

Legislative Assembly.

Wednesday, 22nd October, 1914.

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

QUESTION—COAL MINES REGULATION.

Mr. WILSON asked the Minister for Mines: Is it his intention to bring down an amending Coal Mines Regulation Bill this session? 2, If not, when?

The MINISTER FOR MINES replied: 1 and 2, No. Time will not permit, but consideration will be given to the matter next session.

QUESTION—TRAMWAYS, DESTINATION SIGNS.

Mr. LATHAM asked the Minister for Railways: 1, Is he aware that serious inconvenience has been experienced by city and country people through some of the trams not having their destination marked thereon? 2, If so, will he meet the requirements of the people by having the destination shown on all trams as early as possible?

The MINISTER FOR RAILWAYS replied: 1, The majority of the tram cars have been fitted with destination signs in addition to the route number, and little inconvenience should, therefore, be experienced. At the intersections of several of the more important city streets indicator boards have also been erected denoting the destinations of the trams running along the various streets. 2, Arrangements are in hand to have the destination indicated on all cars.

SELECT COMMITTEE, METROPOLITAN MARKETS.

Extension of Time.

On motion by Mr. Millington, the time for bringing up the committee's report was extended to the 29th October.

BILL—WORKERS' COMPENSATION ACT AMENDMENT.

Read a third time and transmitted to the Council.

BILL—INDUSTRIES ASSISTANCE ACT AMENDMENT.

Second Reading.

Debate resumed from 15th October.

Hon. Sir JAMES MITCHELL (Northam) [4.35]: The Bill, like most of those brought down by the Minister for Lands, is one of very few clauses. However, I am afraid it cannot go through as easily as others brought down by the Minister have done. It is a most important measure, and it needs a good deal more consideration than the House at the moment imagines. The Act covers not only the Industries Assistance Board, which is the primary reason for the Bill, but also the Soldier Settlement Board and the Agricultural Bank. In the Bill the Minister seeks power that will enable the trustees to write down part of the large indebtedness. Also the Bill provides that a mortgage may be taken over the property and the goods and chattels of the client whose account has been reduced. So thereafter he will have to carry on as best he can. Power is also sought to enable the trustees to take a mortgage over the land and the goods and chattels of other clients, whose accounts have not been reduced. In other words, under the Bill the board's operations might be closed down. I do not suggest they will be, but the power to bring it about is there. Most members will imagine that they are dealing merely with those accounts of the board that are in bad order. As a matter of fact the Bill covers every account under the board. We have some responsibility apart from responsibility to the client, and in order that we may deal fairly with this question we ought to review the history and work of the board; what has happened in the past ought to be recalled at this juncture. Large numbers of men without money were encouraged to go on the land. Chiefly they were working men who were settled on the land in this way, and they were there but a few short years before 1911, which was our first drought year. We had another drought in 1914. Those men without means, although hard-working had not had time to get on their feet when the 1914 drought struck them. Assistance had to be rendered to them in 1915, which was a war year, in which it was impossible to get credit outside.

The Minister for Lands: But the war was not the cause of it. It was the drought.

Hon. Sir JAMES MITCHELL: Yes, so I have said.

Mr. Millington: Well, why try to put it on to the war?

Hon. Sir JAMES MITCHELL: I know a great deal more about this board than does the hon. member.

Mr. Millington: You know enough to cloud the issue.

Hon. Sir JAMES MITCHELL: It is clouded brains that is the trouble with the hon. member. I am endeavouring to make the position clear.

Mr. SPEAKER: Order!

Mr. Millington: Never mind about the brains—

Mr. SPEAKER: Order!

Mr. Millington: Well, you keep him in order. I will take no slack from him.

Mr. SPEAKER: I must ask the hon. member to respect the Chair. If he is dissatisfied with my attitude, there is a proper course open to him. I have called both members to order. It was in answer to an interjection by the hon. member that the Leader of the Opposition said what he did.

Mr. Millington: I am sorry if I have shown disrespect.

Mr. SPEAKER: The hon. member will resume his seat.

Hon. Sir JAMES MITCHELL: In 1915, therefore, the work of the board started. Under the Act the full security was the farmer's equity in his land, in most cases already pledged to the Agricultural Bank. The growing crop also was in the security; all the goods and chattels of the farmer became the board's security. This was necessary to protect the working gear, which otherwise might have been attached by outside creditors. The amount owing to creditors of the board's clients was £600,000, known as "the amount owing to outside creditors." Those creditors were by law compelled to wait. A year or two ago we had to amend the law in order that the debtors might not plead the Statute of Limitations. The outside creditors have since been paid £300,000, about one-half of the original indebtedness, and we are still responsible for the payment of surplus proceeds of crops to those outside creditors. That is still the responsibility of the board. I hope the House will realise that we said to those creditors, "You must wait." As a matter of fact they had very small chance of getting any of their money at that time. I suppose that if offered 10s. in the £, the majority of them would have accepted it. By law we told them to wait, and that when there were surplus profits from the crops we would pay those proceeds over to them. That responsibility remains.

The Minister for Lands: The scale was amended.

Hon. Sir JAMES MITCHELL: Yes.

The Minister for Lands: "The discretion of the Minister" was inserted afterwards.

Hon. Sir JAMES MITCHELL: The responsibility to pay the surplus proceeds to the outside creditors still remains. This House ought to know that.

Hon. W. D. Johnson: Is that provided in the statute?

Hon. Sir JAMES MITCHELL: Yes. I think the hon. member drafted the Bill.

Hon. W. D. Johnson: It was not in the original draft.

Hon. Sir JAMES MITCHELL: He put up a schedule showing how the distribution was to be made. We have said to the creditors, "Wait an unlimited time. The Government must come first. When the proceeds from the crops have been dealt with by the Government, following upon the advances made by them, certain moneys will be paid to you."

Hon. W. D. Johnson: Do you contend that the original liabilities have not yet been paid?

Hon. Sir JAMES MITCHELL: Not to all the outside creditors.

Hon. W. D. Johnson: There would be subsequent liabilities.

Hon. Sir JAMES MITCHELL: One half of the original debts has been paid off. I daresay in the circumstances the creditors would not have received any more than that. We are still responsible towards them, and have made them wait nine years. In dealing with the Bill we have to remember that. The cash business done by the clients of the board with traders will cover about £7,000,000. That will have been of decided advantage to the traders. Special boards were appointed to go into the accounts of the clients who owed money to outside creditors.

The Minister for Lands: The special boards dealt with the whole lot, the Government accounts as well as those of outside creditors.

Hon. Sir JAMES MITCHELL: The accounts of clients who owed money largely to outside creditors. Of course they owed money to the board as well. I think about 300 reports were dealt with before I left office. I do not know if the Minister has had any since. The advances to those clients total a large sum. I think the board recommended writing off £46,000, but nothing can be done without the authority of Parliament. My idea was that Parliament should vote a sum of money necessary to enable the board to write down this amount, and allow present clients to remain on their farms. These were the worst accounts. It was understood that outside creditors should agree before any writing down was done, otherwise it might easily happen that this would be of no advantage to the clients. A farmer might own a property worth £1,000, and might be owing £1,200 to the board. If the property were written down to the extent of £200, then the debt standing in the books of the board would be equal to the value of the property. Any improvement in the value would make it possible for outside creditors to stress their claims, and undo the work that has been done for the clients. They would of course be justified in claiming what was due to them. There have been many changes in

the value of properties. As a result of such improvements in value it might come about that the board would be offering a client £1,500 for his equity. Under the Bill the Minister takes power to write down accounts on the recommendation of the board. By the system proposed, it might mean that a farmer after the harvest might have very little to carry on with. The board may take the same course with other clients even where the indebtedness has not been written down, and where the security is good for the amount owing. By this means men can be got off the board. The outside creditor to whom we are pledged finds no place in this arrangement. He would, therefore, be at liberty to press his claim against the clients of the board. I daresay the outside creditor will be asked to agree before any writing down is done. This will mean some loss. The soldier settlement scheme will be subject to the Bill. In that case money is contributed by the Commonwealth Government to meet losses, and we shall have a substantial sum in a year or two in that account. I think the Minister said there was already £140,000 in the account.

The Minister for Lands: Some accounts have to be paid out of that.

Hon. Sir JAMES MITCHELL: And some money has to come in. We are getting $2\frac{1}{2}$ per cent. each year on the total amount of the advances for soldier settlement. The total sum received will be well over £700,000, and the total rebate of interest to come out of that would probably be half that amount. We shall, therefore, have a substantial sum to meet the losses on soldier settlement. For the most part the properties were bought cheaply for the soldiers.

The Minister for Lands: Something like 178 have been abandoned.

Hon. Sir JAMES MITCHELL: No doubt many of these are the small areas that were settled in and around Perth. There ought not to be a great loss there. Many of the abandoned holdings have been taken up by other soldiers. We propose to help the farmer who, through no fault of his own, has liabilities exceeding his assets. This position is due to many causes. Men may have been placed on land which seemed to be good wheat land, but after the first crop gradually became worse until it would grow nothing. At places outside Katanning to the east properties did not turn out in the way that inspectors and surveyors had reason to expect they would. After the 1911 drought a good deal of light land was settled. Everyone thought that light land would produce payable crops. From these and other causes losses have occurred. They are not common apart from the areas I have referred to. Where the land is good there is not likely to be much loss. The board have to realise their securities before any

loss can be shown. That is why the Minister is introducing this Bill. He cannot write down the indebtedness of a client and allow the client to retain his farm, notwithstanding that the state of the account may be in no way the fault of the farmer. To meet this situation Parliament ought to pass a vote to cover the writing down.

Mr. E. B. Johnston: We asked you to bring in a Bill.

The Minister for Lands: It was not brought before me.

Hon. Sir JAMES MITCHELL: As I told a deputation that waited upon me, the proper thing to do was to provide on the Estimates a sum for this writing down. The Minister is doing the right thing in the wrong way. We shall get from either course precisely the same result. I am not going to refuse the request of the Minister to grant relief in deserving cases, but I think the power sought to be given to the board is too far reaching. The board of to-day may not be the board of to-morrow. In any event, they are dealing with ten million pounds worth of advances, although a very small part of that sum will come under this Bill. In effect, we are giving the board powers that ought to be exercised by Parliament. I also think it is wrong because there is a better way, and because there may be some encouragement to squeezing, for which opportunity will be provided. People are not slow to take advantage of an opportunity to get something written off a Government account. We had that experience in connection with the writing down of land prices. We know now, of course, that the writing down, except where the classification was wrong, was unjustified, and that many people gained an advantage to which they were not entitled. In fact, we found that some of these people, after the price was written down, offered their land for soldier settlement not at the figure which they had said was too much, but at a still higher one.

The Minister for Lands: The reduction was done by Act of Parliament, and not by writing down. In this case it is to be done on the merits.

Hon. Sir JAMES MITCHELL: It was done partly by Act of Parliament. At any rate, land prices were written down, and some of the writing down was quite unjustified. Of course, we now know more than we did at that time. All these things ought to be done with the knowledge that there is a political game to be played. It is so easy to buy votes with other people's money or by means of promises; and anything which makes that possible is bad. We all know that if an advantage is going, people are ready to apply for it. It is all for nothing; nothing is to be lost by applying.

The Minister for Lands: We haven't any political boards, have we?

Hon. Sir JAMES MITCHELL: Certainly not. We have very good boards. I am referring to political promises made before

an election. From that aspect, too, the proposal is wrong. I can well understand it will often happen that someone will say, "My rent is too much, and ought to be reduced," and that prospective candidates for Parliament will take the case up and argue that a reduction ought to be granted. It would be a pity to make it possible for the board's clients to do anything having the appearance of squeezing. The final reason, and probably the strongest of all, is that in Western Australia land values fluctuate greatly. If we decide to write down in bad times, we may do the State grave injustice. During the war years from 1915 to 1919 our lands were subject to very low values—not half the present-day values. But values have been and are increasing daily, and we now have come to something approaching fair values. During the past four years the added value of the land sold by the Crown must have approached 15 millions sterling. The drop during the war must have equalled many millions as well. However, the position is daily improving, and we are getting back to reasonable values. Further, with people coming in from the Eastern States we are likely to arrive at permanent values. Therefore the Minister is approaching this question at a time when values are favourable to the board, but it might easily happen that the values would be unfavourable to the board. Still, there are, after all, not so very many accounts that will be affected. The board's work, let me say, has had great results. I have already indicated where the losses will be, and I have said that the losses on advances made to farmers on good land will be very small indeed. The lesson is that poor men must have only the best land. That should be a rigid rule. Turning now to the losses made by the board in 1915, there were trading losses and other losses as well. A great deal of horse feed and fodder had to be imported, from which serious losses resulted. I daresay the whole of the losses will total £350,000—not a million pounds, as imagined by many of the public. Seven millions sterling have been advanced, and £7,000,000 have been produced and have gone into circulation in this country; and 29,000,000 bushels of wheat have been delivered to the scheme. The trade which the board thus created must have brought to the Treasury at least as much as the losses are likely to be. Indeed, the losses will represent only five per cent. on the total of the advances. Apart from the 29,000,000 bushels of wheat produced, we must give the board some credit for crops produced by clients who have obtained clearances. In introducing the Bill the Minister said that the board's advances were not covered, except in one case, by the crop proceeds. But we must remember that the man who can get his clearance does get his clearance, and that his crop goes only in part to the board, which, after he has obtained his clearance, will know him no more. We have

to remember, too, that £1,100,000 has been paid to Government departments for indebtedness, including land rents and interest, and advances of various sorts made to clients before the Act came into operation.

Mr. E. B. Johnston: Water rates as well.

Hon. Sir James MITCHELL: Yes; and so the position is not so black as some people believe. A very considerable amount was paid in land rents during the early stages, some of it on land that was afterwards forfeited. Years of rent were debited in the board's books on blocks, and of course taken into revenue, but the blocks have since been forfeited, so that in such cases we have the land as well as the money. That fact ought to be borne in mind. All the clients, past and present, of the board have contributed to the wealth of the State. During the war 700 of the bank's clients left for the front, and their farms would have gone back utterly if they had not been carried on in some way, as they were under the board's management, the board's security thus being maintained. When we review the position of these farmers, we must recognise that something more was done for them than giving them the money to put in their crops and get them off. Large sums of money have been spent by the board on machinery and plant and stock for those farmers. In 1914 very few of them had any horse feed or seed, whereas the clients of to-day have £200,000 worth of horsefeed and seed on their farms. They have therefore won from the soil, not only enough to pay off their advances, but enough to stock and equip their farms properly and re-establish themselves as farmers with seed and horsefeed on hand. The board to-day have the growing crop to harvest. I do not know the exact area under crop, but I think it represents 1½ millions of money to come from the crop during the next month or two. This will be decidedly helpful to the finances, and during the current year, with the high price of wheat and the promise of good crops in most places, the result to the farmers should be most satisfactory. The money will help the Government, because it will be to some extent loan money returned to the Treasury.

The Minister for Lands: It will have to go out again.

Hon. Sir James MITCHELL: Not £1,500,000. I hope not more than £1,000,000 or £1,250,000 will have to go out again.

The Minister for Lands: We only anticipate getting £1,250,000.

Hon. Sir James MITCHELL: I say the Government will get £1,500,000. At any rate, there must be some loan money returned to the Government. That, of course, will not affect the revenue, since it is loan money; but it will help the Government's finances this year. And it is right that this should be the case. It would not be right if each year an equal amount of money went out. A number of clients should pay

off their accounts altogether, and henceforth carry their own burden; or, rather, it will not be a burden, because they will have some money. I believe, too, that £500,000 could be collected this year on account of redemption money owing and interest owing to date. Therefore the board's operations should prove very helpful to us this year, when we are faced with the difficulty of transferring money from London. The trustees, in other words the board, headed by Mr. McLarty, have done wonderful service to this country. The management, too, have shown themselves particularly capable in an extremely difficult task.

The Minister for Lands: Why are you afraid, then, of giving them too much power?

Hon. Sir James MITCHELL: The Minister is so impatient. The management, too, are to be commended for the excellent work they have done. They have the worst accounts, largely the accounts of men who went on the land without experience and who had been on their holdings only a very short time when drought overtook them. Notwithstanding that the management had to take over the accounts of such men—good men, but inexperienced—there have been these wonderful results in production, results satisfactory also from the aspect of the board's interests. I know that when one faces development as one is compelled to face it in this State, there are bound to be some losses. When we take into consideration the amount lost by trading that was written off, the loss on the operations of the board cannot be regarded as unreasonable. It has been largely covered by returns to the Treasury. The Minister for Lands must not become impatient if we do not altogether approve of this legislation. If he desires to provide relief for those concerned by way of legislation, I am with him, but I do not think he should take powers under the Bill to close down the operations of the board. While that may be the result, I do not say that that will happen. When a man, through no fault of his own, is compelled to seek assistance, we could not do better than to write down his indebtedness to a reasonable sum and thus enable him to stay on his holding.

The Minister for Agriculture: Are there no men on the land whose condition is due to their own fault?

Hon. Sir JAMES MITCHELL: Of course there are.

The Minister for Agriculture: What would you do to them?

Hon. Sir JAMES MITCHELL: The Minister has developed a habit of cross-examining members sitting on the Opposition side of the House. I was indicating that I would help the Government in their work in this direction. The Minister in charge of the Bill seeks to do what we promised to do, but not by the same means. So far as he seeks to do what I believe is our duty, I am with him. Further powers than that, however,

are taken under the Bill. Probably some of those who get relief from their liabilities will need further assistance from the board, but if the Bill is passed as it stands, they will not be able to get it. I know the Minister for Lands is reasonable and is anxious to assist the men on the land. I will go so far as to say that I will help him as far as possible, in any way he thinks fit to achieve the results he desires.

Mr. E. B. JOHNSTON (Williams-Narrogin) [5.19]: I support the second reading of the Bill, the object of which is to authorise the Industries Assistance Board, with the approval of the Governor, to write off advances under Part 2 of the Industries Assistance Act, 1915: to enable the Governor to extend such powers to the trustees of the Agricultural Bank, and to continue the operations of the Industries Assistance Act and for other relative purposes. The Bill extends the parent Act in the usual way, for the operations of the Bill have to be extended from year to year. I congratulate the Government and the Minister for Lands very heartily upon the introduction of this legislation.

Hon. Sir James Mitchell: Then you want farmers to be squeezed off the board?

Mr. E. B. JOHNSTON: No, I do not. We want relief granted to the pioneers who were refused that relief in the past, and this legislation will enable it to be granted.

Hon. Sir James Mitchell: That relief was not refused. The clients will be squeezed off the board and that is what you are approving.

Mr. E. B. JOHNSTON: I am not doing anything of the kind, and no one knows it better than the hon. member. I am approving of the Bill so far as it will enable relief to be granted to the pioneer settlers, who have not been able to get it in the past. I want relief to the pioneer settlers who hitherto have had the mortification of knowing that the relief refused them has been granted to new settlers on their properties, the value of which has been written down for them. That writing down had been refused to the original pioneer owners.

Hon. Sir James Mitchell: That was done after the properties had been abandoned.

Mr. E. B. JOHNSTON: We know that last year the trustees of the board, whose work has been so properly eulogised by the Leader of the Opposition, recommended that the powers contained in the Bill should be conferred on them, subject to the approval of the Government. The Country Party, at that time much larger in numbers than it is today, thought that the trustees of the board could be relied upon to exercise these powers in a reasonable manner and went to the Mitchell Government and asked the then Premier, now the Leader of the Opposition, to introduce this legislation. It was not introduced and naturally I am pleased to know that the Bill has been brought forward now.

Hon. Sir James Mitchell: I told you I would afford relief.

Mr. E. B. JOHNSTON: The hon. member said that he would place an item on the Estimates to afford the necessary relief, although he could not see his way clear to grant our request. I have not seen any such item on the Estimates to date, and nothing has been done. The Bill will enable action to be taken. I agree that the Industries Assistance Board has been a wonderful institution for Western Australia. The indirect benefits that the country has received through men being kept on the land during bad times, are extensive. Those bad times followed upon the drought and the war, and the indirect benefits cannot be estimated. The latest report of the Industries Assistance Board shows that 70 additional clearances have been granted, making a total of 1,260 clearances to date. The farmers concerned, who had to seek the assistance of the Government in order that they might stay on the land, have been able to discharge their full liabilities, get their clearances, and become independent settlers.

Mr. Latham: They did not all go to the board.

Mr. E. B. JOHNSTON: I am speaking of those who received assistance from the board and have been able to pay their full obligations in respect of the assistance rendered to them. The number of debtors on the board's books to-day, including soldier settlers, totals 2,912. Whilst the indirect benefits to Western Australia through the operations of the Industries Assistance Board cannot be estimated, we are in the fortunate position of being able to know exactly the benefits accruing from those operations to the Treasury. The board has been largely engaged in debt-collecting for Government institutions and in that capacity it has collected from the people who have to pay the expenses of that institution. The farmers have contributed towards the administration and part of the assistance they have had has gone in payment of debts to the Government.

Hon. Sir James Mitchell: The settlers had to pay their land rents and so on.

Mr. E. B. JOHNSTON: Those rents could not have been collected from the settlers had it not been for the operations of the board. For many years prior to the establishment of the board, the Lands Department, when bad seasons were experienced, simply held over the rents which accumulated. Then when the board was created, and a settler required any assistance to procure super or other requirements, he was told: "Yes, we will supply you with super and other things, but what you owe to Government departments must be paid too." In that way,

I contend, the Government have kept the deficit down by means of the operations of the board's debt collections and have transferred loan funds to revenue account to meet that indebtedness.

Hon. Sir James Mitchell: The board has not been used to keep down the deficit.

Mr. E. B. JOHNSTON: It has had that effect.

Hon. Sir James Mitchell: I say it has not.

Mr. E. B. JOHNSTON: An immense amount of money has been paid by the board, largely from loan funds, into revenue account for this purpose. The latest report of the Industries Assistance Board contains a return headed "Return of Government Indebtedness paid by Industries Assistance Board on behalf of Sundry Assisted Settlers to 30th June, 1924." The return is as follows:—

Head of Government Indebtedness.	Progressive Total 1922-3.	1923-4.	Total.
Land Rents	£ 424,393	£ 50,302	£ 474,696
Bank Interest— (a.) Ordinary Account (b.) Soldier Settlers' Accounts ...	465,205 95,831	43,032 62,285	508,238 157,617
Water rates	43,020	3,882	46,912
Land tax (State) ...	7,268	890	8,148
Income taxes (State) ...	6,046	1,549	7,595
Income taxes (Federal)	7,960	1,853	9,822
Road Board rates * ...	26,850	14,194	41,044
Other Government departments— Pre-war Debts: (a.) Seed Wheat Board (b.) Civil Service settlers (c.) Tammin Settlement (d.) State Implement Works ...	33,838 929 641 37,967	33,838 929 641 37,967
Totals	1,149,462	177,991	1,327,454

* Indebtedness under this heading from 1917-18 season to 1920-21 has been paid by settlers from their spare parts allowance, but the board reverted to its previous policy from July 1st, 1920, by making advances for this purpose from head office.

The Minister for Lands: These people have had the benefit of that money.

Hon. Sir James Mitchell: It was taken largely from their crops.

Hon. W. D. Johnson: It was perfectly legitimate.

Mr. E. B. JOHNSTON: I am not complaining about that. I have merely quoted these figures to show the advantage this has been to Government departments, who obtained from settlers their debts which they would not have been in a position to pay at the time had the assistance not been rendered to them. In that respect

the board has been of the utmost assistance to the State. The members of the Country Party have decided to support the Bill, for we desire the introduction of legislation of this description in order that pioneer settlers shall get the assistance they require and that they shall have the first opportunity of retaining their own land when values are written down. Members all know the position existing owing to the absence of the power the Government are seeking to give the board. If a man has been battling on a block for ten years and cannot meet the whole of his liabilities, there is no power whatever to write down the amount. The Government appointed local committees 18 months ago, consisting of the district land inspector who knew all about each settler, and two local farmers. These small committees went around and inspected the properties of settlers whose assets were considered not to equal their liabilities. After a careful inspection of each farm, they reported to the board. The board, of course, also have a mass of information regarding the position of the settlers, and only where the local committee recommended a reduction and the board approved of it, will the Government have the power to grant such reductions. So I think the interest of the State will be thoroughly protected if this Bill be passed. What has been the position? In some instances, through the fault of the land, a settler had a debt that he could not carry, although if it were written down by £500, he could see his way to pull through. There was no power to give the pioneer settler any remission, and as the debt was too much for him to carry, he was compelled to leave the holding. A good many months would elapse during which the property deteriorated in value, and then it would be thrown open for selection. Someone else would take it up at whatever value the board or the bank agreed to. Probably there would be a loss of £1,200 on the property, whereas the original settler would have been prepared to carry on, with fresh heart and confidence that he could pull through, if his indebtedness had been written down by £500.

The Minister for Agriculture: He might have been largely responsible for the debt through want of capacity.

Mr. E. B. JOHNSTON: Yes, but on the other hand his selection might have been a poor one.

The Minister for Agriculture: There are two sides to the question.

Mr. E. B. JOHNSTON: Yes, but I am quoting the type of settler that I believe the Government desire to assist by this legislation. When the pioneer settler was put off by the board, his plant and stock would be dispersed and his assets sold, and then the new settler taking over the place at a reduced price would have to assemble plant and stock again.

Mr. Taylor: Were the board severe in the direction of putting people off? I think they were lenient.

Mr. E. B. JOHNSTON: They may have been. Whatever they did was done to assist the settlers and in the best interests of the State.

Mr. Taylor: I think the generosity of the board was largely responsible.

Mr. E. B. JOHNSTON: I am guided by what the members of the board say, and they, with their great experience of the administration of the Act, have recommended legislation of the kind the Government have introduced. The annual report of the board states—

The total number of stopped accounts on the board's books on the 31st March was 891, carrying an indebtedness of £442,046, of which £145,616 represented amounts owing on 202 securities reported as abandoned. With the object of considering the position of these and other assisted settlers, the late Government approved of the appointment of district committees, consisting of two local farmers, with the board's inspector, to value and report upon the securities of settlers, who had been on the board since its inception and were still owing moneys to private creditors. The number of reports so made were 324. These have been duly considered and proved to be of much assistance, though it was found in some cases that the board were in possession of fuller information regarding the merits of settlers and the sale value of securities, which did not enable them to accept the committee's recommendations in their entirety.

In other words, the committee's recommendations were always reviewed carefully by the board in the light of their own knowledge.

Arising out of the consideration of these reports, the board gave notice to 141 settlers, requiring them to liquidate their accounts by the 30th June. As it was realised that the enforcement of this decision would, in nearly every case, necessitate a sale, super. was supplied and advances were made to enable cropping operations to proceed. It was decided that a further inspection would be made on the 30th June before extreme measures were taken. As a result of this it has been found possible in the great majority of cases to modify the board's previous decisions. Extreme action has only been taken after the board had satisfied themselves that the position was due to circumstances within the settler's control, and that the task ahead was beyond his proved capabilities. Where it was found that the nature of the land was solely to blame, the board have recommended the funding and in some cases the writing down of the liability to a figure on which it is considered the land can pay interest and redemption instalments over a term

of years, and provide a living for the owner.

Before effect can be given to the board's recommendations an amending statute will be necessary, as the board have no power to substitute a fixed-term mortgage for its present statutory charge. In introducing this legislation the Government have been guided by, and are complying with, the recommendation of Mr. Frank Cooke, who has signed as chairman of the board, and Mr. E. A. McLarty, the general manager of the board. These gentlemen, who were so highly eulogised by the Leader of the Opposition, are the gentlemen responsible for the Government bringing in this Bill. They, in their report, urged the Minister to take the action he has so wisely and properly taken. The measure also provides for the continuance of the board for another year, and in view of the great direct and indirect value of the board to the State, and the fact that they are not only assisting many old settlers but in some cases are also advising, assisting and paying sustenance to soldier settlers, it is very necessary to continue the board for another year. The Leader of the Opposition said the Government were doing the right thing in the wrong way. We of the Country Party, after careful consideration, have decided that the Government are doing the right thing in the right way. We applaud the Government for doing something that we, without success, asked their predecessors to do.

Mr. Teesdale: Quite a change for you.

Mr. E. B. JOHNSTON: It has been a pleasant surprise to find the Government taking this action in a matter of great importance to over 3,000 settlers who are earning a living from the productivity of the land. I have pleasure on behalf of this party in supporting the measure.

Mr. MILLINGTON (Leederville) [5.40]: I also support the Bill. It is significant that the party responsible for introducing the Industries Assistance Board should also be the ones to introduce this amending legislation, thus indicating the sympathy shown to the people who have done the pioneering work of settling the State. I have had some experience of the Industries Assistance Board. During the very lean year of 1914 I was a client of the board for a short period, though I got off as quickly as possible, so that I claim to know something of the working of the board. I also know the disabilities to which clients of the board were subjected. This board was not designed for the purpose of assisting land boomsters, or those who advise others to go on the land. It was to assist those who had actually borne the heat and burden of the day. At present the benefit cannot be given to the settlers who have spent many years and much labour to develop good holdings. The Bill, however, will provide that where a holding is obvi-

ously over-capitalised and overburdened owing to various reasons, the settler who has done the development work and who has brought the holding to its present state of efficiency, instead of having to forfeit it, will have the advantage of getting it written down to its proper value. At present, even where the board are satisfied that a holding is over-capitalised and it is impossible for the settler to carry the burden of debt, they have not the power to write down the value. This means that the holding has to be forfeited, and another settler, not responsible for the development work done, reaps the advantage of the decreased price. The districts that will benefit will be those that were previously described as dry areas. The men pioneering those areas were subjected to many disabilities. Many of them were endeavouring to develop holding 20 to 30 miles from a railway, and this meant that the work they did was most expensive. Naturally they looked forward to better times, that would enable them to pay off the debt they had incurred. The better times did not come for the first 10 or 12 years in the districts I have in mind. Seasons were indifferent, and the price of wheat was low. In one year, I think it was 1911, they obtained a yield of only three bushels to the acre, and the price was only slightly over 3s. per bushel. When the real drought came in 1914, not only were no crops reaped in that particular district, but many settlers had to send their stock to the South-West. When the stock was returned in order to put in the next crop, the settlers had to pay up to £12 per ton for feed and 7s. or 8s. per bushel for seed wheat. Naturally a very heavy load of debt was piled up. Even where men were qualified to carry on farming operations, they had no possibility to make good under such conditions. After the disastrous drought, at a time when one would have expected the farmers to make a recovery, there came diseases in wheat, such as septoria and red rust, which were particularly prevalent. There was also the rabbit pest, and that became a positive menace. Then with the low prices and all the disabilities to which I have referred, those who were real triers and might in different circumstances have come out successfully, had to admit failure. Those men of course had no possibility of getting off the board, and in many cases there were no chances of reducing the debt that had been built up through no fault of their own. Naturally it is desirable that the men who have done these things should have the advantage of any writing down that may be agreed upon. We find that the committee specially appointed to inquire into these cases has recommended that the amount of £47,000 should be written off. That means that many farms are over-capitalised to that extent, and under the Bill the holders in question will be able to derive an advantage. It is to the credit of the Government that they are facing the position. It has been

obvious for years that many of the properties were over-capitalised, and I do not know why action was not taken earlier. This is really the first attempt that has been made to remedy the position and to mete out justice to those to whom it is due. If for that reason only, the measure should commend itself to members who represent agricultural interests as well as to everyone who is anxious to give a fair deal to a man who is a trier. In connection with the establishment of this board, I interjected that when the Industries Assistance Board was first created, that step was taken because no one was prepared to make the necessary advances to permit of the industry being carried on. It meant that the credit of those people who eventually came under the board was exhausted, so far as private finances were concerned. At that time no one but the State was prepared to stand behind these men, and the State took the action it did in anticipation of the crop that was to be grown. That was the only security the State had. I remember at the time a great deal of discussion ensued as to the position of the creditors prior to the formation of the Industries Assistance Board. The Leader of the Opposition was concerned as to the position those creditors would occupy, and he presumed that the board would consult them before any given holding was written down. Of course that will be so. There are no two opinions regarding those who are administering the affairs of the Industries Assistance Board. I remember Mr. Cooke in this State when he was a farmer some 20 years ago. There are certainly no two opinions with regard to that gentleman, and the same may be said of Mr. McLarty, whose qualifications we are all familiar with. Those gentlemen will naturally give full consideration not only to the value of the holding, but to the position of the creditors who are and must be provided for under the Industries Assistance scheme. Therefore I can see no danger with regard to the creditors' position being prejudiced, and certainly under the Bill now before us, those who are entitled to the benefit of having their properties written down to the correct value, can rely upon getting fair treatment from the committee in charge of the work of assessment. I can understand the representatives of the agriculturists favouring this proposal, and I fail to see why there should be so much quibbling on the part of the Leader of the Opposition, remembering that his own Government have been marking time. It is to the credit of the present Government—and be it not forgotten that it was a Labour Government that was responsible for the introduction of the original Act—that they are at present the sponsors of the Bill. The man who is more responsible than anyone else for the delay that has taken place in the introduction of the measure, and who is now quibbling with regard to the terms—

Mr. Latham: That is a very unfair word—quibbling.

Mr. MILLINGTON: I can use no other word. The present Government are anxious to put the Industries Assistance Board on a proper footing and to bring it up to date, and the criticism of the Leader of the Opposition is ill-timed in view of the manner in which he has marked time. I am confident that the Bill will meet with the approval of all those who genuinely support the agriculturist in the State and particularly of those who are acquainted with the reason for the debt that has been built up on many holdings. The measure will enable those who have actually sown, to do a little reaping. If the holdings are forfeited, those who will afterwards get possession will do the reaping without having done the sowing. The Bill will extend a measure of justice to those who have carried on the industry under the most adverse conditions in the State. Therefore I shall give it my support.

Hon. W. D. JOHNSON (Guildford) [5.53]: I wish to offer a few comments on what I think is a practical method of bringing to an end the Industries Assistance Act that has been in operation since 1915. I notice that the Bill does not provide for a cessation of operations, but it does provide practical means by which farmers under the Industries Assistance Act can be so assisted as to enable them to come under the operations of the Agricultural Bank Act and gradually but surely we shall bring to an end the administration of what is known as the Industries Assistance Board.

Mr. Latham: I should say that this limits their outside credit too.

Hon. W. D. JOHNSON: That is a detail I am not in a position to discuss. As one who has experienced a considerable amount of anxiety in regard to this measure, it is interesting to read a speech I made when I introduced the original Act in this House. It was then made clear that the agricultural industry at that time was not suffering as a result of disorganisation of trade as stated by the Leader of the Opposition. The need for the Act was created by the drought of 1914. As a matter of fact there was no difficulty with regard to marketing farmers' products after the outbreak of war. Those products had increased in value. The difficulty was created entirely by the drought. Had there been a normal season in 1914, farmers would have been in a happy position. It was entirely on account of the drought that the Act was introduced, and anyone that took the responsibility of its administration seriously was concerned as to the extent or the amount of liability the State could assume, and the extent to which the measure was going to influence the finances of the State. There were many anxious discussions in Cabinet between the Minister for Lands and the Treasurer of the day in regard to the amount of liability

the State was taking on. When the Bill was introduced, it was submitted as purely a temporary measure, though not as temporary as another place made it. It was a temporary measure to relieve the special distress caused by the drought. When the Bill went to the Legislative Council that House realising the dangers of legislation of this kind—not so much from the Government's point of view of danger, but because of the socialistic character of the Bill—determined that it should operate for one year only. That action necessitated the introduction of a Bill in the following year to allow of the continuation of the operation of the Act. Everyone knew that a continuation measure would have to be submitted annually, because it was recognised that it would be impossible to relieve the situation after one year's harvest. Realising the danger of legislation of this kind from a financial point of view, the then Government laid it down that they were going to be particularly careful in respect of the settlers that were to be brought under the operation of the Act. It was emphasised more than once in the speech I made when introducing the measure that the Government proposed to discriminate between those that had demonstrated by their operations that they were worthy of assistance from a farming point of view, and those that were demonstrating that they were unsuitable to take part in the work of developing the industry. Unfortunately, that caused a great deal of outside influence to be brought to bear. When I introduced the original Bill I had no idea of the amount of pressure that could be brought in politically. If you get a combination of political parties backed up by the daily Press of the country, it is almost impossible to administer with caution and discretion. The daily paper of the day regarded it as a delight, morning after morning, to draw attention to the administration of the Industries Assistance Board, and even went so far as to send a special reporter throughout the country districts with instructions that he had to record only that which was against the administration. I received hundreds of letters from various people that had been brought under the operations of the Act and that were getting on remarkably well. They had met this Press correspondent and made special reference to the wonderful assistance they had received from the board. None of those eulogies were recorded. But every disgruntled individual who had been told that his farming operations would prevent him from succeeding, poured out his grievances to the Press correspondent and those grievances were fully published.

Mr. Latham: In what year was that?

Hon. W. D. JOHNSON: In 1916. As the result of that, a good deal of feeling was created. Members of Parliament were inundated by farmers unworthy of assistance, men who had failed to make good even

under abnormally bright conditions. Then the Press blamed the Minister for using his discretion as to who should and who should not receive assistance. So the pressure grew, until first one and then another of the unworthy farmers were given consideration. In 1917 the matter became the political care of party; it was brought right into the political arena and the whole thing was clean out of hand. An amending Bill was introduced that made the Act practically general in its application. The board became an institution really in competition with the Agricultural Bank, operating not as the Agricultural Bank, but on a similar basis. So we had two organisations working for the assistance of the farmers. That was the mistake that was made. In the beginning the application of the Act should have been strictly limited. The only way to limit it was to centralise the control. Immediately the control was decentralised the whole thing went. The thousands of pounds lost through the board, or at all events, a large proportion of it, could have been saved had there been calm consideration and sane judgment on the part of those who were then guiding public opinion. Because of their partisan attitude at the time, the Press of this State has to accept a big measure of blame for the losses made under the Act. They were determined that the Government of the day should get no credit for having come to the rescue of the farmers; they were determined to discredit the Government's endeavour in that direction. But in their desire to gain party advantage the Press forgot that they were running the State into a financial burden. It would be idle to deny that there has been very considerable loss. But there is another side to the question. The Industries Assistance Act saved many of the best farmers of the State, men who had then only started. It was largely the farmers that settled in 1909-10 who suffered the big losses of 1914. Those men had gone on to their land with enthusiasm. Men established today as some of the leading farmers of the State started at that time. They had just got going; their energy had been demonstrated by the area of crop they had put in in 1914, and of course the greater the farmer's application, the bigger was his loss in 1914. Those farmers who have proved their worth in subsequent years were saved by the Act. Their loss to the agricultural industry would have been a very serious one. So, while I am somewhat opposed to the extent to which the Act ultimately went, nevertheless at the time it was essential to the assistance of a large number of farmers. It would be worth while relating that at that time a great number of farmers were seriously hampered by the fact that they were put on their holdings many miles away from a railway, and were trying to farm under impossible conditions. Much better would it

have been had there been in charge during the boom period, 1908-11, somebody really cautious in administration. We would then have settled the farmers in large numbers in given districts, instead of in limited numbers in various districts. But with a few farmers scattered all over the State, it was impossible to give them the railway facilities they had been solemnly promised. So the farmers were carting their seed and manure and machinery, and everything else, 40 and 50 miles from a railway, and had to cart their crops back the same distance. So expensive did those conditions make it, that a number of settlers who had a certain amount of capital when they started, expended all their capital trying to farm under those impossible conditions. Members now may ask why they did it. The conditions under which they took up their leases at the time demanded that they should go all the way out there and effect certain improvements. A huge sum of money was lost as the result of those impossible conditions. The Government of the day must accept responsibility for that. A great number of those settlers would have got through that drought of 1914, indeed many of them did get through; but the successful farmers were those who had had a year or two of decent seasons and decent prices, and who had been marketing their products under reasonable conditions of cartage and freight. Those farmers who got through that year have never been assisted by the board. The member for Williams-Narrogin (Mr. E. B. Johnston) raised the point that by the operation of the Act, the necessities of revenue were relieved. There was no reason why it should not be so. A certain amount of money did come into the Treasury a little faster than it would have done had there been no Act. The point I want to make is that there was a number of farmers not under the Industries Assistance Act, and they had to meet their obligations. Consequently it was made general. It was simply stated that all farmers must meet their land rents, and must meet their Agricultural Bank interest. Provision was made by which the Government would advance the money for those purposes. I cannot see any objection to that. It was the only logical way in which to meet the situation.

Hon. Sir James Mitchell: Most of the land rents came from crop proceeds.

Hon. W. D. JOHNSON: Undoubtedly, as time rolled on land rents came from the crops. Another advantage to the farmer under the Act was that he got his money cheaper than did the man who was not under the Act. Hundreds of farmers were working under overdrafts or mortgages, and were paying a higher rate of interest than those under the Industries Assistance Act. So, instead of the farmer under the Act being penalised, he enjoyed consider-

able relief as compared with those outside the Act. Time passed, and a considerable amount of money was advanced to a number of settlers who really should not have been brought under the operations of the Act. If the necessities of agriculture demanded that certain farmers had to get more relief and a different kind of relief from that provided under the Agricultural Bank Act, the Agricultural Bank Act should have been amended to meet the situation. Instead of that being done, the Industries Assistance Act was extended, with the result that it brought in farmers who should never have come under an Act intended to furnish relief in the drought year of 1914. In 1915 or in 1916 the operations of this Act should have been finalised, at least to the extent of saying that no new clients should be taken by the board, and the special needs of the industry from that time onwards should have been met by the Agricultural Bank. Instead of that, the Industries Assistance Act was extended, its provisions were liberalised and invitation to come under it was broadcasted, politicians encouraging anybody and everybody to apply for the protection of the Act. Ministers who refused to extend the Act were abused, and gradually but surely we got a number of clients under the Act whom it was never intended should be assisted by it.

Hon. Sir James Mitchell: It was never thrown open to all farmers.

Hon. W. D. JOHNSON: No, but it was opened to a number of disappointing farmers.

Hon. Sir James Mitchell: Only to fellows in real trouble.

Hon. W. D. JOHNSON: The hon. member made a mistake in extending the number of clients under the Industries Assistance Act. The hon. member should have met their needs by amending the Agricultural Bank Act. Instead of utilising the Industries Assistance Act for the development of agriculture, he should have done his agricultural development under the Agricultural Bank Act.

Hon. Sir James Mitchell: You are quite wrong.

Sitting suspended from 6.15 to 7.30 p.m.

Hon. W. D. JOHNSON: When we adjourned for tea I was referring to what I consider was a grave mistake in extending the operations of what was originally intended to be a temporary measure to what has become almost a permanent measure. I also found that a committee investigated this matter, and that I am not alone in my opinions regarding that important phase of the administration of the Act. A select committee was appointed to make full inquiries into the administration of the Industries Assistance Act. It reported to Parliament in 1922. At

the conclusion of the recommendations attached to that report the following appears:—

The board has been in existence for seven years, and during that period the farmers should have been able to make some recovery from the loss sustained during the 1914-15 drought. The conditions have again become normal, and your committee is of opinion that no new clients should be taken by the board. Steps should be taken to finalise the accounts of the board, and the board should cease to exist after its accounts have been finalised. In the event of any difficulty being experienced in finalising the accounts the administration should be handed over to the Agricultural Bank trustees, and if necessary the Agricultural Bank Act should be amended so that all assistance to land development may be granted under that Act. If this were done it would enable the security to be watched the more closely and the funds of the State to be protected better than is possible under the Industries Assistance Act with its wide and open provisions.

I had practically said that before I had brought under my notice the report of the committee. It is there emphasised in better language than I can use that a grave error has been made by the Administration responsible for the extension of the Act. There is no doubt that common sense, apart from anything else, pointed to the advisability of closing down the administration of the Act at the earliest possible moment, limiting it to the difficulties and trials of the 1914 drought, and having done that to meet the needs of the agricultural industry through the Agricultural Bank Act, and if necessary extend the provisions of that Act to meet special circumstances. The report shows that this was contemplated when the Act was originally introduced. It is interesting to read from my remarks of the 12th January, 1915. I said—

Let me say, then, that I do not wish hon. members to gather from this measure that the Government are going to help everyone that comes to them for assistance. As a matter of fact I have before me two or three cases that I have said must be turned down. In some cases it is utterly impossible to carry the settler; indeed it would be an injustice to the individual and his family to attempt to carry him on, to continue him in a holding on which he cannot possibly make a success. I do not wish it to be gathered from this measure that we are going to finance everyone who applies. We will advance to everyone where we think there is a reasonable prospect of Government assistance leading to ultimate success.

After some years of experience we have the select committee investigating the matter,

and stating that a mistake has been made through extending the provisions of the Act beyond the temporary period that was necessary for the relief of farmers. As a result of the extension of the measure, this State will lose a fair amount of money. One has, therefore, to rejoice that at last we have a Government that is looking at the matter purely from the business and common sense points of view.

Hon. Sir James Mitchell: What is common sense?

Hon. W. D. JOHNSON: It is common sense to discontinue the practice of trying to develop the agricultural industry by means of what was originally intended to be a temporary measure. To utilise the Act for the development of the industry is as silly as it is unsound.

Mr. Latham: It will have to be continued for another year.

Hon. W. D. JOHNSON: It could not be closed down willy nilly, but the Government are taking the common sense view and closing it down in such a manner that will do justice to the settlers, and at last give some consideration to the financial needs of the State. I am justified in making these remarks, because it was the Labour Party, with which I have been associated all my life, that introduced this measure. That party received all the abuse for its early administration. It was a most difficult measure to administer, for there were no precedents to follow. The needs of the State at the time demanded that we should utilise the labour that was available in the departments for the general administration of the Act. I believe it would have been wise if we had gone outside the department, and obtained from the various commercial concerns of the State some of their expert hands, who could have assisted us to a greater extent than the Public Service was able to do in the general control of the administration. At that time the finances of the State were such that every economy had to be effected. In those days the Government controlled the detailed expenditure, and knew where the money was going. They, therefore, did not desire to create another organisation, and have several people employed for possibly only a part of the time. In the interests of economy, therefore, it was decided to control the administration from within the departments. That created great difficulties, and placed upon the shoulders of the Minister grave responsibilities. We knew that mistakes were being made. It was impossible to avoid them. No one could have foreseen all the difficulties that arose.

Mr. Latham: The same thing applies to group settlement.

Hon. W. D. JOHNSON: The storekeepers had given notice that they would not continue to supply provisions to the settlers. It was not a time at which to go to Parliament and receive legislative authority to deal with the situation. Had we done that

women and children would have suffered, and farms would have been abandoned. We should have had a number of people coming to the city. That had to be stopped. The only way was to send telegrams into the agricultural centres assuring the storekeepers they would be protected if they continued to advance stores to needy settlers. How could we control a situation like that? Of course privileges were abused, and many persons who had no right to the liberality of the Government took advantage of it, and received assistance to which they were not entitled. On closer investigation we found these things had occurred. Politics also came into the question. For years in this House nothing else was talked about but the Industries Assistance Act. Every member in the country talked about it, and the Press were constantly writing about it. The result was that people were carried away by the expressions of opinion as to the extent to which assistance should be rendered under the Act. It reminds me of the competition that took place between various parties in regard to soldiers' gratuity bonds. One side would say they had given so much and the other side would go one better. The Act became the shuttlecock of political parties. One would say, "We have hit her up so high," and the other would immediately go so much higher. There was competition to see how much could be granted under the Act, instead of a sane view being taken and it being realised that the advances had to be limited. As it was, politicians went about the country saying how they would liberalise the Act. Instead of claiming political support because of the extensions of the measure, they should have been apologising for them, realising that they were not doing any good to the industry and were harming the State. The position in the industry should have been met, as emphasised by the committee, by amending the Agricultural Bank Act after the 1914 drought, leaving to the board the question of overcoming the difficulties resultant upon the drought. I am pleased to have this opportunity of voicing a few opinions on the matter. Reference has been made to money paid to Government departments, and the relief that the payment has been to revenue. We can also say we did a power of good, and rendered a great deal of assistance to road boards, by enabling farmers through the advances made under the Act to pay their rates. Insurances were also put upon a better basis. Companies profited at a time when things were very difficult, because of the risks that were being taken consequent upon the war. In addition the companies had suffered a good deal through loss of business. Greater than these things is the fact that at a time when other people in Australia were being exploited by war profiteers, the agriculturist was protected. He was not exploited to the extent that others were. Others had to ask for assistance from private individuals and

had to pay through the nose, but the farmer was free from all this. He had to pay an increased price on commodities because of the war, but he paid for them in cash. He was able to buy in the best market because he had the cash to put up. The greatest advantage accruing to the agriculturist was due to his being placed on a cash basis. I am proudest of all of the fact that because of the Act the co-operative movement was established in this State. The movement would not have been nearly so important in the agricultural districts had it not been for the Act giving the farmers cash to enable them to patronise the co-operative stores that were established in various parts of the State. This has led to the establishment of the movement that is such a credit to Western Australia. We in this country are in the proud position of being able to say that the finest co-operative organisation of farmers to be found in the world exists here. Its ramifications extend to the Old Country. Its association with the huge co-operative concerns of Great Britain is of the happiest kind. All this has been accomplished by reason of the fact that we had an Industries Assistance Act coming into existence just at the opportune moment, when the farmers' need for co-operative buying and marketing was being realised, and when, consequently, the farming community were prepared to organise. The Opposition Leader mentioned that under the Bill injustice may be done to the private creditors of clients of the Industries Assistance Board. He said that under the parent Act we have an obligation to carry on the clients and the board until all the debts owing by clients to private creditors are paid.

Hon. Sir James Mitchell: I did not say that.

Hon. W. D. JOHNSON: I was following the hon. member closely, and I understood him to say I had provided for that under a schedule of the original Act. However, that is not so. The arrangement to meet the private creditors on a definite basis was introduced in 1917. Certainly a reference to that was made in the Third Schedule to the first Act which I introduced, but nothing so definite as the hon. member introduced into his Bill of 1917.

Hon. Sir James Mitchell: You had a moratorium.

Hon. W. D. JOHNSON: Certainly; but the moratorium was not confined to farmers; it extended to the people of the State generally. The life of the original Act was limited by another place to one year. In the following year the Third Schedule was again passed by both Chambers. So that as the result of 12 months' experience the Third Schedule of the original Act was re-embodyed by Parliament in the second Act. It was not until 1917 that the Third Schedule was abolished and the new arrangement was introduced. Whether that arrangement has been continued or not I am unable to

say. The fact remains, however, that the Opposition Leader introduced an arrangement recognising private creditors as having a claim on the Administration. I believe that there is something in the hon. gentleman's contention, and I think the matter should receive attention. But I would commend to the present Government the practice which obtained during the early stages. When the first draft of the original Act had been prepared, it was discussed with the Chamber of Commerce, whom I consulted regularly, as I also consulted financial institutions. The problem was a difficult one, and the best advice and assistance possible were necessary. At this stage I wish to pay a tribute to the manner in which the Chamber of Commerce and various financial institutions met and assisted the Government of the day. As that was done in the initial stages of the Act, I think it could be done in the final stages of the measure. I believe that the Minister could, by meeting the Chamber of Commerce, arrive at an understanding with regard to the private debts of clients, if any. I would not like to see the State accept responsibility for debts incurred since 1914-15. My present references are to the original debts. If they have not all been met, I think they should be met; and I consider an arrangement could be arrived at for funding them, and for the Agricultural Bank trustees to pay these liabilities, thus winding up what I claim should be, and what was originally intended to be, a temporary measure. As a result of the extension of the Industries Assistance Act the member for Northam established branch offices throughout the State. I thought at the time that it was a grave error of judgment. The same course was urged upon me time after time when I was Minister. In the public service it is a recognised practice to extend operations. If anything is started on the smallest possible scale, it has a strong tendency to grow and expand.

Hon. Sir James Mitchell: Who asked you to do that?

Hon. W. D. JOHNSON: The officers surrounding me at the time; the officers who asked the hon. gentleman to do it.

Hon. Sir James Mitchell: They did not ask me.

Hon. W. D. JOHNSON: I say they did. The inducement to decentralise arose early in the administration of the Act, and I absolutely and consistently opposed it. I was told that I could not operate the scheme from a central office. Of course the attitude of the officers then was endorsed by the Press. However, I maintained and maintain that where one is dealing with a delicate proposition, where it is quite possible for the whole thing to get out of hand, which would mean huge losses to the State, the whole administration should be centralised, and should be entirely controlled by the Minister. When the Opposition

Leader came into office, he altered all that; and I remember the Press eulogising him for his forethought and judgment in realising that the administration of a measure of this kind could not be centralised.

Hon. Sir James Mitchell: The Press were quite right.

Hon. W. D. JOHNSON: It was a grave mistake. We find officers scattered throughout the country, distributing assistance under the Industries Assistance Act and also distributing money under the Agricultural Bank Act. That system represents a waste of money, in my opinion. It is no economy. There is no need in the world for offices to be established at Bruce Rock, Northam, Narrogin, and other centres. The farmer derives no advantage from such an arrangement.

Mr. E. B. Johnston: It saves the farmer making trips to Perth.

Hon. W. D. JOHNSON: It does not save trips to Perth at all. What happens is that if a farmer wants some consideration he, instead of writing to the trustees and making his own case direct to them, goes to, say, the Narrogin office and makes his representations there. Then Narrogin office creates a file, and transfers it to the trustees in Perth. The trustees must have the final say. The trustees cannot administer at Narrogin; they can only administer in Perth. So the farmer's application filters through the Narrogin office to the trustees in Perth for a decision. But the object of the Leader of the Opposition in creating all the country offices was to enable the farmer to deal direct.

Hon. Sir James Mitchell: There were thousands of letters unanswered.

Mr. Latham: Half a million!

Hon. W. D. JOHNSON: I know there were many letters unanswered, but not thousands; and that was purely at the commencement. After a few months of administration of the Act, all that was righted; and there were not thousands, or even scores, of letters unanswered when the Opposition Leader took over. The position had then been rectified, and the hon. member, in making that accusation, is referring to what admittedly existed in the early stages of the organisation, but not later.

Mr. Latham: It existed in 1916.

Hon. W. D. JOHNSON: No. It was not because letters were unanswered that the country branches were established. Replies to correspondence would not be expedited by such a step. With country branches two or three letters are needed to do what one would effect formerly. The country agencies of the Westralian Farmers Ltd., for instance, are separate entities. The Bruce Rock co-operative society would not send down to the Westralian Farmers in Perth for instructions as to what they should advance to a client, or what credit they should extend to him. Such agencies are self-contained and self-controlled.

Mr. Latham: What about the branches of banks?

Hon. W. D. JOHNSON: They have to consult head office. However, in their case there is competition between branches. The branch officers have to go out and look for business. But there is no need to go out and look for business under the Agricultural Bank. The business comes along as the needs of the agriculturist make themselves felt. What happens is that the farmer writes to Narrogin, that Narrogin writes to Perth, that Perth writes back to Narrogin, and that then Narrogin writes to the farmer.

Mr. E. B. Johnston: Narrogin fixes him up in many cases.

Hon. W. D. JOHNSON: Does the hon. member mean that Narrogin has control of the Agricultural Bank's finances?

Mr. E. B. Johnston: No.

Hon. W. D. JOHNSON: Or does the control vest in the trustees?

Mr. E. B. Johnston: The trustees have control, but the books are all decentralised. The district offices should have more power.

Hon. W. D. JOHNSON: I can quite understand the member for Williams-Narrogin wanting Narrogin to have a great deal more power. That would be a glorious thing for Narrogin but a very bad thing for the State. Narrogin would have a right royal time if there was such decentralisation as gave Narrogin people the control at their end. As a fact, all this decentralisation is a waste of money without any benefit whatever to the farmer.

Mr. Latham: You don't know much about the farmer.

Hon. W. D. JOHNSON: All the member for Northam can claim credit for is having established a lot of officials at Northam and at Narrogin and at Bruce Rock and at other centres; but the people of this country have to pay for those officials. It is useless for members opposite to talk about reducing the deficit if on the one hand they are going to take money away from the Workers' Homes Board and on the other hand are going to waste revenue by appointing a multiplicity of administrators throughout the country when one central office could do all that is needed. Therefore I appeal to the present Government to realise that much money is being squandered on those offices. They are of no value to the farmer, and never have been of the slightest use to him. The whole administration could be carried out by one central office at a third of the present cost. We want the other two-thirds saved. I trust the measure now before us will mean the end of the Industries Assistance Act by next year. I do not want to see the Act renewed next session. I hope the Minister will use this measure in such a way as to wind up the whole business during the current year.

Member: By giving the board power to write off debts?

Hon. W. D. JOHNSON: It is only fair and reasonable that some debts should be

written down. Take the case of Jack Jones, a farmer owing an account to the I.A.B. The Minister simply says, "I am going to force Jones off." That means driving Jones and his wife and family off the holding. Somebody else comes along and offers to take up the holding, subject to a writing down of the debt by £500 or £600 or possibly £1,000, on the ground that the asset is not there. The difficulties of the time have made it impossible for Jones to keep going. Surely to goodness it is reasonable to say that if the debt is to be written down at all, it should be written down for the benefit of the man who is on the holding and whose wife and family are located there. He is the man who has battled, who has faced all the difficulties. People do not wilfully depreciate the value of their assets. The board has power to discriminate between the deserving and the undeserving and I know that the board will make the necessary discrimination. Generally speaking it has been found that those who get assistance have been deserving of it. If we do not give the farm at the depreciated value to the man in possession, it will have to go to someone else. I support the Bill. I believe it is the best possible way to cope with a very difficult position. Money has been lost. It is impossible to get away from that position now and it is useless to cry about spilt milk.

Hon. Sir James Mitchell: You spilt the milk.

Hon. W. D. JOHNSON: The hon. member spilt a lot of it. It is reasonable that the measure should be introduced along the lines suggested by the Minister. The Labour Party knew what they were doing when they introduced the measure and we know what we are doing now. It was a temporary measure introduced to overcome a special difficulty. It has got out of hand, due to irresponsible administrators. Offices were created throughout the country and now we have arrived at a stage when we have to face the loss that has resulted. It has to be done. The present Minister will meet the position. I commend the Minister for having introduced the Bill. The Labour Party established the board and the Labour Party will finish it off. We have done a power of good for the farming community and would to God the Labour Party had been left in power to complete the work instead of that power being placed in the hands of irresponsible people who did not realise the financial responsibility they were undertaking. Deserving men have not been encouraged by the past wild Administration, while undeserving men have got assistance. I have heard a great deal of what the member for Northam (Hon. Sir James Mitchell) has done for the farmers. What has he done for the farmer more than has been done by the Labour Party? I challenge the member

for Northam to show that he has done more than the Labour Party. We are told that the friends of the farmers sit on the Opposition side of the House and not on the Government side. The position of the agricultural industry, good as it is at present, is due to the liberal, socialistic legislation introduced by the Labour Government in 1914 and other measures introduced between 1911 and 1917. I am proud to have been associated with that work. It is as well that it should be placed on record that the Labour Government, being responsible for the introduction of the Industries Assistance Act, brought that measure before members for temporary purposes and that the legislation has been extended by other people.

Hon. Sir James Mitchell: You are easily satisfied.

Mr. LATHAM (York) [8.4]: I support the measure. It is a small one and does not require much discussion. One clause, however, places tremendous powers in the hands of the board. It is the clause that gives the board power to advance money after the Treasurer has made it available. I will first deal with that particular clause from a general point of view. We know that some accounts on the books of the Industries Assistance Board require investigation from the standpoint of both the State and the farmer. It is a question as to how we shall go about it. I think the arrangements made by the Mitchell Government, if they had been given an opportunity to carry them out, would have been better. It is a dangerous thing to give a board power to advance money and also to write off debts. It provides opportunities to cover up mistakes, and we should avoid that.

The Minister for Lands: How could mistakes be covered up?

Mr. LATHAM: That could be done if mistakes were made. It is hard to say what excuses might be advanced for those mistakes. I do not say that the members of the present board would do anything of that sort, but the possibility is there. I think the power is a dangerous one.

Hon. W. D. Johnson: What would you do?

Mr. LATHAM: I have already stated that I would prefer the system introduced by the Mitchell Government under which it was necessary for the board to recommend to the Treasurer the amount desired to be written off and those details had to be placed before Parliament. We would then have had the final say.

Hon. W. D. Johnson: Do you say that Parliament should deal with every individual case?

Mr. LATHAM: How many will there be? Does the hon. member say that half the farmers of the State are bankrupt? If we went into the question carefully we

would probably find that there are not one hundred farmers who required to have their indebtedness written off.

Hon. W. D. Johnson: Suppose there are only one hundred. What then?

Mr. LATHAM: All those farmers' cases would not come before us in one year. I am sure that the Minister will not suggest that he will come to Parliament in 12 months' time and ask us to write down one hundred farmers' accounts. Already arrangements have been made for £46,000, according to the report of the Industries Assistance Board.

Mr. E. B. Johnston: Under your arrangement, Parliament would have to write down the amounts in each of the 100 cases.

Mr. LATHAM: I claim that Parliament should have the right to have details of the accounts placed before it, so that they might be examined and provision made for the necessary money on the Estimates.

Hon. W. D. Johnson: I agree with that.

Mr. LATHAM: Now we are asked to give these dangerous powers to the board to advance and to write off.

The Minister for Lands: You would delay putting individuals on a proper financial position very considerably.

Mr. LATHAM: I do not know anything about that. If the Leader of the Opposition had been in the position of Treasurer recently, he would have provided probably about £50,000 on the Estimates to write off the already existing liabilities.

The Minister for Lands: A committee reported 18 months ago and nothing has been done.

Hon. Sir James Mitchell: That is not so.

Mr. LATHAM: The preliminary work has been done. Whilst I am agreeable that everything possible should be done for the deserving farmer, we are not taking him into consideration at all. The House should have the final say in determining whether or not the amounts should be written off. In considering this question, I have been surprised that the member for Guildford (Hon. W. D. Johnson) should have gone into the whole history of the Industries Assistance Board. The Bill does not say anything about the past history of the board, nor what its future history is likely to be. In view of the fact that he has introduced the subject, I would like to tell him as one who knows considerably more about the difficulties of farmers than does the member for Guildford, that there was never a better recruiting agent in any part of Australia than the Industries Assistance Board in 1915-16. The hon. member ought to know that the board did more at that time to drive farmers off the land than anything before or since.

Hon. W. D. Johnson: Then those farmers did not enlist from choice!

Mr. LATHAM: Farmers in those days could not get any replies to their letters. Farmers wrote asking for an additional horse in order to put in their crops. After waiting for three months they were told to

go on drilling as there was no necessity for the extra horse, although they had only three horses to operate a four-horse drill. That was the sort of thing that was going on. I am not saying that some such actions may not have been necessary. I admit that the Act was introduced as a temporary one, but it created its difficulties as it went along. I do not like any hon. member coming to this Chamber and making out that this was a wonderful job and that the machinery was operated without any friction and that the only faulty administration was that of the present Leader of the Opposition.

Hon. W. D. Johnson: The faulty administration came in when the Act was made permanent.

Mr. LATHAM: It has never been made permanent. Each session a Bill has been introduced to re-enact the measure.

Hon. W. D. Johnson: The Act of 1917 was the big mistake.

Hon. Sir James Mitchell: I do not know that you are capable of judging!

Mr. LATHAM: If the hon. member had gone into the matter carefully, he would have ascertained that during the last two years no fresh accounts, apart from those of soldier settlers, have been opened up. Thus the whole scheme was stopped long ago by the Leader of the Opposition.

Hon. W. D. Johnson: I suppose that was due to the Royal Commission's report.

Mr. LATHAM: It was prior to that that the opening up of fresh accounts was stopped apart from soldier settlers. I do not know that the Minister in charge of the board now will stop soldier settlers from coming under the scheme.

Hon. W. D. Johnson: Why then, was not the board wound up long ago?

Mr. LATHAM: I can predict that the hon. member will not have his wishes gratified. I predict that there will be another Bill introduced next year to continue the operations of the Act.

Hon. Sir James Mitchell: Such a Bill will have to be introduced.

Mr. LATHAM: It will not be possible to get through the work within such a short space of time. Year after year soldier settlers are going on the land and we must make provision to render them the necessary assistance. That will be essential unless, of course, we introduce an amending Bill to convert the Agricultural Bank into a rural bank.

The Minister for Lands: It is time that we closed down upon extensions of the soldier settlement scheme.

Mr. LATHAM: This State has a certain responsibility to the soldiers and that responsibility will be quite safe in the hands of the Minister. I do not think he will do anything harsh or unkind, but will render that assistance to the returned men that we would like to see rendered. I would like the member for Guildford to be fair to the previous Administration.

Hon. W. D. Johnson: I like fairness myself and I have not had much of it during the last six or seven years.

Mr. LATHAM: That has not been the fault of the farmer. The people of Guildford are responsible for that.

Hon. W. D. Johnson: I am making up for lost time.

Mr. SPEAKER: Order!

Mr. LATHAM: The latest report of the Industries Assistance Board shows that 891 accounts have been stopped. What accounts are they? They affect men who were encouraged in the past to go on light land and engage in wheat growing. That experiment proved an absolute failure.

Hon. Sir James Mitchell: The member for Guildford was responsible for that.

Mr. LATHAM: When he was a Minister in the Labour Government, the member for Guildford lent a certain amount of encouragement to people to go on the light lands. I do not say that the hon. member was wrong. He saw what results were obtained from the light land in 1914 and he thought that development would be permanent. The result has been that considerable loss was experienced.

Hon. W. D. Johnson: You urged the continuance of that policy.

Mr. LATHAM: I have never done so, either in this Chamber or elsewhere. I have always contended that the greatest caution should be exercised to see that nothing of that sort happened again.

Hon. W. D. Johnson: You advocated using the light land.

Mr. LATHAM: Yes, but not in areas of less than up to 10,000 acres, and then I advocated its being used for sheep and oats, not for wheat growing.

Hon. W. D. Johnson: Then you favour devoting it to a small number of people.

Mr. LATHAM: I do not care how few people are placed on that land, so long as we make a success of it. We have to pay for the mistakes we made years ago. The Industries Assistance Board has been a wonderful institution in the interests of the State and of the farmers. I have some figures that have been gained from a reliable source. These indicate that the direct loss will not exceed £345,000. That applies to properties abandoned and the amounts to be written off.

Hon. Sir James Mitchell: It includes, I presume, trading amounts and fodder purchases and so on.

The Minister for Lands: The direct loss in sight is £336,000.

Mr. LATHAM: I guarantee that it will be under £400,000. It has to be realised that year after year our land values have been increased. The Minister knows that prior to the 30th June last notifications were sent out to some clients of the board telling them that they would have to sell their properties or the board would foreclose.

The Minister for Lands: Those notifications were sent out in February.

Mr. LATHAM: I indicated that they were sent out prior to the 30th June. In one instance I know of a man who was able to sell and he was given an equity of £2,700 over and above his liabilities. I know very well the tendency has been for the board to depreciate values and not increase them. They bought land three or four years ago at a quarter of what it is worth to-day, and they are more likely to depreciate values than to increase them. While the clients were on the board they produced for the State 30,000,000 bushels of wheat representing in wealth £7,000,000. If we gave them a bonus of 3d. per bushel, which is not much, there would be a considerable profit in excess of the amount we are asked to write off.

Hon. W. D. Johnson: That does not alter the fact.

Mr. LATHAM: The board have justified their existence. Do not let us harp about the failures. There have been failures and will be failures in everything, but this has been a wonderful institution for the State and for the farmers. What otherwise would have been the position from 1915 to 1919 while so many of our men were overseas? The board were the means of keeping our securities up to the standard so that the State could realise upon them. If the properties of the absent men had not been kept in order while they were overseas, the security must have depreciated.

Hon. W. D. Johnson: The Agricultural Bank Act could have been amended to do that.

Mr. LATHAM: Yes, and make a rural bank of it, so that we could advance money as short-dated loans.

Hon. W. D. Johnson: That would have been very wise.

Mr. LATHAM: That is a questionable point. I was surprised to hear the member for Guildford say there was no advantage derived from the establishment of branch offices. The hon. member is recognised on his side as an authority on farming and also as a very capable administrator, and I have a certain amount of respect for him on account of his being a near neighbour.

The Minister for Lands: That is the opinion of farmers.

Mr. LATHAM: It may be the opinion of some farmers.

The Minister for Lands: It has been so strongly urged that I have held up the building of the new branch office at Bruce Rock.

Mr. LATHAM: And the Minister is making a huge mistake in doing so. Let me point out some of the advantages derived from the branch office. Why does a bank send out a branch manager? To watch its securities and report upon the personal securities.

Hon. W. D. Johnson: The inspector does that. A man cannot sit in an office and watch the securities.

Mr. LATHAM: Field inspectors are not always of the type one would like, but it is possible to get one man upon whom you can rely, and put him in a branch office. That is what is being done at most places. In this way much assistance has been rendered to the farming community, and the securities have been more carefully watched in consequence.

Hon. W. D. Johnson: They are watched by the inspectors, and the reports of the inspectors come to the trustees in Perth. Why not do it direct instead of through branch offices?

Mr. LATHAM: If there is a little difficulty, it can be rectified on the spot instead of having to send to Perth and await a reply. The client's file is there. If necessary the matter can be submitted to Perth, but no more cases are submitted to Perth than is absolutely necessary. If only from the revenue receiving point of view, these offices more than justify themselves. The district officer is always in touch with the clients of the board and can watch them better than they can be watched from Perth.

Hon. W. D. Johnson: Do they inspect?

Mr. LATHAM: Yes.

Hon. W. D. Johnson: Then it is worse than I thought. You have two inspecting. **The Minister for Lands:** I wish it was as easy to get reports as you indicate, seeing that clients never see the inspectors.

Mr. LATHAM: They are Agricultural Bank clients. The Industries Assistance Board clients are more closely watched than are the clients of the bank. During the first three months of this year £124,000 revenue was received at the Bruce Rock office. By having the branch office it is always possible to insure that a client is playing the game, and is not diverting his products and getting payment for them under the lap. It will be a bad day for the bank, the board and the soldier settlement scheme if the district officers are withdrawn. Not only are they a protection for the State, but they are able to provide an easy remedy for many of the complaints made by settlers. Without them the Minister would get a hundred letters for every one he receives to day, and the delay with correspondence from head quarters is astounding.

The Minister for Lands: I send all the letters on to the trustees.

Mr. LATHAM: I am pleased that some relief is to be given to the men who deserve it. In our land settlement policy we have always found it possible to improve the conditions of farming and the methods of operating. Some properties are suitable for wheat growing; some are not. Often we have tried to grow wheat on country more suitable for sheep raising, and land that will grow wheat has been used for sheep. Where a considerable amount of money has been spent and the State has made advances, I am pleased to know it is possible to give

the settlers an opportunity. The personal equation will have to be carefully considered. There are men on the land who, if given the best thousand acres in the world, would make a failure of it. It is of no use writing off the accounts of such men; it would be better to close up their accounts at once. I assume it is suggested to close up the accounts of those who come under this measure; I do not suppose it is intended to make further advances to them. The closing of their accounts will be the means of throwing them upon their own resources and stimulating their self-reliance. Independence is one of the most valuable assets of the farmer. It seems to be natural to the agrarian, and if we deprive him of his independence, as has been done under the Industries Assistance Act, we take away his best asset. I am glad the Minister has brought down this measure, not because I consider it is the best means of dealing with the question, but because it proposes to give relief to the farming community, whom we are anxious to place upon a sound footing.

The MINISTER FOR LANDS (Hon. W. C. Angwin—North-East Fremantle—in reply) [8.25]: There is only one point to which it is necessary to reply and that is regarding the method adopted—whether the proposal under the Bill is right or whether the accounts to be written down should be considered by Parliament. When a man has got into financial difficulties and it is a question of his going out of his home or compounding with his creditors, is it not better to give him the first opportunity to compound with his creditors? If he has to wait for Parliament to deal with the matter, he may have to wait nine or twelve months before it can be finalised. It is wrong to keep a man in suspense regarding his position for that length of time. This Bill will give the power to a board of trustees, a body of men who have been entrusted to deal with 11 millions of the State's money. They have been told to advance the money in what they consider the best interests of the State and the farming community. Surely if we can entrust them with 11 millions in that way, we can entrust them to deal with the few cases that may mean writing down accounts, due to no fault of the clients concerned.

Mr. Latham: They will not get immediate relief under this measure.

The MINISTER FOR LANDS: They will get immediate relief. If an account is written down, say £500, the client is relieved from the payment of interest on that amount. That would mean £35 a year.

Mr. Latham: But he would not be paying anything off it to-day.

The MINISTER FOR LANDS: Such a man is not paying to-day because of the

loss of desire. He could not see anything in front of him except the prospect of being thrown out and of losing the labour of years. Once he sees a chance of getting over his financial troubles, he will exert greater energy and attempt to pay off his liabilities.

Mr. Latham: Do you propose to make any further advances through the I.A.B. to such a settler?

The MINISTER FOR LANDS: That is a matter for the trustees to arrange. I do not interfere with them in the matter of making advances or writing down accounts. I may be wrong, but I hold the opinion that if I interfered, I would soon be in a devil of a mess.

Hon. Sir James Mitchell: Quite right, too.

The MINISTER FOR LANDS: Therefore I keep out of it entirely. This is a matter for the board or for the trustees to deal with, and I throw all the responsibility upon the boards appointed under statute.

Hon. Sir James Mitchell: That is right.

The MINISTER FOR LANDS: I get letters appealing to me, and I send them to the trustees. If I once started to interfere, it would not be long before I was in Claremont, and I do not intend to go there yet. There is no doubt in my mind that the board can be trusted to administer this measure. There is no doubt they will administer it fairly and in the interests of the State and the clients. They will not deal with settlers they consider wasters. The man who wastes his time on the land will receive no sympathy from them. That has been proved by the figures quoted to-night of the large number who are receiving no assistance from the board. That means the board have refused to grant them any assistance, and other clients are receiving only partial assistance. The board are not going to exercise this power in a wholesale way and say that because a man owes £1,000, they will reduce the debt to £500. They will study his assets and consider whether, in the near future, he is likely to be able to pay. The member for York was a member of the select committee that inquired into the operations of the I.A.B. and, after having perused a large number of files, he must surely know that many farmers, who are not clear of the I.A.B., wish to have freedom of action to work their farms and do their business with private people. They have appealed occasionally and asked that their debts be funded. "If you will do that," they said, "we will get on all right." In the evidence read by the member for Guildford just now one firm was mentioned, Wills & Co., who stated that they had paid some of the liabilities of the clients of the Industries Assistance Board, for the sole purpose of giving them freedom to trade.

In other words, the trade will go back to the firm direct. That is the point that we must bear in mind, the point that the farmers want their freedom. It may not mean writing off anything at all. When we reach the Estimates, I may draw the attention of members to other accounts that it may be necessary to write down. The £46,000 that I have referred to was approved by the Leader of the Opposition before he went out of office, but the members of the board say that while it was approved, there was no power under the Act to wipe off the amount. Therefore it was not possible to relieve the clients of the board of that amount, because the power did not exist. The Governor-in-Council has power to write off anything, if it is desired to do so, in connection with any other question, but the Governor-in-Council has not the same power in respect of the Industries Assistance Board. Only to-day the Executive Council authorised the wiping off of close on £20,000 representing bad debts incurred by the Agricultural Bank. There was no writing down there, as it is proposed to do at the present time. Hon. members will therefore see that the Governor-in-Council has power to wipe off a bad debt as the result of the abandonment of a farm, which, when sold, does not realise what was advanced against it. If the power exists to wipe off a debt in one instance, the same power should exist in connection with another instance. There is a difference of opinion amongst farmers, and also amongst the officers of the department, regarding the value of branch offices. Some hold the opinion that those offices are a success, while others hold the contrary opinion. Farmers have written to say that it takes up more time to transact business with the branch office than it does with the central office. The feeling exists that the branch offices should be closed because it happens sometimes that farmers go to a branch office only to find that the file dealing with their particular matter is at the head office, and that when they go to the head office they find that the file has been returned to the branch office.

Hon. Sir James Mitchell: That could not happen very often.

The MINISTER FOR LANDS: I do not wish the member for York (Mr. Latham) to imagine that it is intended to close the branch offices. I hope that as far as the Agricultural Bank and the other institutions associated with it are concerned, we shall be able to submit a measure that will have the effect of keeping the farmer who is on a sound financial basis, that is the farmer who has a credit balance and who to-day hands that balance over to another institution. It is our intention to introduce legislation for the establishment of a bank of credit that will deal with farmers in all their undertakings. We have good

men who are clients of the Agricultural Bank and who, on becoming clear of that institution, are obliged to hand their money over to private banks. The Leader of the Opposition will remember that a few years ago, when there was a possibility of the season being a partial failure, the private banks pressed their farmer clients as much as they possibly could.

Hon. Sir James Mitchell: Those private banks, all the same, have done an immense amount of good.

The MINISTER FOR LANDS: Yes, they are doing good work by building up big reserves and paying substantial dividends, because the Government institution has been assisting to build up farmers and others, and to place them in a sound financial position. We as a State shall be able to do just as good work if we retain those successful farmers as clients. I am pleased at the reception the Bill has received. Everyone has agreed that the best method is to leave the matter entirely in the hands of the board, and keep it away from political influence. I warn members that if the Bill is passed, it will be useless for them to approach me with a view to my using whatever influence I may possess with the trustees of the bank in the direction of securing the writing down of any amount.

Question put and passed.

Bill read a second time.

BILLS (3)—RETURNED FROM THE COUNCIL.

- 1, Noxious Weeds.
- 2, Fremantle Municipal Tramways.
- 3, Private Savings Bank.

With amendments.

ANNUAL ESTIMATES, 1924-25.

In Committee of Supply.

Resumed from the previous day; Mr. Lutey in the Chair.

Department of Lands, Immigration and Industries, Hon. W. C. Angwin, Minister.

Vote—Lands and Surveys, £94,069:

The MINISTER FOR LANDS (Hon. W. C. Angwin—North-East Fremantle) [8.43]: So short a time has elapsed since the Address-in-reply debate, when I placed the position of land settlement fairly fully before hon. members, that I think it is hardly necessary for me to speak at any length on this vote. The reports of the Under Secretary for Lands, the Industries Assistance Board, and the Soldier Settlement Scheme are on the Table of the House. Unfortunately the report of the Agricultural Bank is not yet ready, but it will be available next week. I shall not go into details with the exception of saying that there are

still many applicants for land. During the last year or two there has been a big increase in land settlement. Last year there were 3,911 applicants for land and 1,973,110 acres were approved. In this number are included the group settlers. We have had 247 applications for pastoral leases covering 20,361,792 acres. So it will be realised that the eyes of the people in the other States are directed to Western Australia. During the past week I have been approached with a view to seeing whether it would not be possible to open up certain grazing areas, where additional sheep farms could be established by capitalists from the Eastern States. During the past year we have had 4,906 applicants for conditional purchase land. Of that number the department was able to fix up only 2,889.

Hon. Sir James Mitchell: Of course some applied several times over.

The MINISTER FOR LANDS: That may be so. All this meant a good deal of work for the Land Board, who had 205 sittings. For 512 blocks 1,752 applications were received. Of course, wheat cannot be grown at a profit except within a reasonable distance of a railway.

Mr. Latham: Is there any chance of cutting up the land in bigger areas so that more stock can be carried?

The MINISTER FOR LANDS: I will deal with that presently. Let me enumerate a few applications received during the past four months. There was an area thrown open 13 miles from Walgoolan. It consisted of 982 acres and there were 57 applicants. Four miles from Boddalin a block of 1,000 acres was thrown open and attracted 36 applicants. Four miles from Booraan a block of 1,026 acres drew 27 applicants. Eighteen miles from Narrembeen there were two locations, one of 1,000 acres and one of 999 acres. For those we had 66 applicants. An Avon location of 1,420 acres, four miles from Mukinbudin, brought 43 applicants. Nine miles from Damboring an area of 1,999 acres attracted 17 applicants. Twenty-eight miles from Kondinin a block of 1,300 acres was applied for by 21 persons. Sixteen miles east of Bendering a block of 1,000 acres brought 92 applications. Thirty-six miles from Lake Grace a block consisting of 1,011 acres secured 41 applicants. There was a block three miles from Koolanooka, and another three miles from Bowgada, both of 941 acres, and there were 22 applicants. A block of 1,160 acres 12 miles from Cow-cowling attracted 20 applicants. All these applications have been made since June of this year.

Mr. Teesdale: A number of them would be duplicated.

The MINISTER FOR LANDS: Yes, but they are in addition to the 2,889 applicants settled on conditional purchase lands during the last financial year. I am pleased to say

that during the year the revenue has been fairly buoyant, and so far in the present year that condition has been maintained.

Mr. Latham: You keep on the lines of the last Administration.

The MINISTER FOR LANDS: I am going to watch the money coming in. The cash receipts have been £368,334, an increase of £22,439 over the previous year. The arrears outstanding on the 30th June amounted to £153,402. After meeting the total expenditure of the department for the year, consisting of £169,998, no less a sum than £198,335 was transferred to the Treasury. But it must be remembered that when we transfer this large revenue to the Treasury our assets are continually reducing, are becoming the assets of the individual instead of the State. We cannot keep at that for ever. Some day we shall have to stop. There will then be nothing to do but tax the land.

Hon. Sir James Mitchell: They never finish paying for the land, because you tax it afterwards.

The MINISTER FOR LANDS: We have 150 Crown grants to sign every week. In the Newdegate area there are approximately 100 settlers, and about 14,000 acres under crop. Certainly the settlers have been making good headway. Last year Parliament passed a Bill authorising the construction of the Newdegate railway. It will be impossible to construct that railway in time to take the present harvest, but it is hoped that it will be finished in time for the harvest of next year. In Westonia, Walgoolan, and Boddalin there are approximately 150 new settlers, and they have about 15,000 acres under crop. At Bullfinch and Southern Cross there are approximately 85 new settlers with 3,000 acres under crop. In respect of those settlers the Agricultural Bank have refused to advance more than 50 per cent. The question of whether advances for that district are to be made in full will be considered after the harvest. I think the bank are acting only justly, because they want to find out the value of the district before they grant full advances.

Mr. Corboy: If it depends on this year's harvest, we shall have full advances in future.

The MINISTER FOR LANDS: When I visited that district with the Leader of the Opposition some time ago, I was struck with the advice he gave to the settlers. I am not sure whether he issued the necessary instructions to the department before he left, but I have since brought the matter under the attention of the officers. The Leader of the Opposition recommended the settlers to have at least 2,000 acres, and to go in for sheep, and grow fodder with a view to carrying the sheep over a dry spell. The settlers there are assured of a water supply, since the goldfields water pipes have been laid right out to Bullfinch.

Mr. Corboy: Unfortunately the department refused to grant more than 1,000 acres.

The MINISTER FOR LANDS: I think that has since been altered. The advice given by the Leader of the Opposition was very sound. Now I wish to say a few words in regard to light lands. It is a very dangerous question to touch upon, because we have been told to-night that the greatest losses sustained by the Industries Assistance Board have arisen through farming on light lands.

Mr. Mann: But they did not know how to farm them.

The MINISTER FOR LANDS: Some areas farmed for wheat were afterwards proved to be unsuited for the purpose. Consequently the bank has advised settlers on that land to give up attempting to grow wheat, and to keep sheep and grow oats. As a result it is hoped they will be successful in the future. During the Address-in-reply I pointed out that we have within 12 miles of railways 9,128,000 acres of light land, and I declared that this land must be utilised. By bringing it into use we shall not only improve it for the carrying of sheep, but to a large extent we shall be destroying the vermin existing on it to-day. I have asked the Under Secretary for Lands to appoint an officer with a knowledge of light lands to inspect all that area and report to a board, who will recommend the Government as to the advisability of opening up those light lands as grazing leases.

Mr. Maley: At the same time you require to reduce the survey fees.

The MINISTER FOR LANDS: I do not know about that. Such land is leased at from 1s. to 3s. 6d. per acre.

Mr. Maley: It pays better to take it as a pastoral lease than to pay the survey fees on it.

The MINISTER FOR LANDS: I think it will be necessary to appeal to Parliament to amend the Land Act in order that, with the approval of the Minister, the area leased may exceed 5,000 acres. I am informed that some of this land is quite good country for sheep; other portions of it, having no proper subsoil, will not carry any large number of sheep. When the blocks are cut up to embrace some of the better quality and some of the inferior quality, it will be necessary to approve of a larger area. The officers of the department are of opinion that the Minister should have a discretionary power to give up to 15,000 acres if necessary. To-day he is restricted to 5,000 acres. An area of 5,000 acres is too small. In some cases 15,000 acres would be required. There should be discretionary power to say what area is required when dealing with sand-plain country.

Mr. Griffiths: You are referring to the big sand-plain areas.

The MINISTER FOR LANDS: Almost from Perth to Geraldton on both sides of the railway there are large areas of this sort of land, aggregating about $2\frac{1}{4}$ million acres, and this is within $12\frac{1}{2}$ miles of a railway.

We have the same thing in other districts. It is necessary that those people who take up light land for sheep should rely entirely upon themselves for financial aid. It is not wise that every bit of land developed in this State should be developed entirely with the assistance of the Agricultural Bank.

Hon. Sir James Mitchell: Not in the case of sand-plain.

The MINISTER FOR LANDS: I am speaking of light land.

Mr. Latham: You will have to spread the survey fees over a number of years.

The MINISTER FOR LANDS: Two gentlemen who have visited me since Saturday have pointed out that there are numerous men in the Eastern States who want to take up grazing areas here, and who have money with which to develop them.

Mr. Mann: They will grab it as soon as it is cut up.

The MINISTER FOR LANDS: One of these gentlemen, who is connected with the South Australian Land Company, said that in the other States it was almost impossible to get land for sheep, and that he could induce a number of persons to come here immediately he was assured that there was land available for them to take up. These men had money of their own with which to stock the land and effect the necessary improvements.

Mr. Teesdale: Did he know the class of land that would be available?

The MINISTER FOR LANDS: He was introduced to me by Mr. Miles, and has been here for some time. Mr. Prowse, M.H.R., also saw me on Monday and put the same proposition before me. If we can get these light lands developed in this way it will mean not only additional wealth in sheep and wool, but will be an advantage to the farmers already established in helping to keep down vermin. The proposition has been discussed of cases where people have holdings adjoining these light land areas, that they should take up additional areas and work them in conjunction with their own. I have no objection to that.

Hon. Sir James Mitchell: It is done now.

The MINISTER FOR LANDS: But they must have the money with which to work those areas. Nothing is to be gained in the way of keeping down vermin by giving to a man who cannot develop 2,000 acres, say, another 5,000 acres. We should make every endeavour to settle these lands through people who have capital of their own. There are complaints in regard to the charge for surveys. These surveys are being made fairly quickly. The time has gone by when the Government should stand the cost of surveys, and in this respect I am carrying out the policy of the Leader of the Opposition.

Mr. Latham: That was to prevent surveys being made and the land subsequently being thrown up.

The MINISTER FOR LANDS: I do not wish to deal with that.

Mr. Latham: I hope you will consider the question of spreading the payment of the fees over a number of years.

Hon. Sir JAMES MITCHELL (Northam) [9.5]: I am pleased to hear there have been so many applications for land. There are times when it is difficult to induce people to go on the land. It is the best thing I have heard from the Minister during the session. I am also glad so many people are coming from the Eastern States to take up land. That is something new. Only during the last three or four years have they come here. Before that they held a poor opinion of our land. During the last five years we have sold eight million acres of land. The surveyors have been at work all that time, and I hope they are still at work. Sales are limited to the areas that can be cut up. The Minister said something about the development of light lands. We want to settle our good land first. I know the Government propose to introduce a Bill to authorise the construction of a railway from Salmon Gums to Norseman. We could get better land there than we now have in the mallee country of Esperance. A great deal of the land we have sold during the last five years is in the wheat belt. Within a width of country of 20 miles, stretching from Perth to Bunbury, two million acres have been cleared during the last five years. That is a wonderful achievement. We want to get more money for the clearing of land. The Minister said the Government had to advance too much to settlers. That is inevitable. Loans for improvements must be on long terms, for it is impossible for farmers to borrow money for such a purpose except from the Government. I hope there will be no slackening off in the clearing of land. We can leave the Minister to deal with the light land problem. This country is not suitable for men without capital. I have no doubt it will be used to a great extent, particularly if the price of wool keeps up. A good deal of the land must be ploughed and grassed if stock is to be carried. A few years ago we decided to reduce the price of poison land west of the Great Southern railway. I believe that every acre of it has now been taken up, and that 1,000 sheep are being carried where there were none a few years ago.

Mr. E. B. Johnston: There are sheep on a great deal of it.

Hon. Sir James MITCHELL: That is because we reduced the price of land to almost nothing. I think we shall soon have grazing properties established for some distance north and south of the railway line, if it is found that railways cannot be built to open up other lands. It is not all sand-plain to which the Minister referred. Along the Wongan Hills and Mullewa lines crops have been grown with great success. At Dalwallinu that is especially the case. If land will grow crops the Minister must be careful lest it is sold in areas of 15,000

acres. I do not care how much land a man gets so long as he develops it. I trust we will go on with the work of land settlement, whether it be in the wheat belt or the South-West, or the grazing areas mentioned by the Minister. Let us develop our country and open it up. The collection of rent is merely the beginning of things. A grazier has a great deal more than that to think of in his expenditure. If we talk of taking lands and penalising the farmer, the man who does the real work and produces the real wealth, we shall not have hundreds of applicants for the blocks of land that are available.

Mr. GRIFFITHS (Avon) [9.12]: With regard to light lands, I was surprised to hear the Minister say there was a probability of allowing a man to have up to 15,000 acres. I was thinking more particularly of the light land problem as it exists in the wheat belt. There is an endless variety of light land. In the York district there is a settler established on light land who has never had less than 14 bushels of wheat to the acre. Within 12 miles of him there is land on which a man cannot grow three bushels to the acre. At Kwollyn there is the claypan country where as much as a 12-bushel average has been grown. Around Meckering and Cunderdin there is a score of settlers who have been brought up in a hard school and have become successful farmers. In many parts of the State farmers are making a success by means of growing wheat and running sheep. At Wongan Hills a settler by heavy manuring has been able to get good crops without stock. Eulogistic accounts have come from Dowerin as to what has been done on the 20-bushel sand-plain country. Some of our wodgil country is not worth a penny a mile, and will not grow wodgil, let alone wheat. Still, the whole question is extremely complex. For the past nine or ten years I have been trying to direct the attention of the powers that be to the question of our light lands, which undoubtedly represent a huge problem, comprising millions of acres. Nine million acres of light lands bordering on the existing railway system are contributing nothing to the revenue, but merely constitute a breeding ground for vermin and noxious weeds. Last Saturday night at Merredin I introduced a deputation to the Minister for Agriculture in this connection, and then certain proposals were submitted, which I believe the Minister for Agriculture will refer to the Minister for Lands.

Mr. LINDSAY (Toodyay) [9.17]: I wish to deal particularly with the question of light lands. I had the Minister for Lands in my district recently, and showed him a few of the crops growing there. The Minister for Works will visit my district next Friday, and I hope to show him some more crops. I have been told by Ministers

that the price of light lands has been reduced. That may be so as regards unsurveyed lands, but as regards surveyed light lands the price still stands at 7s. or 8s. per acre, and that fact holds back their development. I took up some light land near my place which had been abandoned for 16 years, and was a menace to the surrounding country, since it was a breeding ground for dingoes and rabbits. There are eight or ten different qualities of light land. Some of them will grow good crops, while others will grow nothing. In the Dowerin district, one of the oldest-settled wheat-growing districts of Western Australia, the farmers generally took up small areas, and as they became successful they expanded their operations by taking up light land. It was due to the experience that they had gained on good land, and the capital they had acquired in the process, that they were able to develop light land. In the Dowerin district more light land is under crop than in any other district of this State; and it is light land of various qualities. I am glad the Government are at last investigating the light lands problem. I quite agree with the Minister for Lands that it should not be the duty of the State to find money for the development of light lands, because that development is still experimental. It requires capital, and good methods of farming, and the assistance of sheep in order that one may carry on. Many thousands of acres of our light lands will grow wheat crops, but more of it will grow oats, though not wheat. In the latter case sheep are required. At Merredin recently, the Minister for Agriculture received a deputation which expressed views somewhat different from those voiced by a deputation which I introduced to the hon. gentleman. We are not condemning the light lands, but are trying to show the Government how good they are. Some of the light land, however, is rather like wodgil country. Certain people ask practically that light lands should be given away, as being a menace to the surrounding farms. However, the Minister's expression of an intention to increase the area of light land holdings to 15,000 acres, strikes me as being unnecessary. I have yet to learn that for a sheep grazing proposition any of our sand plain country is worth improving unless the land has been cleared and crops have been grown on it. Regarding the destruction of vermin, if we are to deal with light lands, then in order that sheep may be carried on it, fencing must be put up; and a vermin-proof fence costs a good deal of money. If the sheep are to be carried on the pasture in a natural state, we shall carry very few sheep, and the venture will prove unremunerative. One does not require 15,000 acres to grow oats and carry sheep. If I took up 15,000 acres of light land, then in order to bring it up to the productive state, fit for carrying stock, I should have to expend on it at least £2 per acre. It is not only a question of

clearing, but also a question of fencing and subdividing, of building yards and providing water supply. If we are going to allow men to select 15,000 acres for the purpose of running sheep—

The Minister for Lands: I did not say that. I said the area would depend on the quality of the land.

Mr. LINDSAY: The Minister said, up to 15,000 acres. We do not want the country to be granted in large areas. That is not good for the State. Large holdings would involve the expenditure of so much capital that development would take far too long. Five thousand acres would be quite sufficient, and in a great portion of our light lands a much smaller area would suffice. Therefore I hope the Minister will be careful as regards increasing the acreage.

The Minister for Lands: I cannot do it without the consent of Parliament.

Mr. LINDSAY: We do not yet know the possibilities of our light lands, and I trust that the asset will not be sacrificed for the want of thorough inquiry into its possibilities. Provided we have the sheep to assist us, we can produce a great deal more off the light country than many of us imagine. I hope, therefore, that the Minister will continue to make inquiries of men who have successfully farmed light land for years. The results of their experience should be made available to the rest of our people. In passing I may say that I have a letter from the Dowerin Road Board on this question. I have also to say that I am prepared to take up two or three metropolitan members to the Dowerin district on the 31st of this month, to show them what is being done. The board wrote me as follows:—

The Board will be pleased if you can induce other members who may be anxious to learn something about the eastern wheat belt to come with you. It is on occasions such as this that city and gold-fields members have the opportunity of learning about the great possibilities of the agricultural areas, and about what is being done on light land.

I believe the subject of our light lands to be one of the most important questions confronting us; and the sooner it is solved, the better it will be for the State.

Mr. J. H. SMITH (Nelson) [9.26]: I do not profess to have any knowledge of light lands, but I gather from my friend the member for Irwin (Mr. C. C. Maley) that the Minister's suggestion is a very wise one. Indeed, the member for Irwin is prepared to increase the maximum holding of light land to 20,000 or even 25,000 acres. It is very pleasant to know that we have so many applicants for land, but the fact that we have so little land available proves the need for additional railway construction. The light lands question applies also in the South-West. South-Western settlers cannot get land on account of the restrictions imposed by the Forests Department, concerning which I shall have some-

thing to say when the vote for the department comes before the Committee. Much land is withheld from settlement on account of jarrah ridges running through it. People who apply for homestead blocks—two of my nephews have done so—invariably have their applications refused on the ground that the land they want is timber land. A few years ago a rough classification of the Bridgetown area was made. If the Minister for Lands would introduce a Bill cancelling some of the powers enjoyed by the Conservator of Forests to block land from settlement, it would be a good thing for Western Australia. I shall bring this matter under the Minister's personal notice, if necessary by deputation composed of men who are anxious to go on the land in the South-West but find themselves held up by forestry regulations. Members know that some of the restrictions imposed by the Forests Department are ridiculous. South-western land settlement is being burked by the forestry regulations.

Mr. CORBOY (Yilgarn) [9.29]: I feel obliged to take this opportunity to refer briefly to the land settlement programme which has been put into operation at the north end of the Yilgarn electorate. The Minister made a short reference to-night to land settlement in the Bullfinch and Southern Cross areas. As the Minister said, the Agricultural Bank advances 50 per cent. of the value of improvements, but for certain improvements only. In the area I refer to they advance 50 per cent. for clearing, water conservation, and fencing, but nothing for cropping or stocking the blocks, or for other improvements. The position is such that unless some material increase in the bank advances is made in the near future, many settlers in that district will find it impossible to retain their blocks. Such a position should not be permitted to arise. To-day in some parts of Western Australia, and particularly in the South-West, huge sums are being lavished on land settlement. I have no desire to discredit in any way the group settlement policy, but it represents to some extent an experiment. I am convinced that in the Yilgarn district, particularly in the Southern Cross and Bullfinch areas, the long period during which farming has been carried on successfully is evidence that there is no experimental aspect about the industry there. The Minister for Lands and the Leader of the Opposition have met farmers there who have been engaged successfully in farming operations for 20 years. One man will strip this year his twentieth consecutive crop. That man crops between 800 and 1,000 acres per annum. Two other men are cropping extensive areas in the district, too. Unfortunately, when the land in this area was cut up, a mistake was made in restricting the areas to 1,000-acre blocks. Those blocks are too small. They should be from 1,600 to 2,000 acres,

and the position now is that settlers are confronted with the necessity of absorbing neighbouring properties if possible. There is no doubt at all about the success of farming operations in that part of the State. This year we shall have 4,600 acres of crop to take off. The Minister's statement that 3,000 acres of crop would be taken off referred to the holdings of new settlers only. Two or three of the older farms have about 1,600 acres of crop between them. Three blocks were thrown open last week in this area, and 96 applicants appeared before the Land Board in their endeavours to secure them. In one instance a man has left the Bruce Rock district to farm in the Bullfinch area!

Mr. Latham: Because he can get twice the area of land for his money.

Mr. CORBOY: And twice as good land, too! Bruce Rock has achieved wonderful results, and the Bullfinch area will do so as well.

Hon. W. D. Johnson: We hope so.

Mr. CORBOY: The Minister indicated that any advances to be made in that area will be contingent on the results shown this year.

The Minister for Lands: I said those results would be taken into consideration.

Mr. CORBOY: Appreciating, as I do, how cautious the Minister is, I know that when he says that, I am justified in assuming, provided the crops are satisfactory, the advances will be made to settlers next year. Practically all the 3,000 acres to be cropped by new settlers in the district this year have been put in by methods that are not at all satisfactory. That has arisen from the fact that the advances have been on such a meagre scale that the farmers were not able to procure the proper equipment to put in the crops on a satisfactory basis. They have merely scratched the ground and, therefore, I do not anticipate that the bulk of the crops put in by the new settlers will be as satisfactory as they should be. I am perfectly satisfied to allow the decision regarding the advances to rest on the results obtained on those areas that have been properly cultivated by the older farmers of the district.

The Minister for Lands: The Government have nothing to do with that. It is for the bank to say what advances shall be made.

Mr. CORBOY: Of course the trustees of the bank control the position but if the Government let it be known that as a matter of policy—

Mr. Taylor: They will have to alter the Act before they can do anything in that direction.

Mr. CORBOY: The hon. member knows how it is possible to get round an Act of Parliament.

The Minister for Lands: We do not do that.

Mr. CORBOY: Then there are some angels out of Heaven! If, however, the Minister indicated to the trustees of the bank that, as a matter of policy, small advances in the Yilgarn areas are justified because of the enormous expenditure to which the Government are committed, especially in the South-West, then I am sure there will not be much difficulty with the trustees of the bank. I appeal to the Government to give this matter even more sympathetic consideration than was given by the Mitchell Administration. I do not complain about the late Government's attitude. For many years people endeavoured to get advances from the bank and failed until the Mitchell Government agreed to a 50 per cent. advance. On the basis that half a loaf was better than none, that improvement was welcomed. I trust the results this year will be such as to justify the Government agreeing to make the full advance in the Yilgarn area. I appeal to the Government to give that consideration to the settlers in that part of the State.

Mr. LATHAM (York) [9.38]: I congratulate the Minister on his statement. It is refreshing to know that the Minister intends to deal with our light lands. The Minister is developing somewhat along the lines of the former Minister for Lands and is getting a little optimistic about this subject. The idea is to subdivide the land and to encourage men with money to take up the holdings.

The Minister for Lands: I said I was getting a committee to report on the matter first.

Mr. LATHAM: We have thrown open year after year a lot of first class Crown land suitable for the production of anything, but the people have not come forward to develop it. Nearly every block taken up had to be financed by the State.

The Minister for Lands: We have people looking for sheep-land now.

Mr. LATHAM: Two thousand acres of good forest country will equal more than 5,000 acres of the light land.

The Minister for Lands: We have not got it.

Mr. LATHAM: I hope we will get new money here and that it will not be an obligation upon the Government to finance such settlement. As the Minister is going into the matter thoroughly, I think he should consider the advisability of dealing with land beyond a reasonable distance of railways. We have many patches of good land situated from 25 to 30 miles away from railways. On those patches it is impossible for a farmer to grow wheat profitably.

The Minister for Lands: The Labour Government will have railways through there soon.

Mr. LATHAM: If the Government carry out their present policy and fulfil the promises made by the Premier, they will have a heavy programme to fulfil.

The Premier: What promises do you refer to?

Mr. LATHAM: I think the Premier went with the member for Irwin (Mr. Maley) to his district and promised a railway.

Mr. Maley: And he was quite right in doing so.

The Premier: My trouble is to find the money necessary to carry out your Government's promises.

Mr. LATHAM: It is no use throwing open the land I refer to as from 25 to 30 miles from railways, in 1,000-acre blocks, because that area will be too small. The people taking up that land will have to run stock; they could not grow wheat so far out. In dealing with land outside a reasonable distance from a railway, I hope the Government will not adhere rigidly to the 1,000-acre limit that has been stipulated recently. I wish to sound a note of warning regarding the wonderful crops on the light land.

The Minister for Lands: Why condemn it when we want to settle it?

Mr. LATHAM: I am not condemning it at all. I know it will be profitably used in the direction suggested by the Minister tonight. If members accept the invitation issued to them to see the country now, they will see good crops on the light land, because this season has suited that class of country better than any season since 1914. While members can see those wonderful crops, do not let them be misled into thinking that that result will be achieved year after year. There are better crops along the Great Southern railway this year than previously during the past 10 years. I want to see the land utilised, but I want to see that the people taking up holdings there have a reasonable opportunity to secure a return for the money they invest. They will not get as good a return from wheat on the light lands as they will by going in for sheep and stock. I do not agree that larger areas than 10,000 acres should be made available.

Mr. Chesson: That area is too large.

Mr. LATHAM: I am talking about the poorest land.

Hon. W. D. Johnson: Five thousand acres should be the maximum.

Mr. LATHAM: I do not agree with the hon. member. It would be unusual if I did.

Mr. Lambert: It would be small tribute to him if you did agree with him.

Mr. LATHAM: No matter what the land may be, we will always get some good land included in a holding of 10,000 acres of this poorer land. I hope the scheme outlined by the Minister will be successful and that he will get the money he anticipates from the Eastern States. If the scheme does prove successful, no one will be more delighted to congratulate him than I will be.

Vote put and passed.

Notes—Agricultural Bank, Industries Assistance Board, Soldiers Land Settlement, £86,052, and Group Settlement, £11,193—agreed to.

Vote—Immigration, £6,253:

The MINISTER FOR LANDS (Hon. W. C. Angwin—North-East Fremantle) [9.45]: For the year ended the 30th June the number of migrants who came to the State under the immigration scheme was 9,678, and of that number 3,452 were nominated. Members will realise, therefore, that over one third of those brought in came on the nomination of relatives in the State. It has been said there has been a falling-off in late years of the money brought to the State by migrants. In the Press the other day a gentleman who was connected with the London office said that in 12 months he had been successful in sending to Western Australia by migrants £60,000. Last year the amount brought by migrants was £69,000, so we are keeping up the average fairly well. There is no doubt in my mind that the examination of migrants in the Old Country is not advantageous to the State. During the last 12 months 27 persons were repatriated or deported because of their suffering from mental or other disease. This cost the Commonwealth about £1,100, and the State between £200 and £300. Any person who is not up to the standard of health or mentality and not discovered within 12 months has to be repatriated at the cost of the State. I have come across several cases that ought to have been discovered before the people left England. I had one before me to-day. The doctor said the man should never have left England. He is asking to be repatriated. This shows clearly that the examination is not carried out as it should be. I wish to set aside some of the statements made about me in dealing with unknown migrants. I will not accept a nomination from any person for unknown migrants. The Commonwealth call them unnamed migrants. I have no objection to a person nominating a prospective migrant whom he has known for some years and for whom he can vouch, especially if, after arrival, he will see that the newcomer is looked after. If a person is nominated by relatives, who will take an interest in him after he arrives, I have no objection. But why is there any necessity for the various societies, such as the Church of England, Roman Catholic Church, Salvation Army and others to send out to their branches here, asking them to nominate certain persons, when those persons in London can go to Australia House and get assisted passages? I am afraid it is done in order to ease the inspection carried out in London. When a person is accepted as a nominated migrant, the same care is not taken regarding his physical condition as would be done if he was coming under the assisted passage scheme.

Hon. Sir James Mitchell: I think the same care is taken.

The MINISTER FOR LANDS: Before I became Minister for Lands I had several nomination papers sent to me by persons I did not know. They came from Devon and Cornwall, and requested me to nominate them for Western Australia. On the bottom of the nominations it was stated that the nominees had already been rejected by Australia House, but that they would be accepted if nominated. Why should that be so? Because they said they were not physically fit to go on the land. That is clear evidence. When the Under Secretary for Lands and Immigration attended a conference in Melbourne the other day, I asked him to take some of those nomination papers and point out the danger of allowing societies to nominate persons they did not know. I see no other reason for it than to ease the responsibility in London, because of the migrants having been accepted here prior to examination. I have about 48 nomination papers that were sent to me before I became Minister.

Hon. Sir James Mitchell: Who sent you those papers?

The MINISTER FOR LANDS: The hon. member saw them at the time; I do not wish to mention names. I also showed them to the London officer when he was here. This State cannot afford to be continually paying the passages of people back to England. There is one family that is going to cost the State £142 for return passage to England. There are three migrants suffering from tuberculosis. We shall have to see that people coming to the State are physically and mentally sound. I make this explanation because it has been said my object was to stop immigration. That was not my object. I wish to throw upon the officers in Australia House the responsibility of sending out only physically and mentally sound migrants. During the last month or two there have been received 800 nominations. The unnamed persons whom the Prime Minister and his staff are anxious to get here are not approved. I examine the papers myself. If the person nominated is not known to the nominator, I will not accept him. If he is physically and mentally fit and known to the nominator, I will accept him. I am endeavouring to encourage people to nominate relatives and thus unite families, because the more families we can get, the greater is the chance of keeping them.

Hon. Sir JAMES MITCHELL (Northam) [9.54]: The Minister is quite right in keeping unsuitable people out of the State. I doubt, however, if the medical examination in London would be any less rigid because the nomination paper was signed here. Some unsuitable people have managed to get here, but very few. Some of them, I believe, were substituted for sound men who were examined,

and we were defrauded to that extent. There is another class that should be kept away, and that is the extremist who causes trouble.

The Minister for Lands: You do not know what a man is until he comes here.

Hon. Sir JAMES MITCHELL: It should be possible to find out something about him before he leaves England. I have seen a few of that class, men who would not work, who gave endless trouble, and upset things wherever they went.

Mr. Teesdale: We have plenty of our own.

Hon. Sir JAMES MITCHELL: One of them went on to the wharf at Fremantle, and I think the unionists there saw that he went away. That is the class of men we do not want. The organisations have done great work in looking after the people when they arrive here. The Salvation Army has been particularly useful at the other end. The churches have done good work and have looked after the people when they arrived here.

The Minister for Lands: There is no reason why such people should not go through Australia House.

Hon. Sir JAMES MITCHELL: That is so, but there is every reason why they should be encouraged to nominate migrants so long as it can be guaranteed that the medical examination and other inquiries are satisfactory. What happens is this: the Salvation Army or one of the churches take 50 people willing to come to Western Australia, people whom they know are desirable. They are sent to Australia House to be examined and passed in the ordinary way, so that we ought to be under no disadvantage. In fact the advantage ought to be considerable, because those bodies do look after the people when they arrive here. The Minister spoke about being asked to nominate people he did not know and in whom he had no interest. That happens frequently. People often are not in a position to do anything for migrants after they arrive, although they signed the nomination papers. The church people, however, do look after them.

The Minister for Lands: A majority of those I refer to were physically unfit and had been turned down, but said they would be accepted if they were nominated.

Hon. Sir JAMES MITCHELL: That did not come from the officials.

The Minister for Lands: I can rely upon this man's word as much as on the word of an official.

Hon. Sir JAMES MITCHELL: I do not think that is fair. I am endeavouring to make the Minister realise that these public bodies do look after the people when they get here and are far more capable of looking after them than are private people. A small percentage of the people who come out are unsuitable, but the number is very small.

Hon. S. W. Munsie: Nearly everyone that is unsuitable ends up at my department.

Hon. Sir JAMES MITCHELL: Over 2,000 people last year paid their own passages and it is from that number that many remain in the city. As I look around this House I see men who have come from various parts of the world. We have the Old Country represented on the front bench opposite, while there are also others from the Eastern States and New Zealand. I do not know what we should do without them. Of course we are bound to have mistakes made; we must take some risks. I hope, however, the Minister will do his utmost to prevent unsuitable people from coming out. He must not expect to get through with a clean sheet.

The Minister for Lands: Of course not.

Hon. Sir JAMES MITCHELL: We must be careful not to brand all who come here as unsuitable merely because a few are unsuitable. We are saved the cost in England in connection with migration; we take the people in hand when they get to the wharf at this end. Let us not ease off with migration. Everyone who comes to the country provides work for others and if we ease off, I am afraid we shall drift back into trouble.

Vote put and passed.

Vote—Council of Industrial Development, £1,554:

Mr LAMBERT: It is pleasing to know that the Government have made the first step towards what may eventually be something like a national development in connection with the opening up of secondary industries. I have spoken on this subject for many years.

Hon. W. D. Johnson: And it is not threadbare yet.

Mr LAMBERT: Until the people do realise the great economic value of essential industries in the community, it is important to keep on talking. If I live long enough in the public life of the country, I shall keep on talking until the State is independent of all other countries from an economic point of view. One must have a proper realisation of what industry means to a country, and no public man's work is finished until he has hammered home the fact that the Government should have greater regard for our unfortunate position in the Commonwealth. Primary producers do a great deal. They go out into the untrodden lands and open them up under great disadvantages. That is the lot of all who pioneer industry, and it is seldom that the results are sufficiently compensating for the work that has been carried out. When we realise that for years past we have been dependent on the other States for many of the ordinary necessities of life, we must ask ourselves whether in the past we have had a policy that has been sufficiently encouraging to secondary industries. Whilst it has been the policy of successive Govern-

ments to assist farmers on the soil, it has not been the policy to encourage those engaged in industries that are just as essential to the welfare of the country as are the primary industries. I have before me an article written by the Director of the Commonwealth Bureau of Industrial Development. Many of the statements contained in that article are true. They are not altogether applicable to Western Australia, because they have a broader aspect and a broader meaning. They deal with imports into Australia generally. But we are not so fortunately situated as are the people in the Eastern States, and this Government particularly should have a policy regarding secondary industries that should be peculiar and not foreign to Western Australia. Our sovereign rights circumscribe our activities, and to that extent the central authority in looking upon Australia generally in connection with the development of secondary industries can overlook Western Australia. But we have no less an obligation to see that Western Australian affairs are not neglected. Until Western Australia is prepared to create machinery and provide necessary capital proportionately with the amount subscribed by others who are prepared to invest in secondary industries, we shall never have any great development in respect of those industries. If we were to place on the Estimates and be prepared to spend a million pounds annually for the next ten years, we would get nearer to the balancing of the national ledger than we could ever hope to do by assisting the farmer as we are doing to-day. Of course it is essential in our national development that we should invest money in our farm lands. It is equally essential to invest money in secondary industries. The greatest problem in Western Australia is that of finding suitable employment for our bright boys and bright girls. Until we have a national realisation of our obligation to those bright boys and girls, suitable avenues of industry will remain closed to them. It is all very well for the Minister for Lands and the Leader of the Opposition to dilate upon the necessity for fetching suitable migrants to the State; I would not fetch one while there was not any avenue of employment for the bright boys and girls of Australian birth. Our first obligation is to our own Australian-born, and until Parliament realises that obligation to our bright boys and bright girls our work will remain unfinished. Until we can create a public conscience of our country's obligations; until we can get Parliament to listen to the appeal being made by unemployed boys and girls of Australian birth, we shall not have completed our duty to Western Australia.

THE MINISTER FOR LANDS: The Government assists secondary industries as far as they can, and funds are available for that purpose. But I remind the hon. member that if we were to do all that he requires, providing a million pounds per

annum for the next ten years, he would not be able for the next half century to continue to say what he has been saying to-night, for it would knock out his opportunity. But if he be here 50 years hence there will be nothing for him to say, because the industries will be fully developed. No Government can afford to pay £6 5s. per cent. to give money to private individuals to do with as they please. It is necessary that those who engage in secondary industries in Western Australia should be in a position to carry on those industries themselves, without seeking to make of them a charge upon the Government. In many instances when the Government have given assistance to industries, the Government have come off second best. Only just now, when the hon. member was speaking, I said to the Premier that I was getting sick and tired of these continual requests to the Government to give, give, give. No one wants to say. It is all give. No Government can stand this continual drain on the finances.

Mr. Lambert: But I meant lend, not give.

THE MINISTER FOR LANDS: We lend, and when the time comes to meet the interest, we have to borrow in order to pay it. I want to see a number of secondary industries. If they can be assisted within reason, that assistance will be given to them. However, for this year at least the Treasurer is not in a position to pay any large amounts for the purpose.

Vote put and passed.

Vote—Mines, £60,632:

THE MINISTER FOR MINES (Hon. M. F. Troy—Mt. Magnet) [10.20]: In introducing the mining estimates, a review of the mining industry will not be out of place. In the attention now being given to the agricultural and the pastoral industries their relative progress is often compared with that of the mining industry, with the result that the mining industry is not properly appreciated, and its value to the State is not properly understood. It could be said that Western Australia first began to produce gold in 1896, when something like 270 fine ounces were won. The State reached its greatest output of gold in 1903, when 2,064,000 fine ounces were produced, of a value of £8,770,000. In 1913 the yield was 1,314,000 ozs., of a value of £5,581,000. From 1913 onwards, unhappily, a rapid decline in the gold yield has taken place. Last year we produced over 504,000 ozs., of a value of £2,143,000. For the elapsed period of this year the yield has been 285,000 ozs., of a value of £1,212,000. The total gold production of Western Australia has been 35½ million ozs., valued at £151,348,012.

Mr. North: Is it known what it cost to produce?

THE MINISTER FOR MINES: The total mineral wealth, including all minerals won, of the State amounts to £160,788,000. I have

compared that with the aggregate value of the production of the agricultural, the pastoral, and the timber industries. Agricultural production amounts to £63,290,000; pastoral production to £42,055,000; and timber production to £20,000,000. So the total production of those three industries amounts to £125,340,000, as against £160,788,000, the value of the production of the mining industry. I am not giving these figures in order to beget a controversy. I do not desire to set off one industry against another. I give the figures merely that the part played by the mining industry in the development of the State might be properly understood and appreciated. It will be generally admitted that the mining industry raised Western Australia from a position of relative obscurity to that of a State of considerable importance, and to-day of immense recognised possibilities. It was the goldfields that attracted people to this State and beget the greatest immigration scheme that has ever taken place in Western Australia. It brought into this country many thousands of the cream of our race, thousands of the finest young men it was possible to get anywhere. And this immigration did not cost the State one penny. Indeed, it brought immense wealth to the country. It is still stimulating the activities of the State in the production of wealth. It has stimulated pastoral and agricultural settlement. For the great activity of the goldfields furnished a market for the pastoral and agricultural production. So, with the inauguration of the goldfields, Western Australia set out on the march to prosperity. The Coolgardie water scheme, built to serve the goldfields, encouraged the first settlement in the Eastern districts outside the then wheat area east of Meckering. It was the presence of water along the wheat belt that first enabled the settlers to try that country for the growth of wheat. Thus it may be said that the Kalgoorlie water scheme, built only because of the mining industry, has been largely responsible for the settlement of the wheat belt. Again, in the wheat belt to-day a great number of progressive settlers are ex-goldfields residents. That is only natural, because those men have brought to their new vocation the ideas that, originally, they imbibed on the goldfields or brought with them from more progressive countries. It was the goldfields railways, serving a prosperous goldfields community, that for years maintained the railway system of Western Australia; it was the interest-paying capacity of the goldfields people that enabled the Government to build and maintain railways in other parts of the State. I merely give these facts in order that hon. members shall appreciate what a great part this industry has played in the prosperity of Western Australia, and agree that the industry, in its day of lessened prosperity, is entitled to generous consideration at the hands of members on both sides of the House. As I say, the maximum gold production was won in 1903,

when the value of the gold raised amounted to £8,770,000. Since then a falling off has taken place and, unhappily, it has been particularly marked since the war. The number of men employed in the industry has also decreased. In 1912 13,204 men were employed in gold-mining and in 1919 the number was 7,021, a decrease of over 6,000 in seven years. Last year the number employed was 5,347, or less than half the number employed in 1912. The decline is due to several reasons. The tonnage of ore treated and the average value per ton has also declined. In 1903 2,160,657 tons of ore was treated of a value of 76s. In 1913 2,787,361 tons was treated of a value of 39s. In 1923 781,769 tons was treated of a value of 53s. From those figures it appears that the richer ore is being mined, while that of lower values which was mined in 1913 at a profit can no longer be profitably raised. I have been told on what I am informed is good authority that ore to the value of £2 per ton is being buried at Kalgoorlie, because it cannot be treated at a profit under present conditions, and this serious state of affairs is attributable to several causes. One of the causes, we are told, is increased taxation. The State, however, has done its share to remove the obstacles in the way of the prosperous development of the goldfields, and the Government still propose to do much to carry out the policy of the party. Last year we assisted mine development to the extent of £78,000, and that included £50,000 water rebates to the mines in Kalgoorlie. It must be admitted that the State has done its best to assist the Kalgoorlie mines. A considerable body of prospectors have been assisted by the State Prospecting Board. Under this system 692 parties comprising 1,163 men have been assisted to the tune of £26,972. In addition £3,881 has been spent on five State prospecting parties. I regret that the result from that expenditure has not been as great as we expected and hoped, but still we propose to persevere with such expenditure, because it is utilising the services of a large number of old prospectors, who have given the best of their days to the State and are still capable of carrying on this industry in the hope that new finds may be made to the advantage of the community. From the first of this year until September, 126 parties comprising 191 men were assisted, and 75 extensions were granted on the recommendation of the State Prospecting Board. I wish to express my appreciation of the sense of responsibility exhibited by the State Advisory Boards as well as the State Prospecting Board. There are State Advisory Boards at Kalgoorlie, Meekatharra, and Mt. Magnet. The members give their services in a purely honorary capacity. At first I had doubts whether those people would exhibit a full sense of responsibility regarding the expenditure of money that was not theirs, but I am glad to say those gentlemen have

shown the fullest sense of responsibility. They have safeguarded the interests of the State, and there has been little dissatisfaction expressed regarding the recommendations they have made from time to time. The responsibility they have undertaken and the manner in which they have carried out their duties lead me to believe that when a measure is introduced to appoint mining boards, the State can expect to get good service from such gentlemen. It was hoped that before long Parliament would be able to give a further measure of assistance to the mining industry in the way of State mining boards, so that the people resident in the various localities would have an opportunity to assist the Government to control expenditure for legitimate mining development. As indicated by the Premier, we now propose to give further relief in the matter of taxation imposed upon the prospector and the investor. I need not dwell upon that because the question is now the subject of discussion in the House. Since taking office I have abolished fines for the late payment of rent. This was a source of dissatisfaction to the prospector and, considering the necessities of the people engaged in the industry, particularly the prospectors, we have abolished the fines. Again we have removed the encumbrances on the leases held by the Government under the Mines Development Act, except as regards the machinery on which the Government hold a mortgage. When the Government took a mortgage over a lease, no person could take up the lease unless he entered into an agreement to pay the Government the amount of the advance plus the interest, if he was successful in operating the mine at a profit. As a result, a considerable number of mines have been held out of use and not worked. The Government, after considering the whole position and recognising that it was in the interests of the State to have the mines worked, have removed the encumbrances, and now any prospector, miner, or investor can take up any mine on which there was an encumbrance and can work it, and the Government do not expect anything to be paid back in respect of money that has been advanced to a previous owner. The Government, however, still hold their mortgage on machinery. The decline in industry is directly traceable to the war, and to the conditions consequent upon the war. I believe I can say with truth that since the beginning of the war there has been a rapid decline in the industry because a large proportion of the goldfields people went to the war, and many did not return. After the war the Federal taxation, and particularly the Federal tariff and the cost of living, became so high that it was found that mines could not be worked to advantage. As a result of these things a lesser tonnage is being taken out to-day, and the lesser tonnage is of higher value than the very considerable tonnage that was worked at a lower value before the war.

Mr. Taylor: That is bad for the State.

The MINISTER FOR MINES: Yes. The Federal tariff and the disabilities I have referred to have been a great obstruction and disadvantage to the development of the industry. When we realise that the present tariff makes the importation of machinery and mining requisites almost prohibitive, and that the Federal tariff imposes a charge upon all requisites used by those engaged in the industry, we must understand what a heavy blow this is to it. We so far have not been able, apart from a little amelioration in regard to taxation, to get anything from the Federal Government as a set-off against the handicaps they have imposed upon the industry, which is still the largest gold-mining industry in Australasia. We read in the papers that the Federal Government are giving bonuses to many other industries. They have raised up a mighty tariff wall, which has been a great disadvantage particularly to primary industries in Western Australia. As a sort of compensation they are giving bonuses to the farmers, the orchardists and others. They take money out of one pocket, and say they will put it into the other by means of bonuses. They are giving no bonus or assistance to the one industry that they have almost crippled, and which is suffering most by the tariff and by the Federal legislation. I am inclined to think that the Federal Government have given bonuses to the other industries only for political considerations. From those industries they expect support at the next election. It appears to me they are buying this support. To the industry that has a legitimate claim upon them, and is entitled to consideration because the value of the product from it has not increased, the Federal Government have not given a penny; neither do they propose to do so. Whereas they have bonuses to give here and there, they have not offered a single penny to the mining industry. The only thing they have offered is a slight amelioration in the way of taxation. Despite these drawbacks Western Australia still accounts for 58 per cent. of the gold produced in Australasia. I am of opinion there is still great hope for the industry, provided it receives proper recognition and some sympathy both from the State and Federal Governments. The State Government from time to time have rendered assistance, and we are going still further on the lines I have indicated. The extent of the auriferous areas in Western Australia embraces 500,000 square miles. It is said to be one of the largest mineral belts in the world, if not the largest. It is not likely that an auriferous belt of that size has been fully exploited by our small population. Our gold-mining leases to-day number 8,295, and our mineral leases embrace 48,051 acres. In the Kalgoorlie belt we have the richest gold belt

in the world. I am sorry to see that this field is not enjoying the prosperity it did in former years. There must be great hope for the fields yet. It is a bad thing, if the facts are correct, that 40s. ore has been buried since 1913. Steps should be taken to bring about the state of affairs that existed in former years. The Government in proposing to appoint a Royal Commission to inquire into the industry will undoubtedly have these facts in view. What is most desirable in regard to the industry is that we should be able to provide means by which ore can be treated at a lower cost. We must endeavour to find means by which this large tonnage of low grade ore throughout the country can be profitably treated. If this can be done in other parts of the world, we in Western Australia ought to endeavour to achieve the results that are obtained elsewhere. I am glad to know that the Gwalia mine has again become a gold producer. I hope it will return to a profitable stage as a result of the development that is occurring. At Lake Way we are given to understand the indications are good, but it is too early to say anything definite concerning the result. If rumour is correct the results of the boring have been good. Further boring is taking place in the locality as a result of the operations of the Mararoa Company. I am hopeful that it will be able to show good results from its operations. The mineral area of Northampton has received great attention of late, and we expect the field will develop into a large and prosperous mining area. A few years ago the Government advanced a large sum of money to the Surprise mine. At one time it was thought this money would be lost, but I am glad to say that owing to the husbandry of the Mines Department, and to the fact that lead is now selling at a good price, the position to-day is very good, and the Northampton mineral field should become one of the greatest and most prosperous of the mineral belts of Australia. Great attention is being paid to base metals. A larger number of men is now being employed in producing base metals than was the case before. Inquiries are coming to the Mines Department from different parts of the world concerning base metals. Members are aware of the large deposits of base metals in Western Australia, and can imagine that these will be of great value to the country in course of time. There are the great manganese propositions at Peak Hill, which are well known to members of the Committee. There are the great molybdenite deposits at Warriedar, some of the largest in the world. There are the great iron deposits and the great graphite deposits, and deposits of all kinds of base mineral wealth. That mineral wealth will one day be utilised for the prosperity of this country. In conclusion I wish to read an extract from a letter

which was written to me a few days ago, conveying a statement made by Mr. Donald McKinnon, the Australian Trade Commissioner in New York—

I had a conversation a few days ago with the gentleman who handles more mica than anyone else in this country, and he tells me that the quality of the Australian mica that he has seen places it in a class quite by itself, and that properly placed on the market, and the markets in London and New York properly regulated, Australia might easily control the mica markets of the world. We get letters of this sort in regard to other metals, and so my expectation and hope are that, with proper and sympathetic consideration from this Parliament and particularly from the Federal Parliament, our gold mining industry will in the near future once again become a highly prosperous industry, and I trust that that prosperity will be generally reflected throughout the community of Western Australia.

Progress reported.

House adjourned at 10.54 p.m.

Legislative Council,

Thursday, 23rd October, 1924.

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

QUESTION—LAND AND INCOME TAX.

Hon. A. J. H. SAW asked the Colonial Secretary: 1, What was the total amount received in land and income tax during the last financial year? 2, The total cost of collecting same?

The COLONIAL SECRETARY replied: 1, £573,713. 2, This information is not segregated. An amount of £11,472 is paid by the State to the Commonwealth for the collection of all State taxes.