction saved us one per cent. for the next 30 years, in addition to the cost of exchange. Apart from the £3,500,000 the Premier will have, he will have a credit on general account of £614,000, in the Eastern States a credit of £197,000, and on account of the Savings Bank a credit of £476,000, a total of £1,287,000. The Premier has to keep a big reserve in the Savings Bank, and no doubt the Commonwealth will take a big slice of this amount. It is hardly right to say there will be no liabilities against these three sums. Last year these three items came to £748,000, so that there is a big increase for this year. The Premier is financing as from the 1st July with a borrowing limit of £3,500,000, so that he is not so badly off, and will be able to do as much as we did last year. Then there is the collection of money owing by farmers that will save loan expenditure. That may assist the Premier to the tune of £300,000 or £400,000. On the question of exchange, I do not know why we are having the trouble in getting money from London. It is a very serious matter. The imports last year by Australia were £140,000,000, as against the exports £119,000,000. For the last year or two the imports have been greater than the exports, but a few years back the position was different. I suppose that trouble has not yet been overcome. To the imports must be added the £20,000,000 that Australia pays by way of interest to London. This makes the imports, including interest, £160,000,000 as against the exports £119,000,000, and the Commonwealth borrowing in London of £28,000,000. There is, therefore, a balance on the import side of about £13,000,000, which ought to help the exchange. I suppose it will not be long before the matter rights itself.

The Premier: It ought to improve.

Hon. Sir JAMES MITCHELL: Several years ago we went back so far as exchange is concerned a considerable amount, and our imports were less than our exports. I now

have something to say that should interest the Minister for Lands, and show him that the position is better than it sounds.

The Minister for Lands: I wish it were so in practice.

Hon. Sir JAMES MITCHELL: Perhaps I have a little better understanding of the position than has the Minister.

The Minister for Lands: You do not understand it any more than the manager of the Agricultural Bank does.

Hon. Sir JAMES MITCHELL: I have a different outlook upon the question. Perhaps I can be accused of being a little too lenient to farmers. Having so many years ago come into control of the Agricultural Bank, and more or less created the law as it is to-day, I do take a different view, and regard the farmer as a national asset. I have told the Committee what he has done for the Treasury by his work. The amount outstanding for the repayment of loans and interest does seem large. This amount, however, carries interest. The farmers are not getting the money for nothing, and the public ought to know that.

The Minister for Lands: They ought to have learned about it lately, because quite a row was kicked up about it.

Hon. Sir JAMES MITCHELL: If £1,000,000 were overdue it would cost the State £60,000 a year by way of interest, and the State could not pay it when these payments are made to individuals. But in this case there is no loss to the taxpayer. The money necessary to cover this has been found; the Government will not have to put up a penny of it. The Treasurer's loan expenditure will benefit from these collections. They amount to a reserve fund on which he will draw.

Sitting suspended from 6.15 to 7.30 a.m.

Hon. Sir JAMES MITCHELL: I was endeavouring to convince the Treasurer that the outstanding amounts owing as redemption money on account of interest by the farmers under the Soldier Settlement Scheme and to the Agricultural Bank really were of benefit to him, because the money when collected would relieve his loan expenditure. The position is unsatisfactory to the extent that some men who can pay have not done so.

The Minister for Lands: They will pay in future.

Hon. Sir JAMES MITCHELL: The board have control.

The Minister for Lands: They should have.

Hon. Sir JAMES MITCHELL: It is not the duty of the Minister to look into individual accounts. With decentralisation more money will be collected. I doubt if ever the position was more satisfactory than it is to-day. The figures are bigger to-day because the aggregate of the loans is larger. It is a strange thing that the soldiers have shown better results under

this heading than the ordinary clients of the bank.

The Minister for Lands: Some men got money at five per cent. instead of eight per cent. That will not go on much longer.

Hon. Sir JAMES MITCHELL: I have heard of some paying up to eight per cent. and 12 per cent., but not bank clients. In any case, it is satisfactory to know that the soldiers have done better regarding interest payments than the ordinary bank clients. I am bound to confess that I do not think either section has done badly, particularly when we consider that the interest for a year on £10,000,000 would be £600,000 and the total interest owing is £400,000. It must always be remembered that Western Australia with her extensive wheat lands is a single crop country and the present crop will be sold in February.

The Minister for Lands: The interest owing is over £500,000.

Hon. Sir JAMES MITCHELL: That is true, but the figures put before us were made up to the 30th June last.

The Minister for Lands: £630,000 was owing then.

Hon. Sir JAMES MITCHELL: Let us be quite fair.

The Minister for Lands: That is fair.

Hon. Sir JAMES MITCHELL: The figures to the 30th June show the interest due on that date, but that interest could not have been paid unless paid before the interest was calculated.

The Minister for Lands: It could have been paid.

Hon. Sir JAMES MITCHELL: That could not have been expected in the circumstances. The redemption instalments overdue total about £418,000. That is far too much, and I have no doubt that so much money is owing because it was so cheap and the men, therefore, neglected to pay. The older clients procured their money at five per cent. The redemption payments are too high and when I was in power I introduced the Bill to make the payments lower. With the provision for interest and sinking fund, the interest aggregated about nine per cent. The repayment of principal was on a graduated scale. It must be remembered, too, that the £418,000 is earning interest, but it is part of the principal that should be paid. If it could be collected now when we want money, it would be useful. On the 30th June interest owed by Agricultural Bank clients totalled £182,000 and by the soldier settlers, £217,000. The advances to soldier settlers were, of course, much more than to the bank clients and as they have done better than the ordinary bank clients in the matter of repayments, the position is not too bad. On the 30th June another £227,000 was charged up and the Premier included that amount, making a total owing of £1,045,000.

The Premier: I gave the figures up to the 31st August.

Hon. Sir JAMES MITCHELL: That is so. The Premier certainly showed that some of the money was collected subsequently, but the £227,000 was made up to the date the interest was charged. The Premier could hardly have expected the money to be paid in such circumstances.

The Premier: I did not say so. I gave the figures for the financial year.

Hon. Sir JAMES MITCHELL: A proportion of the amount was not overdue as at 30th June; it was merely due then.

The Premier: I gave particulars of the arrears and current interest and said that so much had been paid off the current charges.

Hon. Sir JAMES MITCHELL: That is so. I quite understand that the Premier was referring to the past half-year and not the current half-year.

The Premier: I thought I made it clear. Some have paid and some have not.

Hon. Sir JAMES MITCHELL: Again we must remember that our land securities are increasing in value all the time. Where the land is first class, the value has doubled. The value of the land held by soldier settlers is certainly twice what we gave for it, even without taking into consideration the improvements.

The Minister for Lands: I am afraid the soldier settlers would not say so, because they are asking for the capitalisation of their properties to be written down.

Hon. Sir JAMES MITCHELL: Of course, only about 266 soldier settlers went before the Royal Commission that was appointed! If you encourage them, of course they will do so. Everyone would like to ask for what they think they ought to get, particularly when it is all to nothing. When the land rents were reduced—

The Minister for Lands: That was the only mistake we made.

Hon. Sir JAMES MITCHELL: That was only one of the many mistakes the Minister has made. When we reduced land rents the ink was hardly dry on the paper authorising the reduction, before land was offered not at what the soldiers said was too great a price, but at a much higher figure. We reduced the value of the land by some £700,000 but by doing so, the farmers suffered far more than £700,000 worth of damage. Probably the figure would be four or five times the amount. We gave them a setback. Their credit was reduced. I am afraid that much of this disadvantage arose from political considerations, not altogether by members on the present Ministerial side of the House. To-day land at Bruce Rock is selling at up to £8 an acre. Much has happened since we reduced the value of land and we are coming to realise what is the real value. It is strange, for instance, that we have discovered only during the past two years the particular value attaching to land in some parts. One discovery has meant so much to portions of the wheat area. It is only in a few parts of the world that there is a

natural surface mulch, by means of which the moisture is retained in the land. That applies to the country at Bruce Rock, Narembeen and a few other centres. In those areas the moisture is retained without the necessity for much effort. That applies to only a few small parts of the earth's surface. A man suggested to me that this was the position at Bruce Rock and Narembeen and after I had made inquiries I found that it was so. That fact adds much to the value of those areas. It is also strange that we have only recently discovered that certain peculiarities confined to a small area of the world are to be found in portions of our South-Western areas. That will mean much to us too. I will be called an optimist if I continue speaking in this strain!

The Minister for Lands: That will be something new.

Hon. Sir JAMES MITCHELL: The public should realise that our land securities have increased in value tremendously and that there are buyers available now from the Eastern States. I hope our land values will remain firm, for there is nothing so important to a country as firm land values. It means that the land can be put to better use and that we have a more profitable outlook. It means that financing will be made easier. Every single-crop country is a borrowing country and in those circumstances we have to wait for 12 months before we can expect to collect from the farmers. We lost a good deal of money on account of light land development. In 1911 the light lands produced a good crop and it was thought they would continue doing so. We cleared hundreds of thousands of acres that have now gone out of cultivation. That cost us some hundreds of thousands of pounds. That land will be used for grazing stock. When the statements made by the Premier and by myself are compared, it will be found that our figures agree but variations will be found regarding the statements covering the position.

The Treasurer: I made no comments, merely giving the actual figures. The hon. member is giving figures and his opinions also.

Hon. Sir JAMES MITCHELL: Probably I was a little conscious when the Treasurer was speaking. I thought the tone he struck was not too pleasant.

The Treasurer: I thought the figures were important enough to give the House as information. That was all.

Hon. Sir JAMES MITCHELL: Yes, but as, probably, I more than anyone else am responsible for the Agricultural Bank Act. I did feel that the Treasurer was objecting to this amount being outstanding and expressing some doubt about its safety.

The Minister for Lands: I hope he was.

Hon. Sir JAMES MITCHELL: That is the different view of the Minister for Lands. He knows the money is carrying interest, and that if he gets it in it will be all to his advantage. The Minister's interjection does show the different outlook. The interest

charged by the Federal Government on soldier settlement is £8 8s. 6d., the soldiers being charged £6 10s., so that there might be 1s. 6d. to cover bank expenses. As we know, that resulted in a loss of £20,000 per annum. The Federal Government proposed reducing the interest to 5 per cent. as from the 31st December last. All the States protested that the rate was too high. We had a Premier's conference and discussed the matter. Mr. Bruce and Dr. Earle Page were favourable to the reduction, but we could not agree to other financial proposals submitted, and the Federal authorities said it would have to stand over for some time. However, we protested and endeavoured to get them to reduce the interest. I am glad to know the good work will be continued by the present Government. I hope that further representations will be successful. The Federal Government contribute 12½ per cent. of the total amount expended on soldier settlement. This 12½ per cent. is to cover certain rebate of interest to the soldiers and certain losses. It will amount to a very big sum. It is the first time in history that we have had such a sum given to us to help in the work of development. And, after all, the soldier settlement was good for the soldiers and good also for the State. Just the same, it was right that the Federal Government should foot the bill, because they get all the taxation imposed as the result of war, and this work arises out of the war. The fund is entirely the State's, to do with as it pleases, except that the rebate must be made to the soldiers. The rebate will cost 6½ per cent., and the other 6 per cent. will constitute a fund to cover losses. If the amount is more than enough to meet losses, the balance should be invested to the benefit of the soldiers.

The Minister for Lands: I am afraid it won't be.

Hon. Sir JAMES MITCHELL: There you are again, expressing doubts and fears about everything.

The Minister for Lands: I wish it were only doubt and fear.

Hon. Sir JAMES MITCHELL: Don't be so moody. You get out of bed on the wrong side every day. It is so easy to doubt. Let me point out to the Treasurer that this money standing to the credit of the fund is a saving to the Government of £7,500 per annum in interest.

The Minister for Lands: On the 30th June £86,000 was written off.

Hon. Sir JAMES MITCHELL: And I suppose £86,000 has been received since that date. Let us state the position as it is. At any rate, there is advantage in having £140,000 to credit without having to pay for it. On 5,500 soldiers the rebate will amount to over £700,000, probably £800,000. But even if it be £700,000, that will give the State about £350,000 to cover losses. That is a substantial amount. It is good to have it. If we have some losses, they will come out of the fund. The Treasurer will be perfectly justified in taking from the fund

the money necessary to cover the cost of the bank. Until the Federal Government reduces the rate of interest the Treasurer ought to take the losses out of the fund. That is the position in regard to the soldiers. It is not too bad.

The Treasurer: We could hardly have embarked on the scheme we did without some such assistance.

Hon. Sir JAMES MITCHELL: Oh, yes, we would have done our duty by the soldiers. The country has benefited by the soldiers. Of course 6 per cent. is not very much to cover losses; under the Imperial agreement we get 20 per cent., which would be ample. The Federal Government should increase the 6 per cent. The Treasurer tells us that the Workers' Homes Board have run out of funds. I hope the Treasurer will be able to make some money available beyond the £26,000 he has promised for buildings. Whilst there may be a sufficient number of buildings in Perth, they are short in many country places owing to migrants coming out from England and the transference of people from the goldfields.

The Treasurer: I think the policy of building homes in the country a very good one.

Hon. Sir JAMES MITCHELL: They tell me the board have said they cannot build for a bit, that they record the names of applicants, but that the applicants will have to wait for the money. As a rule, a country home is a cheap home. For £1,000 three homes can be built in the country, as against one in the metropolitan area. However, I hope the Treasurer will be able to make some more money available for the purpose. They are an exceedingly well-managed board.

Mr. Teesdale: They have not been able to do much for us up North.

Hon. Sir JAMES MITCHELL: I hope the North will receive some attention at the hands of the board. Mining is proving of as much trouble to the Treasurer as it was to me. Nobody seems to know just what can be done to assist the industry. It is a most difficult problem. Although we have some 13 members representing the goldfields, apparently it is difficult for them to say what can be done. The Treasurer proposes to reduce taxation on mining. I do not know how far his proposal will assist, but certainly it should be a distinct help.

Mr. Thomson: It should be an encouragement for investors to spend their money.

Hon. Sir JAMES MITCHELL: Yes, and by the same process we could encourage them to spend it on agriculture. While the Treasurer proposes to reduce taxation on mining, he proposes also to increase it on agriculture. I hope he will reduce it in both instances. If the mining companies make profits, I do not see why they should not be taxed, as other profit-making industries are. However, I am prepared to listen to any proposal for helping the goldfields.

The Minister for Railways: Under the Treasurer's proposal only real profits will be taxed.

Hon. Sir JAMES MITCHELL: I know the Treasurer wants a policy, and that he knows more than most of us about the goldfields. But it is a difficult problem. A Royal Commission to inquire into the industry was promised. I do not know whether the Government still intend to appoint it. I hope the results disclosed at Wiluna will justify the building of the railway. We promised that we would submit to Parliament a Bill for the construction of the line. Then the fun will begin, when the Minister wants the line to go to Geraldton while other members want it to go down to Kalgoorlie. Still, I hope Wiluna will prove right. I should like to see the manganese deposits I visited some time ago being developed, and the ore going to Geraldton in large quantities. It is a pity to have such a valuable asset stored away in the bush, when perhaps we can help get it on the world's market. I thought some help might have been given by the scheme that Mr. Bruce discussed with the Imperial Government for the laying down of the line. Anything that can be done to help that proposition should be done. I shall be very glad to help to have that manganese deposit marketed.

The Treasurer: It is a very valuable deposit.

Hon. Sir JAMES MITCHELL: It is. It is a deposit such as that which produces real money, if only we can have it marketed. I hope the Premier realises that in regard to all those products that mean bringing real money into the State, he will have our wholehearted support. We are too slow to make use of our opportunities. I should like to see prospectors better protected if it is possible to do so. Under our law, when a prospector finds a mine, we compel him to fulfil labour conditions. The prospector is never likely to have any money when he finds a mine, because so long as he has enough to buy tucker, he goes out searching for mines. In Rhodesia years ago the chartered company used to take possession of a mine when it was discovered and protect the prospector. The company got something for themselves, and more for the prospector than he could otherwise have got. The company put the money into railways. If a prospector discovers something we should be able to say to him, 'You have made a discovery. Take no risks. Do not give away half a fortune for £25. Sell it, but we shall not compel you to fulfil labour conditions.' Of course I am referring to the genuine prospector.

The Premier: The Mines Department have always been very liberal in the granting of exemption.

Hon. Sir JAMES MITCHELL: Yes, but something better is required. I have known prospectors to sacrifice a great deal

of the value of their work for a few pounds. If we could make them feel safe, it would be better. It is of no use a prospector pottering about on a show unless he is going to put down a shaft. If he does sufficient development to disclose the value of a mine, we should say, "You should get a reasonable price, and we will help you to get it." We send a man out to find a mine, and when he finds it he may be squeezed out of it. It is difficult to protect these men. I am glad that the vote put on the Estimates last year for an Agricultural College site has been drawn upon. I am very glad the site chosen is so near to the town I represent. The Government have secured a very good property indeed. We would have bought the farm right at the Spencer's Brook railway station if we could have got it cheap enough; it was only because of the price that we did not buy it. I think the owners were willing to take less after we went out of office. The Government have 700 acres adjoining that farm, and if that property had been purchased, it would have meant that people coming from Meekatharra, Kalgoorlie, and Albany, would have passed the farm at the station. However, I am satisfied that the farm purchased is a good one.

Mr. Latham: The Government will have to spend a lot of money on it yet.

Hon. Sir JAMES MITCHELL: But they will do it gradually. I think the establishment of this college will do incalculable good. It can be used in connection with the university; it can be used by our experts; it can be used to train our young men, who now go to other high schools, when they would be much better in the country learning the art of agriculture. We in Western Australia are fortunate. First, we have Mr. McLarty at the Agricultural Bank attending to advances to farmers. With his experience he is a wonderful asset to Western Australia. No man knows more about the work of making farms or the handling of farm business than does he. We have Mr. Sutton, who has done a power of work in connection with new wheats, and who is doing good work generally as Director of Agriculture. Under Mr. Sutton we have some very capable men. At the University we have Professor Paterson, a wonderful agriculturist, who is doing good work training the young men there. The combination of the university and the agricultural college should provide us with highly trained and skilful agriculturists—just what we want. Mr. Hedges sent me some samples of wheat from Narembeen yesterday. One was a wheat produced by Mr. Grashy, and it is the finest sample I have seen this year. I hope the Government will lose no time in proceeding with the work of making the agricultural farm. The North-West is another problem that the Premier finds hard to tackle.

The Premier: It is a money problem.

Hon. Sir JAMES MITCHELL: It is useless pottering with it; when we make a start we must go ahead. It is of no use producing a few hundred pounds of cotton. The development of the North will mean the establishment of a fairly big centre. We were in trouble with wheat and fruit when we produced only a little. When one faces the development of a country, he must do it in a fairly extensive way in order to get results. In the South-West we want to settle the land from Perth to Albany. We want to get in an annual crop—some of the land will produce three crops a year—but we do not want to waste any more time. This is a big work. So is the completion of the wheat areas, where settlement is extending to what was said to be very unsafe distances from a port and to districts said to be of very doubtful rainfall. We have this work to do. It is a simple proposition. All agriculture is the making of one farm multiplied many times. When we tackle the North, we must do it in a big way. I believe Camden Harbour and the coast in the vicinity is much better than that at any other part, but at Wyndham we have the port, the facilities and the meat works. When we came to examine the country we found it was subject to flood, and it was necessary to go further afield than was at first though necessary for cotton growing and tropical agriculture. This is unfortunate, because transport is difficult.

Mr. Teesdale: It would be unfortunate if your statement were correct.

Hon. Sir JAMES MITCHELL: So far as I know, it is correct.

Mr. Teesdale: There is no great area of it flooded.

Hon. Sir JAMES MITCHELL: I only know what the reports contain. We advocated the use of land suitable for tropical culture within a reasonable distance of Wyndham, and that land will be used. I believe the higher rainfall of Camden Harbour and the greater opportunities of fishing would help in the settlement, but it must be started on a fairly big basis. I should like to see a colony of people brought out and settled there, people who would combine fishing with cultivating the soil, so that they could take the wealth from the water as well as from the land. Then there could be provided a comfortable township, where the people could enjoy some of the conveniences that make life attractive.

Mr. Teesdale: A leading merchant told me that we were waiting for Canadian fish. Yet we have plenty of our own.

Hon. Sir JAMES MITCHELL: But they are in the sea. We eat Canadian salmon, English fillet and other imported fish to a value of thousand of pounds per annum.

Mr. Teesdale: Because you cannot get the quantity locally.

Hon. Sir JAMES MITCHELL: And we never shall unless we get settlement in the North or where the fish abound.

Mr. A. Wansbrough: At Albany as well.

Hon. Sir JAMES MITCHELL: But we want fish at a fairly cheap rate. We cannot afford to pay 2s. a lb. for schnapper. In the sea is unlimited wealth in the form of pearls, fish and turtle.

Mr. Teesdale: Salmon in a tin costs 1s. 9d. per lb.

Hon. Sir JAMES MITCHELL: Then more power to the people who take us down if we are too indolent or negligent to take fish from our own waters.

Mr. Angelo: The great difficulty is the lack of quick transport.

Hon. Sir JAMES MITCHELL: No, it is the want of enterprise. I received fish from Carnarvon by aeroplane.

Mr. Angelo: That would mean pretty heavy freight.

Hon. Sir JAMES MITCHELL: But I did not pay it.

Mr. Pantou: It must have been flying fish.

Hon. Sir JAMES MITCHELL: The wealth is waiting to be taken when we exhibit sufficient enterprise to tackle the job. We must face the North in a big way. It is a wonderful part of Western Australia.

Mr. Coverley: Did not you promise in 1920 to take the North seriously?

Hon. Sir JAMES MITCHELL: I did take it seriously, but the North did not, because the people there sent the hon. member down to represent them.

Mr. Pantou: That was by way of protest.

Hon. Sir JAMES MITCHELL: I am glad to have an assurance that immigration is not to be stopped. I hope the evidence of the stoppage of nominated immigrants is not true.

The Minister for Lands: I have stopped every one of them. That is straight!

Hon. Sir JAMES MITCHELL: No, it is crooked.

The Minister for Lands: I have not received one nomination unless the person nominating knows the individual.

Hon. Sir JAMES MITCHELL: Then you will not get any.

The Minister for Lands: Yes, we are getting them.

Hon. Sir JAMES MITCHELL: How can the Minister hope to get many? A man who has already come out would nominate his wife, brother or sweetheart, but how could he nominate others?

The Minister for Lands: Could not the migrants go to Australia House and be accepted?

Hon. Sir JAMES MITCHELL: Yes.

The Minister for Lands: That is what they ought to do.

Hon. Sir JAMES MITCHELL: The man who has just arrived may nominate his friend; the churches will nominate—

The Minister for Lands: Someone they do not know.

The Premier: So long as they get them out of the Old Country and into Western

Australia that is the extent of their concern.

Hon. Sir JAMES MITCHELL: The churches have done good work.

The Premier: But an organisation has not a personal interest.

Hon. Sir JAMES MITCHELL: I think the Premier is wrong. All thinking people are keen on peopling this country. The Salvation Army are now bringing out girls, whom they care for and look after. Surely that immigration is not to cease.

The Minister for Lands: The girls are not nominated.

Hon. Sir JAMES MITCHELL: No.

The Minister for Lands: Why should a person in England send out here for a nomination when he can go to Australia House and arrange for his passage?

Hon. Sir JAMES MITCHELL: There are religious bodies authorised by the Federal Government to nominate, and that is a very good system. The Salvation Army and the various churches care for such migrants. The girls coming out had much better be going to the Salvation Army, and boy migrants should go to an organisation.

The Minister for Lands: They are not nominated.

Hon. Sir JAMES MITCHELL: Last year 11,679 migrants arrived here. More should come next year. I notice, however, that the vote for the upkeep of the 'Immigrants' Home is reduced by £2,000. That is not a very hopeful sign.

The Minister for Lands: Last year we had to write off about £2,000 for irrecoverable debts.

Hon. Sir JAMES MITCHELL: Last year's vote was expended on the upkeep of the home. Let us have people; we must have people; surely to goodness we have been pottering about long enough! We all know that everyone who comes here and works makes work for other people. We cannot have too many people here so long as we have work for them. Let us not imagine that the English people are not good people. They are excellent workers. Some of us underrate the intelligence of the English workman. It is wonderful that we should have so few failures among the many English workmen brought out here.

Mr. Teesdale: Has that aspersion been made by anybody worth taking notice of?

Hon. Sir JAMES MITCHELL: Some people say Englishmen should not be brought out here because they know two migrants who have proved unsatisfactory. There are, of course, some men who should never have been born. However, the English migrants have done marvellous work in Western Australia.

Mr. Teesdale: Yes; they made Lake Grace and Bruce Rock.

Hon. Sir JAMES MITCHELL: We spend our time abusing each other, and therefore it is no wonder that we abuse the migrants. A deputation once waited upon me to ask that immigration should be stopped. I said to the deputation, "I believe I am the only

Western Australian in this room. Weren't you welcomed when you came here? I am going to continue to introduce more migrants." Let us get rid of that stupid, narrow, selfish view. Before the immigration policy began to operate, we had great trouble in finding work for our people; but since the migrants came there has been no lack of employment. If some of the migrants are not all we would like them to be, still the vast majority of them have proved excellent citizens.

The Premier: We are not 100 per cent. Australians in this Chamber.

Hon. Sir JAMES MITCHELL: I hope migration will be actively proceeded with. There is no use in the public saying that immigration ought not to continue because a few men get out who should not come. We want a great many more women from the Old Country, where there is a surplus of 2,000,000 women whilst we here have a shortage of 20,000. The English people are not so anxious to come to Western Australia as some of us imagine. They love the Old Country.

The Minister for Lands: Do you agree that the Salvation Army should bring 200 a year?

Hon. Sir JAMES MITCHELL: Yes; and that is a good few. At Home the people live a comfortable life somehow or other. Let us get as many of them as we can. There is plenty of work in the north, south, east, and west of this country. I shall not discuss group settlement, because there is a Royal Commission sitting, whose report we shall have very soon. But I wish to say that solid, good work has been done by Mr. McLarty and those associated with him. They have a good organisation, but there must be firm and fair control if the scheme is not to get out of hand. A gentleman who, I fear, knew nothing about the scheme was good enough to say that the scheme itself was excellent but that there was no organisation. I do not think that gentleman knew what the organisation is. I daresay the Minister, if he had found anything wrong in the organisation, would have made alterations ere this, seeing that he has been in charge of the scheme for six months. There are now 125 groups, with 2,283 settlers and a population of 8,936. That is as much as Northam, York, Beverley, and Toodyay combined. To have established such a community in a few months is not a bad record. At Pemberton, where there are 1,500 people, the settlement is entirely new: there was no man at Pemberton previously. From the member for York (Mr. Latham) I learn that that settlement has 88 children. I wish the number was 188. At Busselton there are 44 groups, at Manjimup 20, at Northcliffe, the new centre, 18, at Denmark 13, and on the Peel estate 25. The expenditure to date totals £1,363,000. The settlers live in one of the best climates in Australia, and on land which I believe will prove more productive than any other land in Australia. True, we have not the continuous stretches of heavy first-class land to be found in some

of the Eastern States; but all the land in the world is patchy. There is not an acre of the South-West that cannot grow something; and the pastures there are certainly equal to pastures on land in the Eastern States which costs £100 per acre. I trust that the group settlement scheme will be pushed on actively, and that we shall get the whole of our territory settled.

The Minister for Lands: The expenditure on group settlements this year will be 1½ millions.

Hon. Sir JAMES MITCHELL: The expenditure of 63 per cent. of all our borrowed money during the past two years has resulted in the Treasury figures improving by half a million per annum. This country will not be developed without money, but there is no use in tinking, being afraid, shivering with apprehension. When one tries to do anything in this country, people will stop him if they can. They demand a Royal Commission. The Minister for Lands did not want a Royal Commission on group settlement.

Mr. J. H. Smith: Then why did the Minister grant a Royal Commission?

Hon. Sir JAMES MITCHELL: The people I have in mind stopped the development of the wheat belt and that of the North. Doubtless the group settlement work will be delayed, but eventually it will be done. Albany, Bunbury, and Busselton will become large centres, because of this development in the South-West. It is an everlasting disgrace to us that we are buying two million pounds worth of food annually in Eastern Australia. Why should Eastern Australia make our butter and our bacon? I do not know what our people are thinking about, to allow it. But no really great development will take place until the people themselves demand that there shall be a big forward move. They ought to demand it. Some day they will, most probably when it is too late. However, Western Australia has to be peopled if it is to be protected. We have lands waiting to be tilled and work waiting to be done. Victoria took 450,000 people in the fifties.

Mr. Panton: Get a Victorian gold rush like that of the fifties, and you will get the same number of immigrants.

Hon. Sir JAMES MITCHELL: Gold can be produced from the surface of the ground as well as from the depths of the mines. We have our gold mines on the surface. On these Estimates the Minister has provided money, and I am sure he will provide on the Loan Estimates for the further development of this great territory of ours. Let us put every possible acre under crop. Let us have the only wealth that counts. I have not much more to say. I have endeavoured to show that we can produce more money and it is our duty to do so by bringing in more people and keeping them at work and encouraging them to be enterprising. We must do all we can to secure for our people comfort and happiness and to see that they have wider opportunities than they ex-

perienced before. That is our duty, and in that way we shall make our country wealthy and safe. Therefore, the one line on the Estimates, that of real importance, is the line that represents the interest bill.

Mr. LATHAM (York) [8.2]: I do not propose to say very much. We have over eight millions of money involved in the Estimates, but after all most of it is money over which we have no control. As the Leader of the Opposition has stated, it is money that has to go in salaries paid in connection with utilities which absorb most of it again. But there is one question that I do wish to refer to and it is that the administration of the last Government was essentially a country administration and that it resulted in the production of the wealth to which the Leader of the Opposition has referred. I trust that the present Government will continue that policy because it is sound. There are wonderful opportunities yet in the State in spite of the fact that the Minister for Lands is of the opinion that we have practically exhausted our wheat lands for the time being within reasonable distance of railways.

The Minister for Lands: A distance of 12½ miles from railways.

Mr. LATHAM: There are millions of acres that the Minister for Lands will be making use of before his term of office has expired three years hence. I know it would be unwise for me to say that wheat can be grown on some of our areas. We can, however, grow a limited quantity of wheat, but those areas all the same are capable of producing wonderful wealth in the shape of sheep and cattle. It is all fine dairying country and I hope to have the opportunity of taking the Minister through some of it during the summer months in order to show him how it is possible to grow summer feed on light lands, particularly sorghum. It is splendid feed for dairying. There is a lot of land in this State waiting to be used, but I regret that there is not private money available for its development. The Minister wants to cut up some of these lighter areas into blocks of 5,000 acres.

The Minister for Lands: From 5,000 to 10,000 acres.

Mr. LATHAM: If we can get men with money to take up those areas, there will never be any regrets. We have recurring deficits, and they are particularly noticeable when the Estimates are brought down, but the best means of reducing those deficits is not by taxation, but by increased production. The utilisation of the land is a sound policy and I believe if the Minister will keep that before him continually, we shall in the end be able to double our revenue from the lands that are to-day served by the utilities provided by the State. The most important thing to do is to settle not only the wheat lands, but to make use of the land in the north and in the south as well. I have had a wonderful oppor-

tunity recently of seeing something of the South-West and I am perfectly satisfied that whilst we shall be called upon to provide a good deal of money, there is a great asset in that part of the State. If we could bring over people from the Eastern States and demonstrate to them the possibilities in the South, I am convinced we would have an influx of population from the rest of Australia.

The Minister for Lands: It does your eyes good to look at it, does it not!

Mr. LATHAM: I know the Minister will have to be very pessimistic if ever he drops the scheme that is being worked in the south to-day. I am satisfied, however, that he will never be so pessimistic as to do that.

Hon. W. D. Johnson: What we want to be careful about is to see that the settlers themselves do not drop it.

Mr. LATHAM: I know we are going to have a little trouble in that part of the State, but we have had it in the wheat areas and everywhere else. The South-West, however, is the place for the people we are bringing out from the Home land. That part of the State is better than any other for those migrants. I trust also that the Minister will reserve certain areas of land there so that we may be able to get people with capital to take them up. We have to provide utilities such as roads and railways, which of course would be costly. But in connection with land settlement we have the opportunity of building up a surplus out of what to-day is a deficit.

Mr. Wilson: We have spent a lot of money there.

Mr. LATHAM: Yes, and we have done a lot of work.

Mr. Wilson: We have spent a lot foolishly too.

Hon. Sir James Mitchell: We have a lot of croakers too.

Mr. LATHAM: It does not matter in what avenue money is spent, some will surely be wasted.

Hon. Sir James Mitchell: The ultimate results will be there.

Mr. Wilson: I am not a croaker.

Mr. LATHAM: I am glad that our slogan is "more production and the utilisation of every acre of land." I believe it is the intention of the present Government to carry out the policy of spending loan money in the country districts. It is a sound policy and the fact has been emphasised by the Leader of the Opposition. I regret that the Treasurer estimates that this year he will have a small deficit. The Leader of the Opposition pointed out how it would be possible to balance the ledger. It is expected with the aid of the Lotteries Bill that has just passed through this House that a certain amount of relief will be given to the Treasurer.

The Premier: It has been definitely stated that the annual vote will not be reduced.

Mr. LATHAM: I believe that the money to be derived from that source may be used to relieve the Treasury.

The Premier: No.

Mr. LATHAM: Then I do not know of what value is legislation of that kind.

The Premier: It will provide hospital facilities and accommodation that has been so badly needed for years past and for which the Treasurer has not been able to find the money.

Mr. LATHAM: We could have raised that money by a hospital tax.

The Premier: That is another question.

Mr. LATHAM: There will be additional money that will come in as the result of the proposed land tax.

The Premier: It will be very small.

Mr. LATHAM: I think it will be a very big amount. If it is small as the Premier suggests, why worry about it at all? I am sure that the people I represent will be glad to hear that it will not be imposed.

The Premier: Having been 25 minutes at the Treasury I am expected to balance the ledger.

Mr. LATHAM: I never suggested that.

The Premier: You are suggesting it now.

Hon. W. D. Johnson: Did you refer to a land tax? Where is it?

Mr. LATHAM: I presume if the hon. member is a land holder he pays land tax.

Hon. W. D. Johnson: It is a poor one if you call the existing tax a land tax. What about city property?

Hon. Sir James Mitchell: You cannot tax city property. The owners pass it on.

Mr. LATHAM: The man who cannot pass on any taxation is the primary producer, and he pays not only his own land tax, but the taxes of the man in the city.

Hon. W. D. Johnson: The tax that should be imposed is one that operates on the unimproved value of the land throughout the State.

Mr. LATHAM: There is no doubt about it that the Government proposal will mean a certain amount of revenue. It is unwise to tax agricultural land at all while we have so much Crown land in the State. I would have preferred to see a bigger income tax or some other tax rather than a tax that will have the effect of making our land unattractive.

Mr. Wilson: You would lower the exemption?

Mr. LATHAM: There is no need to do that.

Hon. W. D. Johnson: Would you increase it?

Mr. LATHAM: I am not the Treasurer. We would all willingly do without taxation.

Hon. W. D. Johnson: I prefer a land tax to a super income tax.

Mr. LATHAM: We want to encourage people with money to come here and then keep them here. We had an instance given us the other night of a certain gentleman who made his money here and went away because there was less taxation

in another State. He had to pay less taxation in the other place.

Hon. W. D. Johnson: He sent his money away.

Mr. LATHAM: The man I am speaking of is living in Melbourne. He is a poor type of Western Australian. This State has been good to many people, and the least they might do is to give reasonable opportunities to others to get on as well as they have done.

Hon. W. D. Johnson: The man who goes to Victoria instead of remaining in this sunshine, deserves some consideration.

Hon. Sir James Mitchell: You left New Zealand to come here.

Hon. W. D. Johnson: I wanted the sunshine.

Mr. LATHAM: We should encourage people with money to come here. The less we talk of taxation the better it will be. The more people we get, the greater number shall we have to share our burdens. Some of the spending departments are still increasing their expenditure.

Hon. W. D. Johnson: Good old expenditure!

Mr. LATHAM: So long as we get value for the expenditure, I suppose it is quite sound. Every year I have had to make some remarks about our education vote. It is going up all the time, and there is always some excuse found for it. We are educating only a small number of the children of the State, but this is costing a lot of money.

Hon. W. D. Johnson: You do not paint your schools.

Mr. LATHAM: Very few are painted to-day, and the type of building is poor. But that does not come out of this vote.

Hon. W. D. Johnson: The department is not maintaining them.

Hon. Sir James Mitchell: Of course they are.

Mr. LATHAM: We cannot afford to leave our children in the country uneducated.

Mr. Thomson: That is where a lot of them are.

The Premier: A good deal of the increased expenditure has been incurred in the group districts.

Hon. Sir James Mitchell: It could not be avoided.

Mr. LATHAM: I suppose not, but the amount is large.

The Premier: It will be difficult to keep it down to that.

Mr. LATHAM: Our population is small, and all our children are not educated in State schools, for many go through other channels. It is, however, not much use complaining if we cannot suggest the means for curtailing the expenditure. Our city utilities are not doing as well as they might do.

The Premier: I wish you would stir them up a bit.

Mr. LATHAM: The return relating to tramways shows only half the surplus of

the previous year. Then there is the water supply.

The Premier: That is a losing concern.

Mr. LATHAM: The loss is nearly double the previous year's loss. I do not know how long it can go on.

The Premier: All the country water supplies are paying. Do you observe that?

Mr. LATHAM: That is quite a different proposition. If the people are given a utility they should pay for it. The revenue of the State comes principally from the land.

The Premier: God speed the plough!

Mr. LATHAM: That is a good slogan. The city people should be compelled to pay for their utilities, or they should be allowed to control them and to make their own financial arrangements. That would relieve the Treasurer.

The Premier: Would it not be fair that all the people should pay for the utilities, not only the city people?

Mr. LATHAM: If the country people do not pay directly they do indirectly. They pay for a lot that the city folks do not pay for. All the taxation of the city people is passed on to the man who cannot pass it any further.

Mr. Teesdale: And then buys a motor car.

Mr. LATHAM: These city utilities ought to be made to pay their way, for most of the country utilities do. The Treasurer will not find any money for water supplies in the towns in my district unless he gets a guarantee.

The Premier: What is the value of a guarantee in nine cases out of ten?

Mr. LATHAM: It is of some value, or he would not proceed with many of the works. Some country people are paying £50 per 1,000 acres for their water supply, a shilling an acre for a supply for a few months of the year. Guarantees are signed and they are a first charge against the land. The Government are well secured. In most cases country water supplies pay.

Mr. E. B. Johnston: And there is a 3s. water rate.

Mr. LATHAM: Very little is given to the country people that the city people do not get their share of. I hope a careful watch will be kept on the city utilities with a view to seeing that they pay interest and sinking fund over and above working expenses.

The Premier: I am anxious that they should do so.

Mr. LATHAM: We are embarking upon a gigantic water supply scheme for the metropolitan area, and I presume the country may get what little money is left from loan funds. A large amount is being provided for the city.

The Premier: I did not inaugurate the scheme.

Mr. LATHAM: It has been well pushed on since the Government took office.

The Premier: Speaking at the Balingup branch of your organisation you justified the metropolitan water supply.

Mr. LATHAM: The Premier is taking something from the "West Australian." I said that while it was the duty of the Government to provide utilities, they must provide reasonable utilities for city folk.

The Premier: Just before the elections you went round the country defending all city expenditure.

Mr. LATHAM: I did not. I said it was not the function of the Government to control these utilities or to provide them, but that the city folk should provide their own, make their own financial arrangements, and in that way relieve the Treasury. Whilst it is the duty of the Government to provide utilities, I said they would have to provide reasonable utilities for the people in the city. I do not know whether an expenditure of £6,000,000 is a reasonable amount to provide for the city. I notice that the work is being pushed on.

The Premier: It is not. It was proceeding when we took office, and is continuing in the same way.

Mr. LATHAM: I hope steps will be taken to have guarantees provided by the people of the city before the new supply is laid on, and that there will be no discrimination between the country and the city.

The Premier: The work was started without a guarantee, and I am afraid I cannot insist upon one now.

Mr. LATHAM: The Premier could strike a rate that would return the outlay and provide interest and sinking fund.

The Premier: If both Houses would allow me to do so, but our rate is up to the maximum now.

Mr. LATHAM: There are other ways of doing it. By the time the Federal city valuations are made, the Treasurer will probably find he will receive a considerable addition to his revenue. In their valuations of agricultural areas the Federal authorities have not depreciated values by any means. When the Loan Estimates come before us I shall have something more to say under the heading of these particular items.

Progress reported.

BILL—DIVIDEND DUTIES ACT AMENDMENT.

Second Reading.

The PREMIER (Hon. P. Collier—Boulder) [8.53] in moving the second reading said: This is a small Bill of three clauses: its object being to come into line with the Land and Income Tax Assessment Act Amendment Bill that I brought down last night, so far as dividends paid by mining companies are concerned.

Hon. Sir James Mitchell: You had better get the other Bill through first.

The PREMIER: It is just as well to have the two Bills running abreast. I shall be

able to drop the one if I do not get the other. By the assessment Bill it is proposed to exempt the dividends paid out of the profits of mining companies from the payment of income tax until such dividends equal the amount of capital invested by shareholders. Inasmuch as taxation is paid out of the profits of mining companies under the Dividend Duties Act and on dividends under the Land and Income Tax Assessment Act it is necessary to make this amendment to the Dividend Duties Act in order to conform to the Bill I brought down last evening. In brief it is proposed that mining companies shall be exempt from the payment of dividend duties—that is to say, all such companies incorporated after the first of July of this year—until an amount equal to the cash capital expended shall be returned in the form of dividends.

Hon. Sir James Mitchell: Happy companies!

The PREMIER: Unfortunately the mining companies are not very happy. If the Leader of the Opposition were to look up the report of the Mines Department he would find that the dividends paid by the mining companies have fallen off during recent years, until last year they amounted to a comparatively small sum. More especially will that be realised when we look at the large sums paid out by the big mines of Western Australia in earlier years. While the Bill will afford some measure of relief I am afraid it will not be sufficient to make a material difference to the mining companies.

Hon. Sir James Mitchell: Still they should be satisfied.

The PREMIER: That is so. We have frequently heard of complaints from London and from people who invest money in Western Australian mines regarding the treatment extended to them. If Parliament passes the Land and Income Tax Assessment Act Amendment Bill and the Bill now before hon. members, the relief afforded by those measures, taken in conjunction with the assistance rendered by the Mitchell Government, regarding the reduction in water charges, should go a long way towards removing any ground for complaint in the future. I do not know that Parliament can go any further regarding relief from taxation to the mining industry.

Mr. Heron: It may give them another excuse to increase directors' fees.

The PREMIER: It is just as well to remember that following on the reduction in the price of water that action was taken by one or two companies.

Mr. Heron: In one instance the directors' fees were increased by £1,000 and in another by £800.

The PREMIER: And that at a time when it was said that the mining companies had fallen upon evil days!

Mr. Heron: And at the same time the companies were asking for a reduction in the wages of miners.

The PREMIER: We need not take a narrow view and withhold anything that we may consider the mining companies are entitled to, because of the action they took sometime ago. It is well to let it be known, however, that such actions do not pass unnoticed by the people concerned in Western Australia. However, the two Bills I referred to will afford to the mining companies some relief from taxation.

Hon. Sir James Mitchell: We should make it general.

The PREMIER: If at the end of the financial year we are able to balance the ledger, as prophesied by the Leader of the Opposition, notwithstanding my more pessimistic estimate, we may be able to give consideration to other sections of the community as well. I move—

That the Bill be now read a second time.

On motion by Hon. Sir James Mitchell debate adjourned.

BILL—INDUSTRIES ASSISTANCE ACT AMENDMENT.

Second Reading.

The MINISTER FOR LANDS (Hon. W. C. Angwin—North-East Fremantle) [9.6] in moving the second reading said: The Bill though a small one, might have been introduced some time ago. As hon. members are aware, the trustees of the Agricultural Bank are also the members of the Industries Assistance Board and of the Soldier Settlement Board. In addition, there is a direct representative of the soldiers on the Soldier Settlement Board, in the person of Mr. Hugo Throssell, V.C. However, the gentlemen I referred to have conducted the business of those bodies for some considerable time. One of the trustees, Mr. Cooke, has held that position from the inception of the bank. Mr. McLarty has been connected with it from the start and Mr. Moran has held his position for some years. The trustees are entrusted by the State with the task of making advances to farmers for agricultural developmental purposes. The Agricultural Bank can advance only for developmental purposes, such as clearing, erection of houses, loans for stock and certain classes of machinery. The Soldier Settlement Board are in much the same position. On the other hand, the Industries Assistance Board can advance for cropping purposes. They have very little power, if any, to make advances for developmental work. They can provide money for the purchase of seed and manure and for payment of labour to put in the crops and for agricultural machinery to take the crop off. The board have done good work. They have been the means of keeping a large number of men on the land, who, through unfortunate circumstances, have got into difficulties from which it is practically impossible to get away unless the capital cost of their properties is written down by the

board. It can be readily understood that the members of the board would not write down the capital cost to a greater extent than they thought was in the interests of the State and of the individual concerned.

Hon. Sir James Mitchell: You can quite understand what pressure will be brought to bear on the board if they are able to write down the capital cost.

The MINISTER FOR LANDS: If there was any pressure brought to bear in the past, there is none now.

Hon. Sir James Mitchell: That is an impertinent remark! I have never brought any pressure to bear on them!

The MINISTER FOR LANDS: I did not say so. I thought you referred to pressure brought to bear on them. The board members know what is required and no Minister or any member of Parliament has a right to bring pressure on members of the board who are appointed to carry out duties assigned to them under a special Act.

Mr. Thomson: Hear, hear!

Hon. Sir James Mitchell: But you know that some do it.

The MINISTER FOR LANDS: Some members are not always careful regarding what they write to the board, and the board members strongly resent any action taken in the direction of bringing pressure to bear on them. The board will not allow it. That fact has come under my notice. I have no fear of any pressure that may be brought to bear in that direction.

Hon. Sir James Mitchell: You know you ought not to interfere.

The MINISTER FOR LANDS: I have no right to interfere.

Hon. Sir James Mitchell: No, but you do.

The MINISTER FOR LANDS: I do not. When the Leader of the Opposition was in England subsidiary committees were appointed. Those committees consisted of three persons whose duty it was to go round the country and value farms, taking particular notice of the persons in charge of the properties. They then had to recommend to the board what they thought would be the best method to be adopted to assure the settlers making a success of their holdings.

Hon. Sir James Mitchell: They were much harder on the settlers than the board members themselves.

The MINISTER FOR LANDS: In many instances the subsidiary committees recommended that in the best interests of the State and of the settlers it would be far better to sell the holdings. The action taken in February or March last by the board when notices were issued calling upon certain persons to provide the proper financial arrangements to carry on their farms, failing which the board would take drastic action, was the result of the reports furnished to the board. In other

instances the committees recommended the writing down of the capital cost. On account of the indebtedness of 53 assisted settlers, it was recommended that £47,476 should be written off.

Hon. Sir James Mitchell: Did we not approve of that?

The MINISTER FOR LANDS: No, it was not done. The board have no power to write down such amounts. There are numerous settlers who have been asking the board to arrange mortgages, providing for fixed payments over a certain period of years, and to allow the settlers themselves to manage their farms in whatever manner they please without interference from the board. There is no provision for any such power and at present the board are required to realise on a farm before any reduction can be made.

Hon. Sir James Mitchell: Or come to Parliament for approval.

The MINISTER FOR LANDS: In other words, if a man through no fault of his own, owing to climatic conditions, has been unsuccessful on his farm the board has no option but to put up his land for sale and throw him out on to the world. Then, in all probability, the newcomer will get the farm at a price considerably below the amount owing by the previous occupier.

Hon. Sir James Mitchell: The proper way is to come to Parliament for approval.

The MINISTER FOR LANDS: There is also the possibility that the newcomer is not even as good a farmer as the man who was put off the land. I have had direct communications from men who, although they bought the land at a reduced price, have asked that their capitalisation should be written down. Members of the board and trustees of the bank are of opinion that if they had power to write down the capitalisation, or fund the amount, and so keep the man on the land, it might be of advantage to all, particularly to the State. The Bill gives power to the board to write down capitalisation with the approval of the Governor. Each year the reports of the Industries Assistance Board, of the Agricultural Bank, and of the Soldier Settlement Board are placed on the Table of the House, and in that way all amounts written down are reported to Parliament and can be questioned by members. The Bill also gives power to fund an amount if necessary, and mortgages can be entered into under the Bills of Sale Act, and so in future interest will be paid only on the amount of the second mortgage. This will assist the departmental officials and will assist the man on the land, and so will benefit the State. From my knowledge of the board I can say with confidence that no man who has not attended to his farm will have any possibility of deriving benefit under the Bill. It might be asked why should we not amend the Agricultural Bank Act as well

as the Industries Assistance Act. However, there is a provision relating to the administration of the Agricultural Bank Act. It merely provides that by Order-in-Council the board shall have power to apply the provisions of the Bill to the Agricultural Bank Act if necessary. I am informed by the trustees that in relation to the bank's ordinary business it will not be necessary; that it will be necessary only in respect of soldier settlement. A large amount of interest on soldier settlement advances will have to be written off.

Hon. W. D. Johnson: Will that be a State loss?

The MINISTER FOR LANDS: No, unless it exceeds the amount granted by the Commonwealth. My information is that it will exceed that amount. The other securities held by the trustees in respect of ordinary bank clients are sufficient to meet all liabilities incurred. Then in the Bill we are asking permission to extend the provisions of the Industries Assistance Act for another year. I am confident that we can rely upon the members of the board to watch the position carefully and not to make the writing down of amounts a general practice. The board cannot act without the consent of the Governor-in-Council, and the board's reports are submitted to Parliament annually. I hope the House will agree to the Bill. It will benefit the clients of the board. To-day we have over £2,000,000 advanced under the Industries Assistance Act. Unfortunately with one exception in every year since the institution of the board, a greater amount has been advanced than has been repaid.

Hon. Sir James Mitchell: The payments to the Government amount to over £1,000,000.

The MINISTER FOR LANDS: The reports of the Soldier Settlement Board and of the Industries Assistance Board are on the Table and will show the amounts advanced. Interest has been piling up. A lot of the Agricultural Bank interest has been advanced through the Industries Assistance Board, and some land rents also have been paid by the board.

Hon. Sir James Mitchell: A great many of the board's clients have paid off everything they owed.

The MINISTER FOR LANDS: Yes, about 1,200 have gone off the board. But those are not the persons we are dealing with; we are dealing with those still on the board. The powers sought under the Bill will be used with every care. I move—

That the Bill be now read a second time.

On motion by Hon. Sir James Mitchell, debate adjourned.

BILL—WORKERS' COMPENSATION ACT AMENDMENT.

In Committee.

Resumed from the previous day.

Mr. Lutey in the Chair; the Minister for Works in charge of the Bill.

Clause 5—Compensation of workers dying from or affected by certain industrial diseases:

Mr. DAVY: Everybody agrees that industrial diseases should be covered by the Workers' Compensation Act. The only wonder is that it should have been delayed so long. Subclause (4) provides that if a worker on entering an employment falsely represents himself in writing as not having previously suffered from certain diseases, compensation shall not be payable. That implies that every worker on joining an employment will be required to sign a written statement as to his health. If a medical examination shows that the worker is suffering from a disease, there may be some risk that the employer will not be prepared to employ that man. From the worker's viewpoint, that is a weak link in this machinery clause. I give the Minister credit for having considered carefully the machinery provided. We hope it will work out properly. The criticism of the third schedule might well be delayed until we reach that schedule. Still, in a way we can connect it with the clause. A great many diseases mentioned in the third schedule are not to be found in other similar Acts, diseases such as zymotic diseases. I am informed that zymotic disease is any infectious disease, from smallpox or bubonic plague to German measles. If that remains in the schedule, we might find in an epidemic of German measles that all the workers who contracted it would be covered. That is rather outside the principle of the Act. Again it is proposed to affirm as a certainty a conclusion that scientists have failed to reach. It is proposed to announce by statute that cancer is a disease that may be caused by an industrial process. Scientists are completely at a loss as to the cause of cancer. They do not know whether it is produced by a germ or whether it is an affliction from Heaven, the process of which we have not solved. But Parliament can do anything, so we are going to solve by Act of Parliament a problem that all the scientists admit they have so far failed to solve.

The MINISTER FOR WORKS: In practice I think all employees in industries where industrial diseases are prevalent will have to submit to medical examination. No doubt employers and insurance companies will insist upon it.

Hon. Sir James Mitchell: Who will pay for it?

The MINISTER FOR WORKS: There will be no payment. We have provided that all new arrivals must submit to an examina-

tion and produce a clean bill of health before being permitted to engage in any industry covered by this measure, but 98 or 99 per cent. of the claims will arise from mining.

Mr. Mann: What about painting?

The MINISTER FOR WORKS: There is one case of lead poisoning out of 1,000 employees. The claims for industrial diseases outside of mining will not nearly approach the claims for accidents. Lead poisoning is mainly confined to the painting and printing industries.

Mr. Holman: And to lead mining.

The MINISTER FOR WORKS: Yes, but I think there is more lead poisoning in the smelters. The question of medical examination is not a serious matter outside the mining industry, and as it has been the practice in the mining industry since 1915 for all new employees to present a clean bill of health, the clause does not involve any serious innovation.

Hon. Sir JAMES MITCHELL: Subclause 9 gives the Governor power to declare that any other disease or process may be added to the third schedule. In other words the list of diseases may be added to by the Governor. Will the regulations have effect from their publication in the "Gazette"?

The Minister for Works: No.

Hon. Sir JAMES MITCHELL: A disease will not be added to the schedule until both Houses have had an opportunity to disallow the regulation?

The Minister for Works: That is so.

Hon. Sir JAMES MITCHELL: If the Minister wishes to declare any other disease, another Bill should be introduced. The laying on the Table of a regulation is not the same as bringing forward a Bill which the Minister must justify in order to get it passed. I move an amendment—

That Subclause 9 be struck out.

The MINISTER FOR WORKS: When the Leader of the Opposition was in office, he provided in his measures that certain action might be taken by regulation. Such regulations applied from the moment they were gazetted and Parliament could not discuss them until they were laid on the Table. They operated until they were disallowed. We disagree with government by regulation.

Hon. Sir James Mitchell: You have Bills before us now providing for regulations.

The MINISTER FOR WORKS: In one Bill I introduced regulations were included because there was not time to set out the requirements in the Bill, but those requirements are being inserted in another place. I have no sympathy with government by regulation. Under this subclause we provide that the regulations shall not have the force of law until they have been laid on the Table of both Houses for 14 days. If either House disallows them, they shall not have effect. If I thought it would be as quick and easy to get a short Bill passed, I would adopt that procedure. It is

because I have become irritable and weary of the old musty conservative traditions surrounding this House that I am trying to get away from them. I see a man in wig and gown in the Speaker's Chair, and I have to submit a motion asking permission to introduce a Bill. Then I have to stand up and move the first reading that no one knows anything about, and after getting that resolution through, I have to bring down another motion for the second reading. Then after long speeches I have to move that the man in wig and gown goes out of the Chair and another chairman takes the Chair in Committee so that we can discuss all the clauses.

The CHAIRMAN: We are dealing with the amendment to strike out Subclause 9.

The MINISTER FOR WORKS: We are dealing with the argument that the subclause should be struck out. It is said we should bring down a special Bill in order to amend the Act in this direction. I say my method is just as effective, and takes no control away from Parliament, but does away with the old crusty method that has been handed down to us from the middle ages, a method that it seems our Parliaments are loth to depart from. If members would assist the Government to abolish all these farcical methods with which Parliament is surrounded, and permit us to do the business of the country in a more effective and expeditious manner than the traditions of the House will permit, I would not ask for this. Instead of going through all this farce of first and second readings, of a man standing at the top of the stairs and another standing below, and one presenting a document to the other and going through all these farcical things that I have so often witnessed in the House for the last four years, let us take a straight cut to the business of the country. We want less frill and formality. The provisions we are here making have not been adopted by previous administrators who have believed in government by regulation. We entirely disagree with the principle of government by regulation, and by our methods we entirely reverse the old system, and keep the control in the hands of Parliament. We would be the last Government to do anything that would take the control from the representatives of the people.

Hon. Sir James Mitchell: Oh, Lord!

The MINISTER FOR WORKS: These regulations will not have effect until they have been laid upon the Tables of both Houses of Parliament for fourteen clear days. If any move is made to disagree with the regulations and a motion is carried against them they do not become operative.

Mr. Mann: Are you going to follow that system with all regulations?

The MINISTER FOR WORKS: I hope so.

Mr. Davy: You are the only member of the Government who takes up that stand.

The MINISTER FOR WORKS: The last 10 years have taught us what is meant by Government by regulation. Our method is founded on commonsense, and we hope to set an example to those who may follow us.

Mr. Davy: The Lotteries Bill provides for the old fashioned kind of regulations.

The MINISTER FOR WORKS: They will not be found to deprive the people of their liberty or add to their responsibilities. On the one motion concerning the regulations all that need be said about them can be said, without any further formalities.

Hon. Sir JAMES MITCHELL: Instead of introducing a Bill in the ordinary way, the Minister wants to lay the regulations on the Table of the House and say nothing about them. Unless someone objects he will amend the law, or indeed make a law. The formalities he spoke of are gone through for a very good reason, and the Minister is paid to observe them. We come here to work in the name of the people, and the people must be told all about these proposals. It is iniquitous to suggest that the Minister can lay a Bill on the Table of the House, and if no one notices it and says something about it or objects to it, it shall become law. No one would know that we had made the law.

The Minister for Works: What about the rest of the House. Will it be asleep? You do not credit other members with much intelligence.

Hon. Sir JAMES MITCHELL: The Minister is paid £1,300 a year to carry out his duties here, and is given a staff and has at call the staff of the Attorney General's office. The methods adopted here are those that have been followed ever since we have had a Parliament, and they will be followed notwithstanding the remarks of the Minister. He wants to make a short cut and to have his own way. The Minister argued that all laws should be made according to his methods. I hope we shall continue to make laws in the open so that the public may know what is being done. The Minister suggested that previous Governments had applied regulations in defiance of Parliament. The Inspection of Scaffolding Bill provides for the making of regulations, as does the Closer Settlement Bill, the Noxious Weeds Bill, the Lotteries Bill and the Savings Bank Bill. Regulations must be made for the administration of an Act, but not for its extension. I hope the Minister will be persuaded out of his radical notions. We propose that the old-fashioned way of doing things shall remain; and that there shall be a Speaker and a Chairman of Committees to take a hand in controlling the House. I can see that a firm hand may be needed. The clause is a bad one and will not effect any saving of time in the making of the law.

The Minister for Works: I have reversed the old way of doing things from your old conservative institutions, the British Parli-

Hon. Sir JAMES MITCHELL: If the British Parliament is conservative it has done a great deal of very liberal work.

Mr. HOLMAN: The Leader of the Opposition is misguided in his view. Although this Bill provides in the third schedule for about 30 occupational diseases, a publication issued by the Commonwealth Medical Department shows no fewer than 900 occupational diseases, all of which will have to be provided for. Service Publication No. 22 of the Health Department of the Commonwealth of Australia, entitled "An Index to Health Hazards in Industry," by D. G. Robertson, M.D., D.P.H., divisional director, Division of Industrial Hygiene, gives a list of between 900 and 1,000 occupational diseases.

Hon. Sir James Mitchell: I am not objecting to the schedule, but only to the method of doing it.

Mr. HOLMAN: If a new industry is established in Western Australia, the Opposition Leader would have another Bill introduced into Parliament to amend the Workers' Compensation Act, instead of the matter being adjusted by regulation, which is by far the speedier method. At the present time every possible objection is offered to men suffering from occupational diseases. For the last eight years New South Wales has had the schedule for which we are asking to-day. When a regulation is promulgated, it must be laid on the Table in both Houses of Parliament, and then can be disallowed by either House.

Hon. Sir James Mitchell: Would you also cancel by regulation?

Mr. HOLMAN: No. The cancellation of an existing law is a matter entirely different from the extension of the benefit of an existing law. In my opinion the Bill does not go far enough. We have lagged far behind every other Australian State.

Hon. Sir James Mitchell: What we object to is the making of laws by the method here proposed.

Mr. HOLMAN: What is proposed is not law-making, but affording the protection of existing law to persons in danger of occupational disease. I would not have spoken on this matter, only that the Leader of the Opposition does not know what he is talking about. The Federal Service Publication quotes the following from Dr. Collis:—

Few, if any, familiar with the conditions of modern industrial life will maintain that this duty (of protecting the worker) has been placed first, and before the requirements of the process and the machine. Where the machine has required space, the worker has shared it; where the process has required light, the worker has been allowed it; where dust spoilt the product, the worker has breathed a clean atmosphere; but the provision of space, light, or clean air for the worker, as a delicate

living organism, has not been a first consideration, and he has been expected to live where less delicate vegetable life would decline to exist.

The Minister, by this provision, asks that where it is proved that for the safeguarding of the worker's welfare it is necessary he should come under the Act, that shall be effected by regulation. I hope the Opposition Leader will withdraw his amendment.

Hon. Sir JAMES MITCHELL: I do not yield to the last speaker in point of desire to see the workers of the State adequately protected. But let it be done in the proper way. Under this clause the Minister proposes to amend the Act by regulation, to insert words in the Act by regulation.

Mr. Holman: Which must be laid on the Table.

Hon. Sir JAMES MITCHELL: We want to know, and we want the public to know, when an Act is being amended. If no one objects to the regulation, no one hears of it or of the amendment.

Amendment put and negatived.

Mr. NORTH: I move an amendment—

That in Subclause 10 the words "coming to Western Australia" be struck out.

The MINISTER FOR WORKS: Although I have stated my belief that in actual practice the insurance companies, generally speaking, would not insist on a clean bill of health, I do not consider it wise to lay that down by law. Because I think that is what will happen, is no reason why that should be made the law of the land. The Queensland legislation provides greater safeguards in connection with the mining industry than is proposed in the clause. The medical officers of the Commonwealth at a recent conference in Melbourne disagreed with what was done in Queensland. I am not going as far as the medical officers suggested, but simply provide that men who come from other countries shall submit to an examination.

Mr. Thomson: It means, for instance, that if a man suffering from tuberculosis comes from here and secures employment on a mine, he will not be entitled to compensation.

The MINISTER FOR WORKS: That is what it means.

Amendment put and negatived.

Clause put and passed.

Clause 6—Notification of disease:

Mr. TEESDALE: I move an amendment—

That a new subclause, to stand as Subclause 3, be inserted as follows:—"Every employer shall forthwith send written notice to the Registrar whenever it comes to his knowledge that any worker employed by him has suffered personal injury by accident arising out of and in the course of the employment, and such notice shall state

the name and address of the worker and the time when, the nature of, and the cause of the accident. Penalty: Fifty pounds."

The clause provides protection for the workmen in that the employer has to give notice that the worker is suffering from a disease mentioned in the third schedule. I want that protection extended to workmen in respect of any personal injury arising out of their employment. I know of an instance in which a man was debarred through effluxion of time from getting any compensation because no notice had been sent down to the insurance company. For two months that man was practically unconscious and was incapable of sending any such notice.

The Minister for Works: Did he not receive half pay?

Mr. TEESDALE: Not one farthing. Later the man was sent away for health reasons. I will be charitable and say that it may have been in the best interests of the man, but there may be a suspicion that the man was aided in that direction so that the time would elapse that would debar him from securing any benefits. He is now a broken man in Perth, an inmate of a home, and practically incapable of walking about. Before the accident he was a splendid, strong, able-bodied bushman. Surely a man who is working 400 miles from the coast, with no one to advise him as to what he should do, is entitled to that much consideration. The amendment will not inflict any injustice upon the employer. The insurance people will fight for every 3d.

Hon. Sir James Mitchell: I do not know that that is so.

Mr. TEESDALE: I do; they fought me for months, but I got what I wanted. I will not be sidetracked by the Leader of the Opposition.

Hon. Sir JAMES MITCHELL: Under existing legislation the employer communicates with the insurance company in the event of a man being injured.

Mr. Teesdale: That does not constitute notice to an insurance company.

Hon. Sir JAMES MITCHELL: No insurance company would endeavour to evade responsibilities merely because of a technicality like that.

Mr. Chesson: But the claim has to be lodged within six months.

Mr. Hughes: And insurance companies will seize upon every technicality they can.

Hon. Sir JAMES MITCHELL: If the company refused to accept their obligations in the circumstances mentioned by the member for Roebourne, it would be wrong, and the action of such a company should be well advertised. So far as I know the insurance companies have always acted reasonably. The amendment will mean that the employer will be required to report even the slightest accident that may happen.

Mr. Teesdale: No such ridiculous interpretation would be placed on the amend-

ment. It would be viewed from the standpoint of common sense.

Hon. Sir JAMES MITCHELL: I do not see why a man should not be required to report the accident himself.

Mr. Holman: What if he is in hospital and cannot do so?

Hon. Sir JAMES MITCHELL: In addition to that, the penalty suggested is too severe and I propose to move an amendment to limit the penalty to £10.

The MINISTER FOR WORKS: The member for Roebourne has adopted the wording of the parent Act. We propose amending Section 6 by means of Clause 4. By a slight alteration in the wording, the amendment will fall into line with the provisions of the Bill. I move an amendment on the amendment—

That in lines 4 and 5 the words "arising out of and in the course of the employment" be struck out, and the following inserted in lieu "within the meaning of Section 6."

Amendment on the amendment put and passed.

Amendment, as amended, agreed to.

Clause, as amended, put and passed.

Clauses 7, 8, and 9—agreed to.

Clause 10—Insurance obligatory:

Mr. NORTH: I move an amendment—

That in line 3 of the second paragraph "uninsured" be struck out.

The word is entirely superfluous.

The MINISTER FOR WORKS: The word is vital to the clause, indeed to the Bill. The clause provides a penalty on the employer for every uninsured worker he has employed. If the amendment were carried, the penalty would be in respect of every one of his employees, insured or uninsured. Members opposite are developing a radical element.

Mr. Marshall: Still it is refreshing, coming from Claremont.

Amendment put and negatived.

Mr. DAVY: It is generally realised that some form of compulsory insurance is a proper corollary to the liability imposed by the Bill, both to protect the employer and to protect the worker. It is sometimes necessary to employ temporary domestic assistance in the home. During that time the assistant might sustain injury, resulting perhaps in death. That person might either be denied the advantages of the Act or, alternatively, the employer might be entirely ruined. So we require compulsory insurance. But how the thing is going to work out, it is difficult to determine. We are told that if the employer a worker we are bound to insure him, but we are not told what the terms of the policy are to be. The insurance company undertakes liability only within certain limits. For instance, there is a disaster risk in every

industrial insurance policy. If some catalysm occurs—

The Premier: Such as a general election.

Mr. DAVY: It seems to me that at such times there are more spirits broken than blood spilt. But an employer may find himself up against an infringement of the Act because unable to get the class of insurance cover he requires. He takes a policy to the company, and finds that one clause the company says must be inserted in a clause cutting out the risk on the company in the event of a big disaster involving the death of a number of employees. What is to be the position of that employer? The clause may have to be altered to cover every person in every circumstance. Has the Minister considered that aspect?

The MINISTER FOR WORKS: Only insurance companies approved by the Minister will be accepted, and the Minister would have to approve of the form of policy. If the policy did not comply with the provisions of the Act the Minister would not recognise the company under the measure.

Mr. Mann: You would have to approve of all or none, because they all have the same policy.

The MINISTER FOR WORKS: They would have to alter it. Does the hon. member suggest there would be a strike on the part of the companies?

Mr. Mann: You would deal with the association and not with individual companies.

The MINISTER FOR WORKS: I would deal with the underwriters. If the policy included a "disaster" clause as indicated, the company could not be approved under the Act. If the Minister did approve of such company, the employer would have to take the risk.

Mr. Mann: And he might not be able to pay.

Mr. Davy: In the last resort the onus is on the employer.

The MINISTER FOR WORKS: The first subclause meets all requirements. If there was any exemption in the policy, it could not comply with the Act and the Minister could not approve of the company.

Clause put and passed.

Clause 11—Amendment of Section 18:

Mr. DAVY: Subclause (2) abolishes Section 21 of the principal Act, which deals with proceedings in respect of offences. I cannot find that any alternative procedure is substituted for dealing with offences against the Act. In this matter there is no question of any relationship between employer and employee. Perhaps the Minister can explain why this section is being repealed, unless it be as the result of a mistake in the drafting of the Bill.

Progress reported.

House adjourned at 10.53 p.m.