

Legislative Assembly,

Thursday, 31st October, 1935.

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

QUESTION—FREMANTLE HARBOUR TRUST.

Payments to Consolidated Revenue.

Mr. SLEEMAN asked the Treasurer: What amount has been paid into Consolidated Revenue by the Fremantle Harbour Trust from June, 1930, to 30th June, 1935?

The MINISTER FOR JUSTICE (for the Treasurer) replied: Year ended 30th June, 1931, £241,236; year ended 30th June, 1932, £227,316; year ended 30th June, 1933, £231,095; year ended 30th June, 1934, £216,853; year ended 30th June, 1935, £236,686. Total £1,153,186.

QUESTION—MIDLAND JUNCTION SALE YARDS.

Hon. C. G. LATHAM asked the Minister for Agriculture: 1, What was the capital cost of the Midland Junction sale yards as at the 30th June, 1935? 2, What was the total maintenance cost of the yards for the five years ended the 30th June, 1935? 3, What was the total amount received in the abovementioned period from—(a) yard fees; (b) other sources?

The MINISTER FOR AGRICULTURE replied: 1, £43,701 17s. 1d. 2, As the abattoirs and sale yards are run as one concern, separate maintenance costs are not kept. 3, £27,137 8s. 11d. from all sources. Accounts are not kept to enable the separate amounts to be given for (a) and (b).

QUESTION—RAILWAYS, STANDARD GAUGE.

Mr. NORTH asked the Minister for Railways: In view of the fact that the standardisation of railway gauges is to be once more brought forward at the next Premiers' Conference, will he inform the House whether the standard gauge is more economical to operate than the narrow gauge, assuming that the entire cost of the conversion and provision of new rolling stock was borne by the Federal Government?

The MINISTER FOR RAILWAYS replied: No, the standard gauge is not more economical.

QUESTION—SECESSION PETITION, KING'S PLEASURE.

Mr. J. MacCallum SMITH asked the Premier: Has the Secretary of State for Dominion Affairs yet made known the pleasure of His Majesty the King with regard to the Secession petition on behalf of the people of Western Australia, which was addressed to His Majesty under date the 17th July, 1934, and of which mention is made in paragraph 6 of the report of the Secession delegation?

The MINISTER FOR JUSTICE (for the Premier) replied: No.

QUESTION—CROWN LAND OCCUPATION.

Prosecutions at Reedys.

Mr. MARSHALL (without notice) asked the Minister for Lands: Does he propose to place upon the Table of the House the file from the Lands Department that contains references to certain matters appertaining to the prosecutions that took place at Reedys on about the 16th March last?

The MINISTER FOR LANDS replied: I have no objection to laying the papers on the Table.

AUDITOR GENERAL'S REPORT.

The SPEAKER: I have received a copy of the Auditor General's report, which I will lay on the Table.

BILL—WORKERS' HOMES ACT AMENDMENT (No. 2).

Report of Committee adopted.

BILL—LOAN, £2,627,000.*Second Reading.*

THE MINISTER FOR JUSTICE (Hon. J. C. Willcock—Geraldton) [4.36] in moving the second reading said: The Bill is to authorise the raising of money to carry out works detailed in the Loan Estimates, which have been discussed by members during the past few days, and to finance revenue deficits. It does not authorise the spending of any money to be raised. The Loan Estimates show the allocation of the proposed expenditure to works and services, and indicate the probable expenditure during the year. The Loan Bill merely represents the avenue through which the money can be obtained. It is a necessary preliminary to the flotation of the loan on the money market. Except for what can be raised locally by means of counter-sales—principally investment of local governing bodies' sinking fund moneys—or under the Savings Bank Transfer Act, the Loan Council arranges all flotations on behalf of States and Commonwealth. At the same time the functions of that body do not override requirements under the State and Commonwealth laws. Our law provides that, as a preliminary to raising a loan, an Act shall be passed by Parliament to provide the necessary authority for raising the money required. Whatever arrangements may be made, either by way of a direct approach to the money market, through the Loan Council, or by means of any other method adopted, money can be raised only in accordance with the authority granted by the Loan Bill. While we continue to borrow, I suppose, notwithstanding our anxiety to refrain from indulgence in that respect, an annual Loan Bill is necessary, and it would seem that we shall have to continue borrowing for some considerable time. The amount specified in the Loan Bill is not necessarily that which the Loan Council will be requested to raise during the year. The Loan Council raises an amount to meet the anticipated total loan expenditure and also funds to finance the deficits. The Loan Estimates show what provision has been made and the expenditure that will be incurred, less, of course, repayments that may be received. Naturally the amount raised under a Loan Bill depends upon the authorisations under previous Loan Acts. It is necessary to have a sufficient authority to enable works to be carried on until further Loan Act authority can be obtained. For that reason it has

been the practice to present a Loan Bill that will give the Government authority to raise loan funds sufficient to meet the expenditure for at least six months, but more generally for twelve months ahead. Years ago we operated under a different system with regard to raising loans, particularly when the amount was to be raised in Great Britain. In those days the State had an arrangement with the London and Westminster Bank under which we worked on an overdraft. Then when a favourable opportunity presented itself, the State floated a loan, the proceeds of which to a great extent wiped off the amount of the overdraft. Of course, that was the procedure of the past. As the practice now is that the balance of the authority under a Loan Act shall always be equal to about six months' expenditure, that is the purpose of the Bill now presented to members. The authority sought is for the raising of £2,627,000, of which £2,327,000 is required for works and services and general loan expenditure, and the balance of £300,000 is for the purpose of funding portion of last year's deficit and portions of deficits that have occurred during the past two or three years. I move—

That the Bill be now read a second time.

On motion by Hon. C. G. Latham, debate adjourned.

LOAN ESTIMATES, 1935-36.*In Committee of Supply.*

Resumed from the 29th October: Mr. Hegney in the Chair.

Vote—Departmental, £99,777:

MR. CROSS (Canning) [4.41]: However insignificant and unimportant may seem to have been the remarks by the member for Nedlands (Hon. N. Keenan) the other evening when discussing the Estimates and referring to the comparative figures of the net indebtedness of the five States, I feel that his statement may leave a false impression and even do a certain amount of damage in the Eastern States in reference to the activities of Western Australia. I do not believe that it is possible to make such a comparison, for the simple reason that the wide scope of the activities undertaken by the Government in Western Australia makes the problem of comparison one of tremendous complexity. In this State many institutions are financed by the

Government, more than in any other State. For instance, in Western Australia the tramways, sewerage works, water supplies, fire brigades and all sorts of instrumentalities are financed by the State. As a fact, this phase operates detrimentally to the interests of Western Australia when the Treasurer attends a meeting of the Loan Council. In Victoria, as is well known, the Metropolitan Board of Works govern and finance the activities of a great number of institutions including sewerage operations and water supplies. I notice that in their second report the Commonwealth Grants Commission devoted several pages to explaining how difficult it was to make a comparison that would be satisfactory to Western Australia.

Mr. Seward: Hear, hear!

Mr. CROSS: Therefore it seems to me that the figures quoted by the member for Nedlands may have a detrimental repercussion when the Treasurer attends the next meeting of the Loan Council. The hon. member should know that those other authorities in the Eastern States are clothed with borrowing powers. That phase presents difficulties when the State Treasurer goes to the Loan Council to secure money with which to finance our many activities that are not similarly financed in the East. That has an effect on the progress of the State. With the Leader of the Opposition I regret that we have not a metropolitan board of works to govern some of the activities at present controlled by the Government. Such a body would be clothed with borrowing powers and would be able to go on the loan market independently of the Loan Council or the State Government. The present system retards the progress of the State. When a Treasurer attends a Loan Council meeting he receives a limited amount of money. The allotment is made in accordance with the allotments to other States and population.

The Minister for Justice: Not altogether.

Mr. CROSS: Perhaps not altogether, but population has a bearing. If we had a metropolitan board of works, a bold progressive policy could be pursued. Consider the Perth tramway service. Members will recall that when electric trams were first installed, they represented a considerable advance on the then existing transport facilities. They were much faster

than horse trams. Since then there has been a considerable improvement in transport facilities, motors having almost entirely eliminated horse transport. Trams are run down the centre of the streets and at stops in the heart of the city retard fast-moving traffic. I believe that in order to make progress and keep abreast of the times, a bold policy should be initiated. The Commissioner of Railways and the tramway officials are well aware of those facts, but the money difficulty creeps in. In order to make the necessary improvements, a considerable sum of money would have to be expended. As a result of the present policy, South Perth, the main portion of my electorate, has to carry on with a transport system that is too slow and too infrequent for present requirements. South Perth has a population of approximately 10,000, and the journey from the city of just over three miles occupies about half an hour. Either the tram line to South Perth should be duplicated to give a better service, or the line should be removed and a trolley bus service instituted. Many towns in the Old Country have discarded trams as being too slow and cumbersome and have adopted the more mobile system of trolley buses.

The Minister for Justice: You would not scrap the trams?

Mr. CROSS: No, but on such routes as Claremont and South Perth, either the lines should be duplicated to give a more frequent service or a trolley bus service should be instituted to give the people the fast transport they demand. The Tramway Department would be wise to obtain a few Deisel-engine buses. During the last week or two I have received complaints from various sections of the community who desired to get buses for week-end trips and the buses were not available. If the Government had a few Deisel-engine buses, they could be used when extra transport facilities were required to convey people to football matches, to the trots or to Scarborough. Quite a number of things are required in my electorate yet. I am pleased that provision is made for a new ferry boat, but I should like some further information about it. For the current year £3,500 is to be spent, whereas the estimate is £10,000. I am hopeful that the Minister will give us some information on this item, because a new ferry boat for the Mends-street jetty is long overdue. I appreciate the fact that

provision is made for the construction of the road from near the Clontarf Orphanage to Canning Bridge. I hope the Government will pay attention to the promise given by the ex-Minister for Works to open up the approach to Canning Bridge on the city side of the Canning River. That promise was made a year ago and the matter could well be given attention when the road is being constructed. The other night the Leader of the Opposition advocated that certain works in the metropolitan area should be held up. We on the south side of the river are strongly opposed to any further holding up of work on the sewerage system. If we had a metropolitan board of works, that scheme would not have been held up as long as it has. Where the people are prepared to pay for a better service, there is no reason why they should be denied it. The people across the river are paying nearly twice as much as formerly for an out-of-date and dirty pan service. They are now paying 36s. a year, and in spite of all that has been said about the rates for the sewerage system, I venture to say that such a charge would nearly pay the annual cost of an up-to-date system on the south side of the river. I am hoping that an early start will be made with that work. Before concluding, I desire to make some remarks regarding what is known as Miller's Pool. Quite a long letter was published in the "West Australian" a few days ago regarding the proposed reclamation. Some people are taking a greater interest in looking after other people's business than their own. From an elevated point in King's Park they have been inspecting South Perth.

Mr. Thorn: You are referring to Mr. McCallum's letter.

Mr. CROSS: No, to another letter that appeared in the Press. The writer said it would be a crime to destroy one of the special features of South Perth and referred to the marvellous panoramic views of Perth Water, particularly from King's Park. The writer objected to the reclamation and protective work in hand at Melville-terrace. In connection with that I should like to say that I have never discussed Miller's Pool with Mr. McCallum. He was evidently confusing that work with the work at Melville-terrace. Not until after Mr. McCallum left office was anything said to me by any member of the South Perth Road Board. Mr. Shapeott made an offer to erect a fence around Miller's Pool and

put swans on it, provided the South Perth Road Board handed over the property to the State Gardens Board. The people of South Perth are not so enamoured of Miller's Pool. They know that it does not adjoin the old mill. There is an intervening property and it is surrounded by private land. What with the mosquitoes and the stagnant state of the water, residents of South Perth think it would be better to fill in the pool and convert it into a garden with a few ornamental trees. Some years ago, where portion of the tramway workshops exist, there was a similar swamp, not quite so extensive, and that swamp was filled in. When I first arrived in the State, filling work was being done in Queen's Gardens and there was no objection to that. Now a few hysterical people consider that a mosquito swamp of about $1\frac{3}{4}$ acres extent, which has only a few inches of water in it all the year round, is of historic value. Knowing the business-like administration of the road board and the requirements of the district, I am inclined to conclude that we do not require the assistance of a few meddlesome busybodies, however well intentioned they may be, to direct the policy or even indicate the requirements of South Perth. They know as much about South Perth as they know of the geography of the North Perth.

Mr. Thorn: They have only been to the Zoo.

Mr. CROSS: Viewed from Mt. Eliza, Miller's Pool, they consider, is beautiful, but the people of South Perth regard it almost as a cesspool. I am hopeful that when the dredge has finished its work off Melville-terrace, arrangements will be made to fill in the swamp so that the road board may have a chance to beautify the spot.

Mr. Thorn: Quite right.

Mr. Marshall: What do you know about it?

Mr. Thorn: It only breeds mosquitoes.

Mr. CROSS: There is no outlet to the river from Miller's Pool, and the water can neither get in from the river nor get out. It is only a breeding ground for mosquitoes. Despite outside meddling busybodies, I maintain that the people of South Perth know more about the subject, as they are the most affected. I will continue to work hard to have their views listened to.

MR. FOX (South Fremantle) [5.1]: I support the case advanced by the member

for North-East Fremantle and the member for Fremantle on the desirability of building a new bridge over the Swan at North Fremantle. Together with the member for Fremantle, I spoke to the diver who made the examination of the under-structure of the bridge. He assured us that the bridge was unsafe. The diver is the only man who has examined the bridge under water, and is the only one in a position to give a definite opinion as to the safety or otherwise of the structure. The bridge was condemned by responsible people many years ago. At one time a sum was set aside for preliminary expenses. I wish to read from the report of the proceedings of Parliament on the 17th November, 1927, and to quote an extract from the report of the Railway Commissioner concerning the condition of the bridge at the time. This report was written eight years ago, and things have not improved since then. The report referred to another report by the engineer of way and works, a responsible officer, who was addressing his remarks to the Commissioner of Railways. The extract is as follows:—

I cannot undertake to maintain the present bridge in safe working condition for more than about three years longer. It will probably take all that time before a new bridge will be ready, even if a start is made at once.

This report was dated 14th October, 1926, and was prepared after the bridge had been washed away and later repaired. If the bridge was in that condition at the time, it must have deteriorated very much more since then. There is another extract I would like to read from papers that were laid upon the Table of the House. The Commissioner makes the following statement:—

The question of a new steel railway bridge at Fremantle is still in abeyance, but the order of its urgency has in no way diminished. While the reconstructed portion of the old bridge is in very good condition, the whole structure is antiquated, and the annual cost of maintenance is becoming increasingly and excessively heavy. I understand the cost of maintaining the traffic bridge is about £2,000 a year. Some time ago it was proposed to extend the harbour seawards on account of the increased trade of the port. That was going to cost a considerable sum of money. I have no doubt that the Government at the time could have found the money to go ahead with the work. That was somewhere about 1925. Since then the trade of the harbour has materially increased. Many labour-saving devices have been introduced, and these

have made more berths available and rendered it possible to handle shipping inwards and outwards more expeditiously. In my opinion there will be no necessity to extend the harbour seawards for many years to come. If a new bridge were built somewhere in the vicinity of the present structure, one that would carry the whole of the traffic, it would make available sufficient additional harbour accommodation to last for another 50 years. If any disaster occurred in the near future, similar to that which occurred in 1926, judging from the speech of the member for Fremantle the Government would have to bear the whole responsibility. They have been warned often enough. We must not look at this matter from a parochial point of view, notwithstanding that between 80 and 90 per cent. of the imports and exports of Western Australia pass through Fremantle. This is a State-wide question. The bridge is an eyesore at present, both for local people and for visitors from overseas who have to pass over it on their way to the capital. Visitors have commented adversely on the structure for many years. I hope the Government will set aside a sum of money and proceed with the construction of the new bridge as early as possible. I should like to draw the attention of the Minister responsible to the necessity for sewerage portion of South Fremantle at Green's Valley, not a large portion, though the cost may run into a fair amount. If the area is not sewerage, the residents will have to instal septic tanks, and these will cost between £20 and £30 apiece. It is hardly fair upon the inhabitants that they should put in septic tanks, at their own cost, and later on when the Government feel inclined to sewer the place, that these tanks should be scrapped, and that the residents should have to pay the cost of the new installation. I hope the Minister will take this matter into consideration, and if possible go ahead with the work of sewerage the Green's Valley district. Another matter I would refer to is in connection with a dock at Fremantle. Very often during the last few years ships have been disabled at Fremantle, and have had to go either to Singapore or the Eastern States to be repaired. If a dock were established at Fremantle it would be the means of bringing a great deal of revenue to the State, would create a great deal of work, and would constitute an asset to Western

Australia. There is now no dock between the northern portion of the State and Melbourne capable of dealing with a ship of the size of the "Kangaroo." The "Kybra" goes to Adelaide when in need of an overhaul, but the "Kangaroo" and the "Koolinda" go to Singapore. The Government should make an effort to construct a dock where it would be possible to overhaul our own ships, and carry out any necessary repairs that crop up in the port from time to time.

MR. WELSH (Pilbara) [5.7]: I notice there is an increase of £1,500 on the Estimates under the heading of water supplies on stock routes. I should like to ask the Minister concerned to make available a sum of money for the location of additional water supplies on that portion of the northern stock routes immediately south of Wallal between the coast and the rabbit-proof fence. I understand the distance between waters in this section of the route is too great to enable cattle successfully to be driven, as things are to-day. All cattle coming down the coast have to travel over this route, as there is no other way by which they can be brought down. It is essential that as much condition as possible should be kept on the cattle. Although we cannot put feed along the route, we can at least attempt to provide water for the cattle. Additional wells are badly needed in order that the stage between waters may be shortened. There is a large area of country which is practically all sandy waste along the route, and it is essential that adequate water supplies should be established there. I should like to ask the Minister if it is not possible to make available a sum of money for the provision of further water supplies in that part of the stock route. I should like to see the work carried out between now and the next season.

MR. BOYLE (Avon) [5.10]: Our return to prosperity is evidently well on the way when the State can face up to Loan Estimates of £2,677,000, plus an estimated deficit, which is practically a loan, of £250,000, amounting in all to £3,000,000, or an addition to our interest bill of £100,000 a year. I would be gratified if the districts, and the areas represented by Country Party members, especially in the central and north-eastern wheatbelt, were sharing in the general prosperity indicated in the Speech.

The Minister for Justice: Unfortunately that is not prosperity.

Mr. BOYLE: Under the system now in operation, no doubt the same thing would occur, whatever Government were in office. I am not finding any fault with the Government in this regard.

The Minister for Justice: If we were prosperous we could cut down our loans.

Mr. Marshall: The borrowing of money often indicates the reverse position.

Mr. BOYLE: In prosperous times we borrowed £4,000,000 a year, which apparently is an indication of great depression. I do not wish to enter into a controversy with regard to the expenditure of money in town or country. That has no great bearing on the position at present. The figures, however, will bear a little investigation and criticism. The metropolitan water supply and sewerage system in the metropolitan area will absorb about £700,000, and the goldfields water supply £310,000, or a total under these two heads of £1,010,000. I regret that for all other water supplies in the State, outside the goldfields water supply and the metropolitan water supply, there is only provided a sum of £133,000, which is very much under the requirements. I think it was the previous Government which instituted what is known as rock catchment schemes, such as the Barbalin scheme. In normal times these schemes have justified themselves by conserving precipitated water. In years when we are faced with drought conditions, such as at present, we have the spectacle of our water supplies failing with the crops in the district. The Government would be well advised to endeavour to secure water supplies in agricultural districts from underground. That position should be investigated.

Mr. Hawke: Which of the water supplies has failed?

Mr. BOYLE: I do not say they have utterly failed, but the water in the reservoirs to-day is about half the normal quantity, with all the summer ahead. I think the Minister for Works issued a warning a little while ago that people must cut down the consumption of water in those areas by at least 40 per cent. Plans should be laid for the conservation of water to carry us over times of shortage. The existing schemes are all right in normal times. I offer this as a suggestion to the Government. In the matter of productivity, or revenue derived, it is admitted that the agricultural areas supply 72 per cent. of the total wealth of the State annually.

That being the case, we are entitled to ask for consideration in this regard. The Loan Estimates show only £50,000 for assistance to the agricultural areas. We are faced with an absolute catastrophe. In this House, on the 1st October, I drew the attention of the Government and of hon. members to the impending calamity. Unfortunately, to my regret, my words have proved only too true. I wish to correct the Minister for Lands, if I may, in regard to the statistical information on the subject. The hon. gentleman mentioned to a deputation yesterday that the figures were supplied before the rains. They were supplied after the rains—up to as late as 11 a.m. yesterday—from Agricultural Bank representatives in the districts affected. The position is nothing short of tragic. For one of the greatest wheat-producing areas of Western Australia the Government Statistician optimistically estimates 4.3 bushels per acre. And that estimate affects 1,552 growers. In the less affected areas there are 1,189 farmers concerned. The total number of farmers either wholly or partially affected in that area will this year be no less than 2,741. The State has the magnificent sum of £50,000 placed on the Loan Estimates to cope with a position of that sort. I do not wish to imply that the State should take the entire responsibility of financing or coping with a catastrophe of this nature. I am firmly of the opinion, which I have uttered more than once, that the particular industry affected to-day is of national importance. During the years from 1923 to 1933 the wheat-growing industry of Australia sent £230,000,000 worth of wheat abroad to pay for the nation's debts and oversea goods and services—an average of £23,000,000 per year. It is incumbent upon the Federal authorities to see that the people engaged in this national work are not left high and dry. In the affected areas there are altogether 2,741 men whose living is absolutely jeopardised, and unquestionably several million pounds worth of State securities are involved. On the other hand, for reforestation purposes a sum of £100,000 is set down. I do not quarrel with that. It is essential that our forest areas should be reforested. Ruthlessly the timber has been despoiled in the past, and it is statesman-like and proper to see that the areas are reforested. I think, however, that I can

claim a portion of that vote for the agricultural areas, because hundreds of farms in the wheat belt are now reforesting themselves. Those farms have been abandoned, and are going back to a state of nature. Provision should be made on these Loan Estimates to preserve those farms as a security for the State, if for no other purpose. It is deplorable that farms which cost the State hundreds of thousands of pounds in loan money should be left to-day to become practically a portion of the reforestation scheme. They might be called an agricultural reforestation scheme.

Mr. F. C. L. Smith: Why are the crops so bad around the Merredin State farm as compared with the crops on the State farm?

Mr. BOYLE: That can be explained. In that particular area, the better the land the worse the crop. The area originally was heavily timbered; and this year the heavy land is not returning the crops it should, owing to lack of precipitation of moisture. In fact, in that particular area the crops are practically wash-outs. Talking about wash-outs reminds me that recently I got into confusion. In connection with water supplies I heard the member for Canning (Mr. Cross) speak about Miller's Pool at South Perth; and the member for Guildford-Midland (Hon. W. D. Johnson), who I believe is a director of the Wheat Pool, came into the Chamber and said there were compulsory pools. I wish that in the areas I represent we now had some water pools. For new buildings an amount of £120,000 appears on the Loan Estimates. I do not know how much of that money will go for the new scheme of Government public buildings, which will take in portion of Government House grounds; at least, I understand such a proposal to be under consideration. My personal view is that no better site could be chosen for new public buildings. Still, one wonders whether this is the time to embark upon a scheme for the housing of public officers. I should say it is one of those works that might have waited a little longer. I do not think that at the moment anyone is suffering undue hardship by reason of the present location of the various Government offices.

Mr. McLarty: What about the Department of Agriculture?

Mr. BOYLE: The Government House ballroom is quite handy, and could be used for an extension of that department's activities. Admittedly, the Agricultural Bank

is not housed in a palatial or even convenient building. However, in Cathedral Avenue there are some fine public buildings which with a little improvement and repair could for the time being be used to avoid the expenditure of that amount of £120,000. In Kellerberrin town in my electorate there is absolutely no provision whatever for a court house. Kellerberrin is a big centre.

The Minister for Justice: You have just got a court house at Merredin. Do you want two in your district?

Mr. BOYLE: The Minister forgets that there are 35 miles between those two centres. A court house is needed in a district as important as Kellerberrin. At present the administration of justice takes place in the police station; and I understand that during the hearing of a case the witnesses are right at the magistrate's elbow—a most inconvenient method of administering justice. The only alternative is to move into a public hall, which is hardly convenient for the authorities concerned.

The Minister for Justice: Which is the practice in about 90 per cent. of country towns.

Mr. BOYLE: Unfortunately Kellerberrin does not possess a public hall of any great size. The agricultural hall there is an old building which would hardly prove convenient. If it were a modern, up-to-date public hall, use would probably be made of it. Finally, I once more appeal to the Government to see that adequate provision is made for the distressed farmers. The Premier said that we would get the money when it was required. Members representing the districts affected would be better satisfied if they could see something tangible and definite in that regard on these Loan Estimates. Extension of railways, new work and rolling stock have a Vote of £362,000. I am pleased to see that provision. It shows that the Railway Department is coming back into its own. I supported—that support being rather unpopular in some quarters—the State Transport Co-ordination Act. From that measure there has resulted the infliction of very little hardship indeed on people previously engaged in the carriage of goods by truck. Those people are now finding occupation doing local work in the areas they formerly served. We are in duty bound to support the railway system, which has cost the State about £25,000,000. If the railways do not do the carrying work of the State, it means that the producers

will, as usual, have to foot the bill in another way.

MR. SAMPSON (Swan) [5.26]: I wish to make a few remarks on the very severe storm which passed through the Bickley Valley some months ago. In fact, the matter was referred to by me here on the 8th August last. Unfortunately the position is that apart from public donations to assist the settlers and two grants from the Lotteries Commission no assistance has been rendered to the growers in question. I do acknowledge with many thanks the help given by the Lotteries Commission. Even now a third request is before that body. Some assistance has been provided for settlers whose gardens and orchards have been injured to such an extent that they are unable to carry on. Unfortunately the credit of some of these men is not sufficient to enable them to purchase their requirements. Realising the need which exists—following a visit I made to a number of the orchards affected, and having attended various public meetings in the district—I have taken up the matter with the Treasurer, but regret to say that up to date nothing definite has been determined. A letter from each of those settlers who have suffered has gone to the Premier, together with samples of fruit damaged to such an extent as to render it of no commercial value, and cuttings from trees and photographs illustrating the devastation. Altogether, the position has been put up to the Government fairly and fully. Reference has been made to the fact that at Broome there was great distress by reason of a storm which caused loss of life and the loss of much pearling equipment. I sincerely sympathised with the people of Broome, and am glad that relief was given to them; but, apart from loss of life, the position at Bickley is equally serious. Those Bickley settlers are deserving, and must have some help. I understand that the Federal Government have provided funds for the rehabilitation of farmers, and I am hopeful that some portion of the money may be provided for the Bickley sufferers; that is, if it is impossible for the State Treasurer to assist these growers in any other way. I have not been impatient; indeed my patience has amounted almost to a fault, because this has gone on for a considerable time. With many others I hope that a decision favourable to the needs of those concerned will be made.

It may be that the Deputy Premier when replying to this general discussion will indicate whether it is possible for consideration to be given to the needs of those concerned. The lot of the vegetable growers was exceedingly difficult, because the whole of their crop was cut out. In their case rehabilitation is possible long before it can be brought about by the orchardists. Many of the trees were cut so badly that it will be four years before they fully recover, while some will never recover; others have been cut back almost to grafting point, because the bark had been so injured as to make natural recovery impossible. I am sorry to have to bring this forward, but the needs of those concerned are so great that I had no alternative. It is my duty to lay the matter before the Government, and I suggest that favourable consideration be given to the assisting of those who suffered so severely in that storm. There are other matters I should like to speak upon, but I do not intend to detract from the importance of the few remarks I have made in respect of the sufferers by the Bickley storm by referring to other matters. There will be other opportunities, and I trust the Minister in charge of the Committee will give a favourable reply indicating that the Government do appreciate the difficulties of those concerned, and if possible an amount will be found, either from the Federal fund or from Consolidated Revenue, to assist those unfortunate people.

MR. CLOTHIER (Maylands) [5.34]: The Government are taking the right step in trying to rehabilitate our railways, and restore the business they previously enjoyed: because the railways provide so much work, especially through the Midland Junction Workshops; and in addition they offer the only practical method of trucking our wheat. We have heard a good deal about water supplies and sewerage, but I say the time has arrived when this State should have an ample supply of water, and that the sewerage of the metropolitan area should be completed. In going around this morning I noted the sewerage works in progress, and it was pleasing to think that so large an area is being treated for the health of the people in that area. During the time I was helping the member for Mount Marshall, while he was laid up as the result of an accident, I came

in contact with many primary producers, men whom, I found, work from early morning till late at night trying to make a living on their farms. I refer particularly to the Koorda district where, I am afraid, the settlers will not be able to get either hay or wheat. While other farmers have been treated well in point of rainfall, it is very unfortunate for those who this season will get no returns for their labour. But I do not think they will be left on the rocks. The other night the Leader of the Opposition said an amount should be set aside out of the estimated sewerage expenditure and transferred to the benefit of the farmers. I myself am convinced that the present Government will never see the farmers go short. I remember many years ago when the Government of the day, I think it was the Scaddan Government, relieved the farmers of the payment of rent for five years.

Hon. C. G. Latham: All that that Government did was to put through the Industries Assistance Act, borrow money and pay it into revenue.

MR. CLOTHIER: At all events the farmers got a lot of it. I believe our primary industries constitute the principal prop of the State. Where it not for the success of the farming industry, the industries in the metropolitan area would not be worth the walls enclosing them. I should like to see those who work so hard in primary production, particularly those in the wheat areas, get everything they deserve. It is most unfortunate that this year, when the price of wheat is going to be a little higher than it has been for some years past, many of those farmers will have no crops at all to sell. While I was up in the wheat areas I came into contact with a lot of wheatgrowers, and today I am convinced that they deserve the best that might come to them. I should like to say a word in support of the proposed extension of the tramway system from Walecott-street. I know that if the member for North Perth (Mr. J. MacCallum Smith) were here he would endorse my remarks. All that area proposed to be served is now so well developed as to be entitled to the extension of the tramway. I have conferred with the members for North Perth, Leederville and Mount Hawthorn with a view to getting that tramway extension, and I am sure that they are all

imbued with the justification of the proposal.

MR. J. H. SMITH (Nelson) [5.38]: I do not propose to make a long speech on the Loan Estimates, but realising as I do that they are the most essential part of the annual programme of Parliament, I want members to be earnest in their deliberations upon these Loan Estimates. Our Treasurer has to-day left the State for Melbourne, where he will meet other Premiers and Treasurers in the Loan Council. Unfortunately these Loan Estimates, framing the policy and programme of the future, have been drawn up prior to that deliberation in Melbourne. I wonder how my friends, the members for Canning, South Fremantle and Maylands are going to reconcile their utterances to-night with what appears on the Loan Estimates.

Mr. Marshall: Chapter One!

Mr. J. H. SMITH: Last night we had sufficient of the hon. member to last us for a life time, let alone for Chapter One. The more we consider these Loan Estimates, the clearer do we see that there is not a single ray of sunshine for the future of this country. Of course our economic system is altogether wrong.

Mr. F. C. L. Smith: What you want is socialism.

Mr. J. H. SMITH: We want something different from what we are working under to-day. There is not in these Loan Estimates a single ray of hope that one can find. We have only to consider the figures relating to unemployment, figures showing that there are about ten thousand people on part-time work, and almost another thousand on sustenance. We see that there is not a ray of hope given by these Loan Estimates. To begin with there will be £100,000 less spent on public works this year than was spent last year, and where are we to get the money from? Are we drifting into unification? Are we as a Parliament going to say that we have no outlook, that we cannot recommend anything that will alleviate the sufferings of our people? These Estimates show exactly that. Yet my friends on the Government cross-benches are accepting everything in the Estimates, without putting up a single objection. None of those members ranges high enough to say that the people of Western Australia demand that the Government should do something to end all this suffering and pull us out of the mire that

we are in. Can any member of the Assembly tell me that there is anything in the Loan Estimates which offers a ray of hope for the future. I say there is not. The Leader of the Opposition endeavoured to draw the attention of the Government to the dreadful position that obtains in consequence of the drought; and what do we find? We find the Minister for Lands turning down the proposal that the farmers are suffering on account of the climatic conditions, and declaring that the Leader of the Opposition was bringing up the subject only for political purposes. Surely we as members of this Parliament can rise above that sort of thing, and endeavour to do some good, irrespective of party, do something to alleviate the suffering that is going on in our midst. I endeavoured last night to tell the House something about what we should do to solve the economic problem. But we find our Treasurer with the Treasurers of the other States kneeling at the feet of the money gods asking for financial help. The Federal Parliament will say "We cannot allow you to have any more." What does it matter if your daughter or my son or my daughter and your son or my children and your children have not sufficient to put into their mouths to-morrow? They are suffering in this civilised world of ours. What does it matter? Not one iota, so long as we can serve the money gods and we pay our interest; and then they say that they cannot give us any more money. We are committed to the expenditure of two million odd pounds, which is £100,000 less than we received last year. The Acting Minister for Employment will tell us that that is so, and yet there is no protest from that side of the House. Not one member there has raised his voice in protest. Even though I am a poor man I intend to travel throughout Western Australia and will raise my voice against this hypocrisy, in the hope of altering the economic position as it exists here.

Mr. Tonkin: You had better come over on this side.

Mr. J. H. SMITH: There is no sincerity on that side: it is all camouflage, although members there pretend to be the friends of those who are suffering. It is the likes of those on this side of the House who want to do the best they can for every section of the community. We do not compel the poor individuals who are working for a mere pit-

tance to join some organisation and pay something into a political fund. While I am in this Parliament I shall remain free and untrammelled.

The Minister for Justice: Hear, hear!

Mr. J. H. SMITH: The Minister for Justice knows that I am sincere in every word that I utter. Throughout my lifetime I have been the same. I have always been sincere in endeavouring to uplift the man from the bottom rung of the ladder, and that is the reason why I have always had opposition in my Parliamentary elections from those who ought to be supporting me. Because of the desperate straits in which the people on the land find themselves, the Leader of the Opposition the other night made an appeal on their behalf and he was subjected to a tirade of abuse from the Minister for Lands who worked himself into a state of frenzy, to tell us what he had done. The Leader of the National Party made a wonderful speech. He accused the Government of being bankrupt of ideas, and the Premier had the impertinence to say to him "What would you do?" If we had the opportunity we would show what we could do; we would prove that we were capable of doing something.

The Minister for Justice: Provide work for all.

Mr. J. H. SMITH: Our friends opposite have always twitted us with that phrase, but I ask them, is it not a wonderful ideal to strive for? We say that we will endeavour to provide work for all if we have the opportunity to do so. Work for all and payment for that work is what we believe in. But under the system now in existence and which was introduced when the present Government came into power, men are obliged to work for six days a week and to receive 30s. They were told that the basic wage would be paid them. How have the Government lived up to that pledge? I will tell the House. The wonderful system of day labour. Throughout the country members opposite declared that they stood for day labour and the basic wage. Well, we have men working now six days a week for 30s. My friends will not deny that.

The Minister for Justice: Men are not working six days a week for 30s.

Mr. J. H. SMITH: I know they are, and on top of that, they have to contribute to a political fund. That too, is a fact and my friends know it. I can quote hundreds of

cases where many men cannot get even a meal or sustenance. They are starving under this wonderful Labour Government, and my friends cannot deny it.

The Minister for Justice: You lack sincerity.

Mr. J. H. SMITH: I assure my friend that I am speaking from the bottom of my heart, and from a sense of the duty I owe to the State. Every other member of Parliament should similarly carry out his job. What ray of hope is there in the Estimates? None at all. I do not agree with the member for Nedlands on everything.

The Minister for Justice: You never did agree with him.

Mr. J. H. SMITH: I am not tied to any party nor to any pledge, and I have the courage of my convictions. I can stand here and expound my views irrespective of the Leader of this party or anybody in the House. The only tie I have is that to the electors of Nelson.

Mr. Tonkin: Then you are an independent.

Mr. J. H. SMITH: I stand for nationalism, and if members care to read our policy and our platform, they will know exactly what our position is. Because the member for Nedlands subscribes to the same principles as I do, I am honoured to accept him as my leader. He has his own ideas and beliefs, and moreover he has the backing of the people of Western Australia. I am convinced that on his utterances there will be a change of Government and then we can look forward to a ray of hope for the future. Why is it not possible now for us to carry out the whole of our works policy? We believe that it is possible, and as a National Party we will have the opportunity to carry out all important works, and we will do so on the credit of the country.

The Minister for Justice: Oh!

Mr. J. H. SMITH: My friend laughs, but as sure as the sun will rise to-morrow, he will find that my words will come true. There will be a great revolution of opinion.

Mr. North: In what way do you differ from your Leader?

Mr. J. H. SMITH: I do not. There is an evolution of thought to-day that is entering our lives and members on the other side of the House will yet realise that what I am saying is correct. They will find that, for the sake of their political preservation,

they will have to modify their views. They will have to get away from the orthodox system they are pursuing to-day. For the sake of their future existence, they will have to subscribe to the new scheme that is progressing by leaps and bounds. As the Leader of the Opposition mentioned, it was the Minister for Lands who said that we were speaking to the electors and that the expression of our views was political. I am not speaking to the electors.

Mr. Wilson: Oh, no!

Mr. J. H. SMITH: I say truthfully and sincerely that not one line from my utterances in Parliament has ever appeared in the local Press in my constituency.

Mr. Hawke: Perhaps that is because they are not worth it.

Mr. J. H. SMITH: I do not receive much prominence in the "West Australian" and the "Daily News" and, thank God, I do not look for it. I endeavour to work for the benefit of the State. Let us establish something big in the interests of the people. In the days when he was Leader of the Opposition, I remember the present Premier, speaking with apparent sincerity regarding the views of Labour, said, "If I had my way, I would impose a flour tax immediately." The position in those days was not nearly so serious as it is at present. The present Premier spoke with emphasis, and I can remember how he glared at the then Premier, Sir James Mitchell, and said, "If I were Premier of this country, I would write a cheque immediately for £100,000 in order to assist the distressed farmers, and I would take the responsibility, as Treasurer, of the Commonwealth Government dishonouring the cheque."

The Minister for Justice: Has he not done that?

Mr. J. H. SMITH: Of course he has not. Three days later the member for Greenough (Mr. Patrick) endeavoured to test the sincerity of the then Leader of the Opposition, and sought to have imposed the flour tax suggested by the member for Boulder. What was the result? We know that the tax was not imposed. I do not propose to say much more except to express regret at the decrease indicated in the Estimates.

The Minister for Agriculture: Then you want more loan expenditure, do you?

Mr. J. H. SMITH: If the Government were sincere, they would see that more money was obtained. I have heard them

talk for years past about how they established the Commonwealth Bank, and how that institution had made such wonderful profits. The Commonwealth Bank has been of no use whatever to Western Australia. It has proceeded under the old orthodox system. We have derived not one iota of benefit from the Commonwealth Bank, and the Associated Banks are in the same position. I have heard that sort of talk put over by members again and again. During the last Federal election I heard some members on the Government side say that if Labour were returned at the polls, they would establish a national banking system in Australia that would be a panacea for all our tribulations.

The Minister for Water Supplies: You used to be with us, too!

Mr. J. H. SMITH: Where is there a solution of our troubles in a proposal of that description? Under it we would still be confronted with the same old bill for interest, compound interest and penal interest. If such a bank were to make advances to farmers, it would still levy interest charges and compound interest as well. Labour suggest that as a solution, but it is not, and never will be.

The Minister for Water Supplies: You know of a better solution than that?

Mr. J. H. SMITH: I am sorry the Premier is not present. I was desirous of speaking when he was in the Chamber in order to give him an opportunity to reply to many matters I intended to place before him. I am not one of the luminaries of this State, but merely an insignificant person from the Nelson electorate, having been born in this State. As a student of economics, I have not set out to press my views upon the public, but on this important occasion, when we are up against a stone wall, it is for every member of this Chamber to do his best in the interests of Western Australia. If I can enlighten them or influence them regarding my way of thought, I shall do so. If I find that the Premier is not consistent regarding the views he has expressed, I shall tell the people why he has changed his tactics. I have great respect for the Premier's ability, and there is no man in the land for whom I have greater love or admiration. I hope that on this occasion he will go to the Federal Government and ask for a much greater sum so that he can spend more money in assisting the people.

I speak with all sincerity when I say that, under existing circumstances, I cannot see a ray of hope for those thousands upon thousands of people who are on part-time employment or on sustenance at present, or for boys and girls between the ages of 14 and 20 years. The Loan Estimates provide the last chance we shall have, before this present Parliament expires, to express our opinions on these all-important matters, and it may be that some of us will not be returned to this Chamber. I had hoped that every member would raise his voice in protest against the reduced Estimates. If the Estimates were larger, would it not have been better for the present Government, who promised to do away with unemployment when they were on the hustings three years ago? When the present Premier was conducting his campaign he said, "Appoint us to power, and we shall have a full-time Minister who will see that the people throughout the State are employed. We will see that there is no more suffering. We will do our utmost, in every shape and form, in the cause of humanity, to do away with the evils that are amongst us. We have castigated the Mitchell Government. We have told them that they are endeavouring to make serfs of you. We have said that they were criminals and thieves and that they had sacked men from employment. You return us to power and we will promise you, in all sincerity"—I believe that he spoke sincerely in advocacy of his policy at the time—"we will do all things by all means. We will break down the evils and see that the whole of the people are employed." I know that some members sitting on the Government side will get up and make excuses for the Government. The member for Yilgarn-Coolgardie (Mr. Lambert) is glaring at me, and probably he will endeavour to suggest some excuse for the Government. He may endeavour to break down my case, and contend that the Government were sincere. He may tell us that he has sat in conclave with members of the Government and has endeavoured to devise ways and means by which these evils may be done away with. The fact remains that, with this present rotten economic situation, he will probably say, the financial position would not allow them to achieve their object. He may tell us that the Premier has been sent to attend various conferences, and that he has approached the Commonwealth Bank for as-

sistance, but without avail. That sort of talk, let me tell the hon. member, will not satisfy the starving thousands of this State. Something else will have to be done. I tell the member for Yilgarn-Coolgardie that he has fallen down on his job badly. Other members on his side of the House and the members of the Government themselves have fallen down on their jobs. They have not lived up to their election promises. I warn them that I will stump this country, in company with my party leader, and will tell the people what the Government have not done. I will follow my leader, and will respect his utterances. There is no man that can wake up members on the Government side of the House more effectively than he can. I am also prepared to follow the Leader of the Opposition. He is not afraid to voice his opinions in the face of antagonism. I have heard him say that the defeat of the last Mitchell Government was to be accounted for by the fact that it had been alleged that the present Leader of the Opposition had expressed a preference for the Federal basic wage. I do not believe that he made any such statement. The allegation is not true; there is no justification for it. He has denied it hundreds of times. That was made a parrot cry during the last general election, but it will not be a parrot cry this time. We will fight the Government in all centres. We will tell the Government and their supporters that they have fallen down and have not done as they promised. We will deal with their sins of omission, which are plentiful, and of commission too. I propose to go through the items on the Estimates one by one, and will endeavour to dissect them. I do not see in any one of them a ray of hope. The only exception may be the provision for sewerage works in the metropolitan area. Of course the Government are playing up to the metropolitan area, but that will not save the position for them. The result will be just the same. I want the Treasurer to go to the Federal Loan Council and say that the people of Western Australia who have such a vast area of undeveloped country require much more money and—

Mr. Thorn: Demand it.

Mr. J. H. SMITH: If the Treasurer were to be asked how the money would be spent, and I happened to be in that position for the time being, I would immediately reply, "Through every avenue."

Mr. Fox: Would you ask if they would have it back after seven years?

Mr. J. H. SMITH: If the member for South Fremantle (Mr. Fox) will study that particular chapter in Deuteronomy, he will gain some enlightenment, and will realise whence came the statute of limitations, which my leader always advocates.

Sitting suspended from 6.15 to 7.30 p.m.

Mr. J. H. SMITH: The more thought I give to these Loan Estimates, the more inadequate do they appear to be to meet the problem and provide a solution of our difficulties. It is imperative that we should endeavour to find the means of recovery from the deplorable conditions that confront us to-day.

Mr. Moloney: Yours has been a belated reading of the Estimates.

Mr. J. H. SMITH: I doubt if the hon. member has read them yet. Had he done so, he would be lifting up his melodious voice, calling upon the Government to put something more helpful before us; he would be standing on his feet disclaiming all responsibility for these Estimates.

Mr. Moloney: What do you suggest we should do?

Mr. J. H. SMITH: I am sure the hon. member first of all stands for humanity. I am sure he wants to be everybody's adviser; I am sure he wants to see improved conditions in Western Australia, and I am sure he must be bitterly disappointed in these Estimates, in which there is not one ray of hope. It would have been better, much better, if the Treasurer and his Cabinet had decided something altogether different from what they have given us in these Estimates. If there is any body of men who should know the financial position of the State, Ministers should know it. They know, and the Treasurer himself knows, that these Estimates contain not one ray of hope for the future.

Mr. Moloney: Have you no confidence in the Treasurer?

Mr. J. H. SMITH: I have no confidence in the policy he has outlined in these Estimates. Still, I do not propose to go right through all the items in these columns. I have charged the members for Canning (Mr. Cross) and South Fremantle (Mr. Fox) with being parochial. I meant that, for they were lauding their electorates, and what they said had nothing to do with the Estimates. But what I want to know is why

the Government have neglected the South-West portion of the State for so long. Is it because of the representation of the South-West in this House?

Mr. Tonkin: Do you mean misrepresentation?

Mr. J. H. SMITH: The hon. member asks do I mean misrepresentation. But there is the further question, as to whether the North-East Fremantle electorate is not also misrepresented. The South-West is very wet and very heavily timbered. The Treasurer, when introducing these Loan Estimates, said he was pleased that I was in my seat at the time, when he was talking about the reforestation of the jarrah forests. The curse of this country since the Forestry Act was introduced has been that not one Minister for Forests has had the least conception of what forestry means, or of what timber means. Yet they have endeavoured by Press reports and other publicity to make people believe that they had a forestry conscience. A majority of the people of this State advocate the cultivation of a forestry conscience, when, as a matter of fact, they have no conception of what it means. Knowing what I do as an old timber worker, I would not be fair to my district if I did not acknowledge the great boon that the timber industry has been to the south-west part of the State, but Governments, in dedicating 2½ million acres to forestry, had no idea of what they were doing.

Mr. Moloney: What was the date?

The CHAIRMAN: Order!

Mr. J. H. SMITH: The Premier in introducing the Loan Estimates said he was pleased that I was in my place because I would realise the value of the reforestation carried out in recent years. I admit that it is money well spent, but although we have dedicated millions of acres to forests, hundreds of thousands of pounds worth of over-matured timber which should be cut is still standing in the forests. Yet, because the industry is a little buoyant at present, the Government are exploiting it. They have increased the royalty to 30s. per load. The member for Forrest asked several very pertinent questions a few weeks ago. Members will recollect the replies that were given to her. Had she been sincere—

Mr. Moloney: Now, now, you are speaking of a lady.

Mr. J. H. SMITH: She stated that the member for Nelson was always talking about forestry but had not supported the Government's policy. Of course it would be impossible for me to do so. It is impossible to get an award to cover the timber workers of this State.

Mr. Moloney: Why?

Mr. J. H. SMITH: Because to cut sleepers in one place might be worth £2 10s., whereas in another place it might be worth £4. It is impossible to fix the rates by an award. I have always advocated a board of reference to deal with the matter.

Mr. Moloney: That is piece-work.

Mr. J. H. SMITH: Yes.

Mr. Moloney: Do you believe in piece-work?

Mr. J. H. SMITH: Of course I do. I would not have loafers. A man on piece-work will do his job, but a man on day work will possibly loaf on his fellows. That is the policy I have stood for and always will stand for. The Nationalist Party have always stood for it. The Labour Party have followed our policy in that respect, but only in regard to those people who are on the lowest rung of the ladder.

Mr. Moloney interjected.

Mr. J. H. SMITH: The Government supported by the hon. member are forcing unionists to join the A.W.U. and those men find themselves compelled to work for six days a week to earn 30s. The Government have increased the Vote on the Estimates for railways. Let me direct attention to the insincerity of the Government. In 1924 they thought they had a chance to win the Nelson seat.

Mr. Cross: Mind they do not win it next year.

Mr. J. H. SMITH: They decided to make a wonderful splash and to that end resolved to open up the South-West by building railways. Approval was given for the survey and construction of two lines.

Mr. Moloney interjected.

The CHAIRMAN: Order!

Mr. Moloney: You advocated their construction.

The CHAIRMAN: I ask the member for Subiaco to keep order. Relevant interjections may be excused, but repeated interjections are disorderly.

Mr. Moloney: It is difficult to refrain from interjecting.

Mr. J. H. SMITH: While I approved of the opening up and development of my district, I have since learnt of the insincerity of the Government. Deputations galore have waited on me regarding the matter. The Estimates show that in 1926 over £60,000 was set aside for the construction of the Boyup Brook-Cranbrook railway.

Mr. Moloney: Would it pay working costs?

Mr. J. H. SMITH: And £30,000 was expended on the hewing of sleepers for the line. Is it not heart-breaking that, after the lapse of 10 years, a sum of £30,000 is still shown for the construction of that railway?

Mr. Moloney: How much profit would it produce?

Mr. J. H. SMITH: The hon. member could not be expected to know. Last year the sleepers that had been stacked in readiness for the construction of the line were sent away to some other part of the State. That is a rotten condition of affairs. Whether it is due to the misrepresentation of Nelson, as one member interjected, I do not know. I hope in the dying days of this Parliament the Government may yet feel inclined to carry out a long-unfulfilled promise. A sum of £10,000 for the Manjimup-Mt. Barker railway was authorised to be spent in 1926, and still stands on the Estimates for 1935-36. That is a rotten state of affairs. The reason for it is that the 3,500 farms scheme came into that period. While the money was allocated for one purpose, it was being spent on another. We know what a failure the farms scheme was. I challenge the Minister for Lands or any other member to say that the two areas which were to be served by these railways are anything but the finest areas in any part of the State. I challenge the member for Subiaco to make a search amongst the files of the Agricultural Bank and of the Lands Department, and to say that the settlers situated in these areas are not doing their job. They are old farmers who were promised railway communication in Lord Forrest's time. If the member for Subiaco will go into the records, they will prove to him that the land is good and should be opened up and developed.

Mr. Moloney: What are you trying to prove?

Mr. J. H. SMITH: I am trying to prove the hon. member's insincerity.

Mr. Moloney: Mine in particular.

Mr. J. H. SMITH: And that of other members who are merely blindfolded, and think they must stand behind the Government out of a sense of loyalty. They do not take into consideration the shortcomings of Ministers, or the promises that have been made and remain unfulfilled.

Mr. Moloney: You have failed in that.

Mr. Needham: Failed miserably.

Mr. J. H. SMITH: I am expressing my own opinions. The member for Perth has not entirely lived up to his reputation.

Mr. Needham: You cannot say anything against it.

Mr. J. H. SMITH: I have often spoken about the necessity for regrading our railways. I notice there is an increase of £100,000 on the Estimates under this heading. This expenditure may still further ease the unemployment situation. I hope the Minister for Railways will see his way to regrading the line between Donnybrook and Pemberton, and to improving the service. We want our people to travel by rail, but they are not being encouraged to do so because of the length of time it takes to reach the city by rail. I am pleased that money is provided for water supplies. That is a reproductive work that deserves to be encouraged. It is one of the bright spots on the Estimates. I hope it will be possible to do more with regard to country water supplies. All country districts are suffering because of the expensive electric light plants they have to support. Surely it would be possible to use some of our water resources to establish hydro-electric lighting plants by means of turbines. I believe it is well within the region of practical politics. Instead of spending a lot of money on enlarging the Government power station, the engineers could, I believe, instal hydro-electric generating plants in connection with the very water that serves the metropolitan area. It should not be a difficult engineering feat. There are many similar plants in America and elsewhere. I believe it could be possible to supply the electricity requirements of the metropolitan area by means of hydro-electric schemes. This is a question which must have been overlooked by the Water Supply Department, as well as by the Government engineers. In any remarks that I may have to make concerning my electorate I propose

not to be parochial. My remarks will be for the benefit of the State as a whole. The other night the Minister for Lands got on his high horse. He became a little vitriolic and abusive, and worked himself into frenzy without reason.

Mr. Hawke: Give it to him!

Mr. J. H. SMITH: I am only expressing my views. The Minister worked himself into a desperate state so that he was obliged to abuse someone, whether he was right or wrong. He took to task the Leader of the Opposition, and declared that the hon. member was making political speeches for the forthcoming election. I do not think the Leader of the Opposition would contemplate such a thing. His utterances were made out of a desire to help the country. He was merely drawing attention to the dreadful position of the wheat farmers. He was wondering where on these Loan Estimates there was to be found some alleviation of their lot. Let me point out that Western Australia could have gained many thousands of pounds by supplying water to the farmers. Our wheat harvest has dropped from 35,000,000 to 20,000,000 bushels—a catastrophe to be deplored by every member. The Minister for Lands seemed to think the Leader of the Opposition had no right to discuss the probability of what is likely to happen to our people; but the writing on the wall is plain for all to read. We all regret the attitude adopted by the Minister for Lands. If the hon. gentleman had not gone out of his way to tell the Committee what the previous Government had done, or not done, for the farmers, I would not have spoken on this subject. He declared that the previous Government had never been friends of the farmers. With regard to the Peel Estate he asserted that hundreds of thousands of pounds had been lost. And of course he tackled the question of group settlement. Group settlement affects me, among other members, very closely indeed. During the 15 years I have been in Parliament I have been associated, on the groups, with some of the finest men and women that ever breathed the air. I assure the Minister that there are many broken hearts on the groups. Men are on the dole, with their wives and children, after having battled for years under group settlement conditions, with everything against them. Their being on the dole is nowise due to any fault of their own. Should anyone sneer at those people? Are not they to-day good Aus-

tralian citizens? Many of those on the dole are nevertheless big-hearted Australian citizens who have done their utmost. The Minister for Lands seemed to lay the whole of the blame for the position of group settlement on the Mitchell Administration of 1922 and 1923, when, the Minister declared, money was squandered and wasted on the groups in the South-West. I contend that group settlement in the South-West was one of the greatest schemes ever conceived. I am convinced that had the Mitchell Government remained in power, the group settlements of the South-West would be a success to-day.

Mr. Moloney: Do you believe in the scheme?

Mr. J. H. SMITH: Yes. Parliament accepted that scheme, endorsing it in its entirety without a dissentient voice. We thought it a marvellous scheme, and we adopted it.

Mr. Moloney: Who administered it?

Mr. J. H. SMITH: I shall tell the hon. member the whole of the facts: and then if he does not hold down his head in shame, he should not be supporting the present Government. The scheme was mutilated, torn to shreds. The man who inaugurated it never had a chance to put it into effect, and neither had his Government.

Mr. Moloney: Who was that?

Mr. J. H. SMITH: The previous Premier had only one short year to administer the scheme. I shall quote a few facts which the hon. member interjecting may, or perhaps may not, appreciate. I do not like resurrecting ancient history; it is to me a matter of keen regret to be obliged to do so. However, the member for Subiaco requires enlightenment, and I must endeavour to enlighten him.

Mr. Moloney: Who was this man you speak of?

Mr. J. H. SMITH: I will tell the hon. member about all the money that has been spent. I will tell him where the abuses originated. It is not often I have an opportunity to speak on a question of this nature, or of discussing Loan Estimates such as these, absolutely inadequate to the requirements of the time. I consider myself justified in taking up some time, if only for the edification of the member for Subiaco concerning something that happened before his advent to Parliament—I presume he had not read either "Hansard" or the news-

papers prior to his arrival here. On a recent evening the Minister for Lands castigated the Leader of the Opposition for having been a member of the Government that established the Peel Estate settlement. That was a wrong and a nasty thing to say, and the Minister knows it. He mentioned the Peel Estate repeatedly. That is wrong, because no Minister of the Crown should cast a reflection upon his officers.

Mr. Moloney: Who initiated the Peel Estate scheme?

Mr. J. H. SMITH: Sir James Mitchell was Premier. The present Minister for Lands must admit that the Peel Estate settlement was established on the recommendation of the officials.

Mr. Moloney: Who were they?

Mr. J. H. SMITH: The Minister to-day does not suggest that the then Premier went all over the Peel Estate and picked out certain blocks as suitable for settlement.

Mr. Moloney: Who was that Premier?

Mr. J. H. SMITH: "Where ignorance is bliss, 'tis folly to be wise." The Minister for Lands would not suggest that the then Premier should go over the whole area of the estate and classify it. The then Premier depended on his officials, men who had held their positions for years. I am prepared to agree with the Minister for Lands that possibly the Peel Estate settlement was a blunder; but I shall show the Committee how the blunder was perpetuated for years and years. So who is to blame? Were any of the officials sacked?

Mr. Moloney: They were compelled to do what they did.

Mr. J. H. SMITH: No. However, I am prepared to let the dead past bury its dead.

Mr. Moloney: That would suit you.

Mr. J. H. SMITH: I maintain that all the money that has been expended on group settlement in the South-West will eventually come back to the State and the people a hundredfold. While that money was being expended, this country was prosperous; it never was more prosperous. There was prosperity right throughout the metropolitan area. The railway system was in a flourishing condition while that money was being expended on group settlement in the South-West. However, the Minister for Lands went out of his way to castigate the Leader of the Opposition, asking, "What about your Peel Estate?" I would not blame the former Premier for the Peel

Estate blunder. It was the blunder of officials, and those officials still hold their positions. I must draw attention to this matter, and I hope that full publicity will be given to these statements.

Mr. Moloney: No doubt you do.

Mr. J. H. SMITH: I contend that the Labour Government—

The CHAIRMAN: I ask you to resume your seat for a moment, Mr. Smith. I ask the member for Subiaco to keep order. It is difficult enough to maintain order without constant interjections. Persistent interjecting is disorderly, and contrary to Standing Orders. I ask the member for Subiaco to help me to keep order, and not to be so persistent in interjecting.

Mr. Moloney: I certainly will subscribe to that.

Mr. J. H. SMITH: Thank you, Mr. Deputy Chairman.

Mr. Moloney: I want publicity given to it.

The CHAIRMAN: Order! This is no joke. The member for Subiaco must abide by the rules of debate. For the time being I happen to be Deputy Chairman of Committees, and I must ask him to observe the ruling by the Chair and assist in maintaining decorum in the Chamber.

Mr. J. H. SMITH: Thank you, Mr. Deputy Chairman, I am grateful to you for your protection. The Minister for Lands cannot get away with utterances of the description I have referred to. I would be failing in my duty if I did not draw attention to the money that has been squandered.

The Minister for Lands: Do you object to my telling you that no official will accept responsibility for the Peel estate business?

Mr. J. H. SMITH: I will not object to the Minister saying anything.

Hon. C. G. Latham: Do not take any notice of him.

Mr. J. H. SMITH: Of course, when blunders have been made, no official will accept responsibility. A friend of mine was selecting land in connection with the group settlement areas in the early days when migrants were coming out by the thousand. I advised him, whatever he did, to put his name on paper respecting every area he selected. Unfortunately, that friend of mine was made a scapegoat when the present Minister took office. Land was con-

demned and my friend became the scapegoat for the whole thing. I propose to tell the Committee what has been going on and to inform them of the settlers who have left their holdings, of the people who are up in the city now endeavouring to make a living on the dole although they brought hundreds of pounds into the country and desired to be worthy settlers, of the hearts that were broken and the resources that were despoiled. I will go back over a period of 10 or 11 years and, despite the utterances of the Minister for Lands, I shall prove conclusively where millions were squandered and who was responsible for that position regarding group settlements. I desire to give credit where it is due, and the man who conceived this grand idea should have been given an opportunity to carry on for a period of years. That is why I advocate the extension of Parliament for a period of five years, so as to afford a Government an opportunity to carry out their policy. The figures I shall quote are correct, and if members pay attention to them they will realise where the fault lay, where there was a want of sympathetic administration, and how the altered policy spelt the death knell of the great settlement scheme in the South-West. I am one of those who forgive, according to the scriptures, for want of knowing better, and therefore I forgive the present Minister for Mines for saying to me on one occasion that it would have been better had we left the trees growing in the South-West instead of putting people there. It is a great country and will progress, and be a great asset for Western Australia and the Empire at large in the future. The figures I shall quote will indicate how millions upon millions have been squandered and wasted. In 1923-24, the last year of office of the Mitchell Government, £822,910 was spent on group settlement. Then Mr. Angwin assumed office as Minister controlling group settlements in the Labour Government. Now members will see how the money was squandered and where the responsibility must rest. Had the policy of the Mitchell Government been continued, it would not have cost one-tenth of the amount indicated.

Mr. Moloney: What policy was that?

Mr. J. H. SMITH: Labour departed from that policy. The Mitchell Government had carried on the settlement on the basis of the agreement entered into by the Imperial, Commonwealth and State Governments,

under which interest was rebated, and the settlers were paid 10s. a day as sustenance. At the time I speak of, roads were being built through the area and men engaged on that work were being paid 15s. or 16s. a day.

Mr. Moloney: What about the 5,000 settlers who paid nothing at all?

Mr. J. H. SMITH: Under Mr. Angwin's administration, the Labour Party departed from their orthodox idea of day work and instituted piecework conditions.

Mr. Hawke: And did that result in a saving?

Mr. J. H. SMITH: In consequence, some people were earning as much as £80 a month, with which to establish themselves and make themselves farmers.

Mr. Moloney: Were they your constituents?

Mr. J. H. SMITH: Many earned up to £40 a month. Those conditions lasted for a considerable period. Then there was a great hue and cry because they were earning too much money. Many of them were people who were not accustomed to Australian conditions. On that work an Australian would do as much in two days as they did in a week. So the whole scheme was crashing. There were deputations galore that came to Perth and fought the case. So we find group settlers making farmers of themselves on the basis of £21 per month.

Mr. Moloney: Are they still there?

Mr. J. H. SMITH: And so that sort of thing went on, and, despite all the Minister's talk about the Peel Estate, the squandering of money was commenced.

Mr. Moloney: Where are those people now?

Mr. J. H. SMITH: In 1924, when the Labour Government took office and put their policy into operation, £1,124,252 was spent on group settlement, and in 1925-26 that expenditure rose to £1,355,009. Is it not ridiculous to blame the Opposition of to-day? Is it not dreadful to think that the Minister could get up and ask "What did you do with the Peel Estate?" At all events, in 1926-27 the expenditure was £1,428,486. So it was going up by leaps and bounds. There was £4,000,000 spent immediately by the Labour Government.

Mr. Moloney: For the Agricultural Bank.

Mr. J. H. SMITH: For the agricultural nothing. And they said that if returned again they were going to put a superman in

charge of group settlement, a man who knew agriculture from A to Z, a man who would put the group settlements on a proper basis. He tried to do it and, to give him his due, I think he did his best. First of all he decided that the job was too big for one man and so he appointed a valuation board consisting of Mr. Johnson of Manjimup, Mr. McCormack of Capel and Mr. Grogan of the Agricultural Bank. They constituted the revaluation board and they wrote down a great deal of the expenditure on group settlements. It was said that Mr. Angwin did not know what he was doing, and so the revaluation board wrote off much of the cost of the work for which he had been responsible.

Mr. Moloney: Do not you agree with that?

Mr. J. H. SMITH: The expenditure still went on. This is what Sir James Mitchell was blamed for, and what we have to expose to the country. Still I say the money need not be wasted if proper steps were taken. In 1927-28 the expenditure was £1,122,829. Then the Minister in his wisdom said it was too big a job for him; that he could not do the job and that he was going to appoint a control board. He did that.

Mr. Moloney: Which Government was that?

Mr. J. H. SMITH: He appointed a control board and that board ran the whole scheme of group settlements, while the Minister endeavoured to whitewash himself of the whole of the responsibility.

Mr. Moloney: Who appointed him?

Mr. J. H. SMITH: Your Government did.

The CHAIRMAN: The member for Subiaco must keep order. The hon. member is disorderly, and he must assist me in keeping order.

Mr. Moloney: Very well, Mr. Chairman, but the hon. member is very provoking.

Mr. J. H. SMITH: Thank you, Mr. Chairman, for your protection. I notice the Minister in charge to-night is agreeing with every word I have said, for he has not interrupted at all. After the control board was appointed it was thought that everything in the garden would be lovely and that the settlers would be on a proper basis. But under that control board things actually went from bad to worse, and there was talk of things occurring which I should not like to mention in the House. In the last year the Minister broke down in health, for

group settlement was too much for him, and he had to take a tour to New Zealand. Meanwhile the Premier took over this great problem, the settlement of the South-West, but not once did he visit that area. This group settlement scheme was conceived by a big brain, but it has since been mutilated and knocked about in every way by people sitting on the Government side to-night. Then the Nationalist Government were brought back into office in 1930—the Government which it was said had squandered too much money on group settlements. The expenditure in 1932-33 was £79,000, but when the present Minister came into power again it jumped to £115,000.

Mr. Moloney: Are you averse to that?

Mr. J. H. SMITH: Not at all, but I am endeavouring to show that we are all responsible for what is happening to-day. I have tried to be fair in what I have said on the subject of group settlement. Now I want to turn to the agricultural problem of this country.

Mr. Moloney: What is that?

Mr. J. H. SMITH: I want the Committee to endorse something which will be of benefit to the community. The group settlement scheme is one of the best we have ever known, and there is now a possibility that it could be improved upon, and that all these millions of money spent can be saved if we are at all sensible. If the Government will accept an Empire settlement scheme. The Old Country is crying out for such a scheme. We have hundreds of holdings in the South-West on which £1,800 to £2,000 has been expended, and they are reverting to the bush. If we accepted a scheme of Empire settlement I am satisfied that the position in the South-West could be largely retrieved. This statement applies equally to other agricultural lands. I would not be one to advocate migration if I thought we could not absorb more people. If we got the right class of people with a backing of £1,000 or £2,000 we should welcome them with both hands. Could not the members of this Chamber devise ways and means to inaugurate a system of Empire settlement? We have been told about the empty spaces in the North-West.

Mr. Moloney: Rubbish! Give us something tangible.

Mr. J. H. SMITH: So far from being rubbish, it is a scheme that should appeal to every member. The Old Country would be

prepared to finance thousands of people to settle in this State, and I appeal to the Minister for Lands to consider such a scheme. We have placed the Agricultural Bank under three commissioners. I do not intend to question the ability of the gentlemen who have been appointed. I would not stoop so low as to suggest that there was anything political about the appointment of the chairman. I think we have a very good man in Mr. McCallum. The commissioners, however, have held office for nearly 12 months, and we do not know what is happening. The Agricultural Bank may be described as the life-blood of our producers. Every section of the agricultural industry is waiting for the commissioners to announce their policy.

Member: It will take 10 years to do it.

Mr. J. H. SMITH: They have been appointed for only seven years. Parliament gave the commissioners wonderfully wide powers and provided that they should not be interfered with in any way. What are they doing? Each settler is being required to pay so much interest per year, if not in cash, then in value of work done. In the heavily timbered country the settlers can keep their pastures clear of fallen timber, but the commissioners say that they have to do more clearing in lieu of paying interest. Every man is worthy of his hire.

Mr. Moloney: Do not the commissioners know their business?

Mr. J. H. SMITH: I am afraid they do not. I want the commissioners to lay down their policy. At least the first £100 of the profit of a farm should be made available to provide food, clothing and maintenance for the family.

Mr. Moloney: Have you approached the commissioners?

Mr. J. H. SMITH: Then the next £20 or £25 should be devoted to the purchase of fertiliser. No provision of that kind has been made. If we had statistics of the number of settlers leaving their holdings, I think members would be astonished.

Mr. Moloney: You are only beating the drum.

The CHAIRMAN: Order!

Mr. J. H. SMITH: I wish the hon. member would awake to his responsibilities and realise the seriousness of so many people leaving the land.

Mr. Moloney: You are making a pre-election speech.

MR. J. H. SMITH: I know that the hon. member is rather prejudiced against agriculture. He says the city does not depend on the agricultural industry, but I disagree with him. If the commissioners laid down a definite policy, probably the wishes of the settlers would be satisfied. The commissioners must be working with some object in view. Locations carrying a capitalisation of £1,800 to £2,000 are being vacated. Let me give an instance. Moloney, Smith and Jones have adjoining locations, and Smith says he is capitalised too heavily, and leaves his holding. What do the commissioners do? This shows that they are not working in a manner calculated to hearten the settlers. They tell each of the adjoining holders that he can take half of the abandoned block for £300, thus reducing the capitalisation of Smith's block from £1,900 to £1,300. Why not make a general reduction? Why not reduce a capitalisation of £1,900 to the productive value of £700 or £800? Until that is done no real progress will be made.

MR. MOLONEY: Why did not your Government do it?

MR. J. H. SMITH: I regret having occupied much time to-night, but I felt it incumbent on me, as the representative of one of the most important electorates, to bring these matters before the Chamber. I regret that the Government have not made greater provision in the Estimates to meet the problem of unemployment. The Estimates are disappointing to me, being much lower than I expected. The conditions are going to be worse on account of the position in the agricultural industry, and the outlook generally. What is going to happen? Are we going to drift into unification? We shall have to be taken over by the Commonwealth unless we can put up a truly formidable case. Unless members can influence the Treasurer by resolution to extend the Loan Estimates beyond what we have before us, I can see no solution of our problems.

MR. MOLONEY: That is only eye-wash.

MR. BROCKMAN (Sussex) [8.41]: I have perused these Estimates and listened carefully to members' speeches. The Estimates provide very fully for the metropolitan area and the goldfields. We are all very pleased to see the goldfields provided for because of the wealth being produced there. In other respects I am very disappointed in the Estimates. The member

for Nelson has dealt fully with group settlements, so that I shall be brief on that subject. I had intended to deal with that matter following upon the remarks of the Minister for Lands. Every member of the Committee must share in the responsibility for our land settlement policy. Mistakes have been made by all Governments. I do not think any greater mistakes have been made by National Governments than have been made by Labour Governments. The member for Nelson said the group settlement policy was inaugurated by the Mitchell Government. The sum of £1,500,000 was spent on the scheme during the term of office of Sir James Mitchell. I think the money was probably wisely spent. It was only natural that big losses should be made in a scheme of such magnitude, the greatest land settlement scheme in the world. Sir James Mitchell was followed in office by Mr. Angwin, who was Minister for Lands in the then Labour Government. It was the administration of that Government which so highly capitalised group settlement. I am afraid Mr. Angwin did not know much about land settlement with a result that the capitalisation was greatly increased. His administration added £4,000,000 odd to the capitalisation of the holdings. It is that from which the scheme is suffering to-day. Mr. Angwin was followed by the present Minister for Lands, also a member of the Labour Government. I give that hon. gentleman every credit for curtailing to a great extent the wilful waste that had been going on during the administration of the previous Labour Government. I wish to refer to some of the methods adopted by the former Labour administration. I trust that for the future such mistakes will not be made. I am fearful for some of the new settlements being established, particularly that at Nannup. During the regime of the Government of which Mr. Angwin was a member, the group settlements were stocked up. They were stocked up before they were capable of carrying a sufficient number of cows to be of any value to the settlers. It would have been better in those days to give settlers only a couple of cows so that the pastures would not have been ruined just when they were being established. The policy of the then Government was to place enough cows on the holdings to make them self-

supporting. That was a huge mistake. The holdings were over-stocked, the pastures were eaten out, and depleted, and disaster followed for the country. I am afraid that sort of thing may take place again in connection with our new land settlements. I notice that the holdings in the Nannup district are being stocked up. I hope the Minister for Lands and his officers will see that they are not stocked up during the flush period of the season. At that time it appears that there is abundance of feed, but when the lean period comes it is found that the holdings are over-stocked. That is a dangerous policy for any settlement scheme. If the holding is over-stocked it becomes depleted of pasture and its revenue producing qualities have gone. A lot was said by the member for Nelson about a further land settlement scheme. I would like to see thoroughly established those farms that we have already entered upon. I should like the Government to concentrate upon making those holdings reproductive and successful before they enter upon any further land settlement scheme. Preparations for other settlements could be undertaken. The big scheme in the South-West was a rushed one. Work was entered upon that should never have been undertaken by the methods employed. Those of us who have known the country for the last 30 or 40 years understand that to improve land in its green state is a grave mistake. A large amount of capital is required, and the country cannot carry it. That is what we are suffering from to-day in the group settlements. The capitalisation is so heavy that the settlers are unable to meet their obligations. Now that new commissioners of the Agricultural Bank have been appointed I understand the valuations of the holdings are being gone into. I should like them to take immediate steps to revalue the group settlements. They are confronted by a big job, and must be given a reasonable time in which to do the work. Revaluations are being made in the wheat areas, and I do not see why they cannot now be made in the southern portions of the State. I hope the Minister will bring pressure to bear upon the Commissioners to enter upon revaluations as soon as possible. There is a great deal of heartburning amongst the settlers, especially on the part of men from the gold-

fields and England who have put their capital into these places. It is very distressing for them to find that they cannot meet their obligations, and many of them as a consequence of the situation are leaving their holdings. I do not know the exact number, but I should say quite half of the group settlers in my electorate have abandoned their holdings. I was pleased, however, to see, during a recent trip through the electorate in company with the Minister for Works, that the Group Settlement Department are keeping those abandoned holdings topdressed and are clearing up the timber which has fallen upon them. This makes the places much more attractive for future settlement. I shall not dwell on the subject of the groups, as the member for Nelson has made an elaborate contribution to the debate from that aspect. Now I would like to refer to the parochial subject of roads. Roads are essential to the re-sale of abandoned holdings. I hope the Government will have the roads leading to those holdings put in good repair. Most of them are all right, but a few have never had any money spent on them and are in need of attention. The Minister for Works saw some of those roads last week, and I feel sure he will bring influence to bear on Cabinet to have them placed in effective repair. Now as regards forestry, I am pleased that a considerable sum is allocated to reforestation, in which I am a strong believer. Certainly our timbers are one of the country's best assets to-day, in respect of both export and the meeting of local requirements for building and so forth. It must be admitted that the Forests Department is a most efficient department. Its officers always see that they get value for money expended. I am sure that the amount on these Loan Estimates will be well spent. I agree with a great deal of what the member for Nelson said as to forests that have never had an axe put into them and are over-mature and wasting every year. Over-mature timber is valueless. Large areas outside those dedicated to State forests should be cut out by the hewer. There is not sufficient timber on those areas to warrant the building of mills, although a few tracts of forest might carry spot mills. Last Christmas I showed officers of the Forests Department through about a million acres of that country, which would yield at least a million loads of converted timber. Still, obviously

it is not country that would warrant the erection of sawmills. Hewers should be put into it, so as to turn the timber into money in the interests of the State. I hope the Government will seriously consider whether hewers cannot be allowed into those areas. That would be a great relief to unemployment, and prove most useful work for the State. I wish to refer to the clearing which has taken place on vacant blocks in group settlements. I shall not criticise the Government in regard to that matter, because we know that money must be found for employment. I am pleased to see it spent on land development. We all realise the value of developing our primary industries, because of the wealth which the process brings to the country and the prosperity it must eventually produce. The member for Nelson said, quite truly, that men in the South-West were working six days a week to earn their 30s. He was severely criticised for making that statement, but it is true also of my electorate.

Mr. Hawke: Have you taken any steps to have that rectified?

Mr. BROCKMAN: I have approached the Employment Department on the subject, but without any success so far.

Mr. Hawke: How long ago?

Mr. BROCKMAN: The men affected visit me almost every week. I assure the hon. member interjecting that I look after my electors as well as members opposite look after theirs.

Mr. Hawke: What about the appeal board?

Mr. BROCKMAN: Recourse has been had to that board. Every week I receive letters in regard to the subject, and I have frequently approached the Employment Department regarding it. If any relief can be given, I hope the single men working on those holdings will receive some little consideration. I know how difficult it is for the Government to find work for single men, but still they are entitled to justice just like any other section of the community. I hope their claims will be fairly considered. I have to refer also to main roads. Undoubtedly, during the last six or eight years the Main Roads Board have done wonderful work in opening up the country. Nothing opens up a country like main roads do, enabling the people to get through it and see the quality of the land. In the South-West to-day one travels on splendid

roads, and sees the most beautiful pastures, developed during the last 15 or 20 years. That is due to the group settlement scheme. We have listened to criticisms on the amount of money expended on the scheme, but we must bear in mind the good these settlements have done to the country. Until lately Western Australia imported all its dairy products from the Eastern States, and the scheme has saved millions of pounds, not only in one year but for all time. Surely the money expended on group settlement is well worth while, if only to bring to fruition an industry which never previously has been established here. I hope that fact will not be lost sight of, because in almost every controversial speech delivered in this Chamber group settlement is thrown up at one Administration or another. In the report of the Federal Disabilities Commission, the scheme is referred to in disparaging terms, which are by no means a good advertisement for the State of Western Australia. I resent those criticisms, because I know full well that our South-West is a great country and will produce everything that is necessary to raise an industry which we expect to become one of the greatest of Western Australia's industries. Now I wish to say a few words regarding workers' homes. Having heard the member for North-East Fremantle (Mr. Tonkin) refer to this matter, I made a note or two. We all like to see our working people housed decently. For my part I fail to see why one section of the community should be treated differently from another in that respect. I have noticed that during the last 12 months numerous houses have been removed from group settlements and sent to other parts of the State, mainly the goldfields. They were sold for £45, having cost Western Australia £250 apiece. I do not see why those homes should not have been placed nearer at hand, particularly as the member for North-East Fremantle (Mr. Tonkin) has indicated that workers' homes are required in his electorate. The policy of providing these homes, which will enable workers to secure their own dwellings, is a good one and is reproductive. I notice no mention of Cave House in the Estimates, although the Premier stated, in the course of his speech, that it was to be rebuilt.

Mr. Marshall: There is £20,000 provided.

Mr. BROCKMAN: I looked through the Estimates and could not see any mention

of Cave House. I hope the hon. member's statement is true.

Mr. Marshall: Do not take my word for it. You will see it there.

Mr. BROCKMAN: I noticed £10,000 was provided this year for work at Rottnest.

Mr. Hawke: Rottnest is not mentioned.

The Minister for Justice: But you will see that there is reference to "other works as may be authorised."

Mr. BROCKMAN: I hope that that will include the rebuilding of Cave House.

Hon. C. G. Latham: There is merely a reference to a loan to the Rottnest Board of Control and other work as may be authorised.

Mr. BROCKMAN: I thought the total amount was £26,000, of which £10,000 was to be used as a loan to the Rottnest Board of Control.

Hon. C. G. Latham: But £10,000 is the total amount provided on the Estimates.

Mr. BROCKMAN: I can only hope that the Premier's statement was true that the Cave House is to be rebuilt. That work is long overdue and will be revenue producing from the day the building is completed. I frequently stay there and I know, in view of the number of people who are turned away, that the rebuilding scheme is warranted.

[Mr. J. H. Smith took the Chair.]

MR. HAWKE (Northam) [9.4]: I was very glad to hear the member for Avon (Mr. Boyle) say that it was not his intention to bring up the issue of the city versus the country. His attitude in that respect was very refreshing after the prejudiced statement made by the Leader of the Opposition on the same question. I have gone to the trouble of carefully examining the Loan Estimates and, on a conservative basis, I find that at least £1,600,000 of the amount set out will be expended in the country districts or for their benefit. The position, therefore, is that out of the total loan expenditure of £2,677,000 provided for in the Estimates, £1,600,000 will be spent either in the country or for the benefit of industries carried on in the country districts. It would appear that the charge sought to be maintained by some members of the Opposition to the effect that the great bulk of the loan expenditure will be spent in the city has, in fact, no foundation. There can be no doubt that the expenditure of that amount

will have many useful and beneficial results in the country districts. It will assist to maintain industries in that section of the State, help to hold population there, and to more safely establish and carry on country industries. I was very interested in the speech of the member for Nelson (Mr. J. H. Smith) who sought to show that the present Government were neglectful of agricultural industries, that the Government had very little sympathy and had given little assistance to those industries, and that, by comparison with the previous Coalition Government, the present Labour Government were adopting an almost heartless attitude towards rural industries. He gave the Committee the impression that the Coalition Government had been far more liberal and sympathetic in their attitude to those industries than the present Administration. In fact, the impression we gained from his speech was that the present Government were absolutely neglectful of rural industries. He quoted from an official document to show the amount of money expended each year on group settlements, and from those figures sought to prove that most of the money expended in that direction was during the years Labour Governments were in office. He passed on that statement to the member for Subiaco, who was good enough to hand it to me. In examining the statement, I noted that figures were also included regarding the amount spent from loan funds during the last six financial years on the development of agriculture. Seeing that the figures quoted by the member for Nelson in connection with group settlement expenditure were accepted as correct, as they undoubtedly were, I presume that the figures included in the same document relating to expenditure on the development of agriculture will be accepted without question as being absolutely correct and authentic. Those figures show that in 1930-31 £61,491 was spent on the development of agriculture and in 1931-32 £125,904 was spent for the same purpose. In 1932-33 the expenditure was £267,150. The total amount expended by that Government in three years on the development of agriculture was £454,554, or an average of £151,514 per annum.

Hon. C. G. Latham: You know that they spent £750,000 from the Financial Development Fund also.

Mr. HAWKE: I am dealing at present with the expenditure of loan money.

Hon. C. G. Latham: Well, that is loan money.

Mr. HAWKE: I am quoting from the official document the amount of loan money expended under the heading "Development of Agriculture."

Hon. P. D. Ferguson: Why, one drainage scheme alone cost more than that!

Mr. HAWKE: Now, in 1933-34 the expenditure on the development of agriculture was £366,116; in 1934-35 it was £314,850, and in 1935-36 it is proposed to be expend £340,500. So in the three years the present Government have spent £1,021,466, or an average each year of £340,488. So there was a difference per annum in favour of the present Government of approximately £200,000. I am sure that if the member for Nelson (Mr. J. H. Smith) had carefully studied that document he would never have dreamed of making the unjustified charge against this Government that they had been absolutely neglectful of the agricultural industry; and I trust the hon. member at the first opportunity will take occasion to re-explain the position to the House, and apologise to the Government. The only other matter I wish to put forward has some relationship to certain questions I asked to-day and which were answered by the Minister for Railways. I feel that even though the harvest this year will not be up to normal we shall find that towards the end of the year, and in the early months of next year, the Railway Department will be hard pressed to deal with the traffic of the harvest and, at the same time, deal expeditiously with the general traffic that will be offered. Last year in the busy season, and to a lesser extent in the busy season of the year before, a great deal of overtime was worked in carrying on the railway service. That overtime was excessive. We all know that in the carrying on of the railway system overtime to some extent is unavoidable; but the overtime worked last year and in the year before was excessive. It is my desire that, this year, that position may be to a large extent obviated; but it will be impossible to obviate it unless some greater measure of employment is given to cleaners. Even at the present time young fellows are placed upon engines as firemen, young fellows who have not had the neces-

sary experience to give them confidence to carry out their job properly. And no doubt in a few weeks time, if not actually at present, there will be a shortage of competent firemen, and certainly a shortage of cleaners. The answer to my question showed that when applications for cleaners were last called for, 694 applications were received. Of those, 100 applicants were approved, but only six of them were appointed. I trust that those in charge of the department will look ahead and realise that when the busy season comes it will be unfortunate, from the department's point of view and from the railway users' point of view, if men not sufficiently trained for the position have to go on railway engines for the purpose of transporting the freight offering. I feel there should be in the near future an additional appointment of cleaners to the department in order that they might gain the necessary experience to enable the work of the department to go on smoothly. It is true, too, that to a fairly considerable extent the engines of the department have not received that attention which is necessary to maintain them at a high standard of efficiency, and to ensure that the period of active use of those engines will be the maximum.

Mr. Lambert: That is not right.

Mr. HAWKE: I hope, therefore, the management of the railways will not push the economy idea too far. I trust they will not adopt a policy that may prove in the long run to be penny wise and pound foolish. Therefore it is my hope that before many more weeks have passed that position will be carefully examined, and the necessary additional appointments made.

MR. PATRICK (Greenough) [9.17]: I am sorry the Minister for Lands is not present, because at the outset I wish to refer to a speech he made the other night, to certain portions of which I take very strong exception. For instance, he said "The methods of members opposite are very discreditable." I take strong exception to that. There is no doubt, as the member for Nedlands (Hon. N. Keenan) said, the speech was of an ungenerous and provocative nature. I agree with that, but I do not agree with the remark of the member for Nedlands that the Minister for Lands had a carefully prepared reply to the Leader of the Opposition; because most of the facts he used in that reply have done duty on

numerous occasions, even during the present session. I have heard some of them repeated many times. In fact, while I listened to the speech it reminded me of the first political meeting I attended in this country. That meeting was being addressed by a man who was once a member of this Chamber, and a very able man. He was referring to criticism appearing in the local Press, and he spoke of it as the same old gramophone playing the same old tune. In addition, many of the records on which the tune has been played have also been used by members on the cross-benches, especially the member for Subiaco (Mr. Moloney). I do not intend to discuss some of the questions raised by the Minister. The member for Nelson dealt pretty fully with group settlement matters. At the same time the Minister for Lands was very unfair in throwing the whole of the responsibility for the lavish expenditure on group settlements upon the Premier who inaugurated the scheme. I have been just as critical of the scheme as is the Minister for Lands, but it must be acknowledged that the Minister who followed Sir James Mitchell in charge of group settlement was just as enthusiastic—judging from the reports at the time—if not more so, regarding the success of the scheme. The Minister for Lands, as it were, places himself on a pedestal as someone who has never made mistakes. That is an absurd position for him to take up. The only way in which one can avoid making mistakes is by refraining from doing anything at all. The people who do things are bound to make mistakes. In fact, during the course of his speech, the Minister made one absolute misstatement, in which he was backed up by the Deputy Premier, which was an attempt to mislead this Chamber.

Hon. C. G. Latham: Was there only one?

Mr. PATRICK: He said that the State had been penalised to the extent of £400,000 owing to lavish loan expenditure on agriculture. That statement was not correct. The chief part of that penalty was imposed on the State on account of what was termed the severity of taxation. The State Grants Commission took the standard at 103, and our severity was 90, which meant that they charged 13 per cent. for severity of taxation, amounting to £270,000. Then they said that our extravagant expenditure of loan funds should be penalised to the extent of 10 per cent., but they found extenuating circum-

stances and reduced that figure to 7 per cent., which made the amount £140,000. Hence the State was penalised for extravagance, not to the extent of £400,000, but actually to the extent of £140,000.

The Minister for Justice: For various reasons we were penalised to the extent of £410,000.

Mr. PATRICK: Yes, of which £270,000 was due to the fact that our taxation was 13 per cent. below what was deemed to be the mean for Australia. When the Premier was introducing the Loan Estimates I was rather interested in his statement that it was impossible, with the amount of loan money at present available, to put everyone back on full time employment. When members opposite were sitting on this side of the Chamber I remember that they made very strong attacks on the then Government on the question of part-time employment. They had a theory that if the funds available were utilised to put the men on full time employment, there would be created what they termed additional spending power, so that the money would be circulated and everyone would be put in full time employment. The financial position at present is not to be compared with that which prevailed then. During the first year of the previous Government the national income fell by about £200,000,000, and the deficits of the States appeared as if they would reach £40,000,000. If it would have been possible in the then existing conditions, as supporters of the present Government argued, to put people back into full-time employment, surely it should be possible now with the increased funds available and the increased prosperity due to the goldmining industry. The present Premier is reaping the benefit of the sacrifices that were made during those years under the Premiers' Plan. But for those sacrifices, he would not have been able to bring down Loan Estimates such as we have before us to-day. Nor would it have been possible for this State to restore the cuts to the civil service. Of course Western Australia is the first State to do that. It is interesting to note that in Great Britain, where a somewhat similar policy was adopted, the cuts have already been returned to the civil servants. I do not object to the restoration of those cuts if the State can afford it, but it was grotesquely absurd and inaccurate to say, as the Premier said, that no other section had made such sacrifices as had the civil

servants. Who would compare their sacrifices with the sacrifices of men who lost their employment altogether, or of the men on part-time work, or of some of the clerical men now doing manual work who had never done manual work before, or of the men doing essential work on the farms and doing it for a mere pittance? No one could compare the circumstances of such men with the circumstances of the civil servants. The Minister for Lands is constantly referring to the huge amount of money owing by the farmers, not only by way of arrears of bank rents, but the debt due to the State by way of interest. He mentioned that in the course of his speech, and, as I have already said, he has repeated it on numerous occasions. On several occasions he has used it rather illogically to oppose a reduction of costs to the farmer. If he were logical, he would know that he was only stating the position of the industry. At the beginning of the depression the farmers throughout the Commonwealth were urged to grow more wheat, and they produced the largest crop ever grown in the history of the Commonwealth. But with what result? With absolutely disastrous result to themselves. I think they received 1s. 8d. a bushel for that wheat. At the same time there is no doubt that, in the growing of that wheat, they were providing a great deal of work for other members of the community. The member for Subiaco, in speaking on this question, sneered at the farmers for their inability to pay their arrears.

Mr. Moloney: They owe 16½ millions to the Agricultural Bank to start with.

Mr. PATRICK: That is one of the parrot cries which the hon. member has picked up from the Minister for Lands.

Mr. Moloney: It is a fact, is it not?

Hon. C. G. Latham: No.

Mr. Moloney: It is.

Mr. PATRICK: The Minister for Lands also stated that people in other avocations had to carry, by taxation, the farmers at present on the land, but it must be remembered that although the farmers themselves have made nothing from the growing of wheat, they have created a large number of taxpayers in the community.

Mr. Moloney: What about the £900,000 of interest owing by the farmers?

Mr. PATRICK: The railway men and the lumpers are still being paid the same amount of money for handling the wheat, although the farmers have been growing it

at a loss. The wheatgrowing industry, I remind the member for Subiaco, has not asked for a dole. Farmers did not ask for the numerous doles being received from the Commonwealth. All we are asking for is a price that will enable us to pay our way.

Mr. Moloney: Who will pay that for you?

Mr. PATRICK: The community will pay for it just as it pays for every other industry in Australia. I have previously referred to the fact that the people are getting their wheat at a dumped surplus price. To exemplify this, I will quote from the reply of the president of the Board of Trade to a question asked in the British House of Commons concerning the price of French flour. The quotation is as follows:—

The average price of French flour in London, ex ship and ex store, was about 16s. 6d. per sack of 280 lbs. during the four months ended 30th April, 1935. This price included the 10 per cent. ad valorem duty. In contrast, it was stated that the average prices (converted to sterling at the average current rate of exchange) of certain specified grades of flour in Paris, Berlin, and Milan respectively, during January to April, as officially published, were as follows per 280 lbs.:—Paris, prime, 54s. 2d.; Berlin, home grown, 59s. 7d.; Milan, prime, 56s. 11d.

Mr. Moloney: What is your authority for that?

Mr. PATRICK: The president of the Board of Trade speaking in the House of Commons. He went on to say—

Compared with these prices the average price of English straight-run flour, made from home-grown wheat, was 21s. 2½d. per 280 lbs., ex-mill.

Members will see the sort of things that the growers have to compete against. Australians have been getting their wheat at what I may call sweated prices.

Mr. Moloney: Why do you not make your own speech instead of reading it?

The CHAIRMAN: Order!

Mr. PATRICK: The member for Subiaco is in the habit of putting on a record and playing the speeches made by various Ministers. I am trying to give a little original matter.

Mr. Moloney: You are reading your speech; I want you to speak it.

Mr. PATRICK: The present price seems a little better, but there is no stability about it. Members may have noticed that in Canada legislation has recently been passed under which a board has been appointed.

Mr. Moloney: Don't read it.

Mr. PATRICK: I am not going to speak while the member for Subiaco is interjecting.

Mr. Moloney: I rise to a point of order. Is it permissible for a member to read his speech?

The CHAIRMAN: The hon. member is quite in order. I trust the member for Subiaco will be a little more decorous and will keep order, otherwise I shall be under the painful necessity of taking notice of him.

Mr. Moloney: Assuming that the hon. member is allowed to read his speech—

The CHAIRMAN: Order! Will the hon. member resume his seat? I have ruled him out of order. I ask him to be decorous and obey the Chair.

Mr. Moloney: If the hon. member is entitled to read his speech, according to your ruling, it is just as well it should be recorded that he is reading his speech.

The CHAIRMAN: Will the hon. member keep order?

Mr. PATRICK: I am not reading my speech but am reading quotations that are necessary to my speech. In Canada a board has been appointed with power to buy all the wheat at a minimum price that is fixed each year. That price is to remain unchanged throughout the year, no matter how the world's price may vary. It is interesting to note the composition of the board. On various occasions the Minister for Lands has stated that, in connection with price-fixing, the people concerned should not have a majority of representatives on the board of control. The board in Canada consists of Mr. Macfarlane as chairman, a man who has been connected with co-operative wheat pools for most of his life. Then there is Mr. L. Smith, formerly sales manager of the Canadian Wheat Pool. Then there is Dr. Greene, assistant Professor of Economics at the Manitoba University. To assist that board, which consists of a majority of representatives of wheat pools of Canada, there is an advisory committee of seven, comprising one representing shipping interests, one representing the grain trade, one representing milling interests, and four representing the producers. The four are all farmers associated with wheat pool organizations. When the price is fixed it remains fixed throughout the year, but the farmers may, if they can get a higher price elsewhere, sell their wheat away from the board. At any rate the farmer knows he has a

fixed minimum price for 12 months. I hope the Federal scheme, which is supposed to come to fruition this year, will work satisfactorily. Farmers only want the same deal that other members of the community are getting. Some members on the cross-benches have stated that the community is taxed for the benefit of the exchange which the farmers are getting. When the Commonwealth Bank took over the exchange, they actually reduced it from 30 per cent. to 25 per cent.

[Mr. Hegney took the Chair.]

The Minister for Lands: It would be lower if it were not pegged.

Mr. PATRICK: If it had not been pegged at 25 per cent. there are many occasions when it would have been higher owing to the adverse balance between exports and imports. The benefit of this exchange has been obtained largely by the secondary industries. If this had been an absolutely freetrade country, it might have been said that the exchange was a tax on the consumers. As it is a highly protectionist country, the matter could easily have been adjusted, as the Tariff Board recommended, by reducing tariffs as the exchange went up, so that the consumer would have been getting his commodities at practically the old figure. The secondary industries have been some of the greatest gainers from the exchange, but the greatest gainer of all has been the gold mining industry.

The Minister for Lands: If the exchange had not been pegged, it would have been down to 20 per cent.

Mr. PATRICK: In my opinion it would have gone up to at least 50 per cent. before it fell. Even now it would probably have been higher than 25 per cent. Our exports are not sufficient to pay the amounts owing in London.

Mr. Rodoreda: The taxpayer pays it here.

Mr. PATRICK: The taxpayer would have no need to pay it if the tariff had been scientifically adjusted to meet the rise and fall in the exchange. The gold mining industry has benefited to the extent of at least 35s. per ounce of gold. If I remember rightly, the Chairman of the Gold Bonus Committee went to the Government and said that if they could get £1 per ounce they would give the Government the benefit of the exchange. It was then 5s., which would mean a bonus

of 15s. per ounce. Had the Commonwealth Government accepted that offer, they would have been collecting what I may term a royalty of £1 per ounce on all Western Australia's gold production. Now as regards taxation of the gold mining industry. I have some interesting figures here. Last year, when the subject of a small tax on gold was being discussed, various statements were made as to taxation in South Africa. Having the actual figures available, I am in a position to say that none of the guesses made were near the facts. I have here the "London Times," South African edition, 31st May, 1935, which contains a page inserted by the Gold Producers' Committee of the Transvaal Chamber of Mines. I quote from "The Times"—

The Transvaal gold mines produced in the year 1934 10,486,393 ounces of fine gold, and the tonnage of ore milled in that year was 40,055,750. The companies' declared revenue was £71,500,000, their estimated working costs were £38,985,000, their estimated working profit £32,515,000, the taxation and share of profits of leased mines paid to the Government was approximately £13,300,000, and the dividends paid amounted to £15,878,000.

The Minister for Lands: Taxation and share of profits was more than that, I believe.

Mr. PATRICK: Those are highly interesting figures. I think the interjection of the Minister for Lands is right, because a representative of one of the leading mining companies in the Transvaal stated that the amount taken by the Government in taxation and in share of profits was nearly £20,000. Besides taxation there is a large rental on all mining leases in South Africa; and that has to be deducted from profits. As we know, when Western Australia proposed to take a small share, if it could be called a share, of minning profits, it was stated that the Government had consulted the persons interested because there was no desire to injure investment. In reply to a question asked in the South African Parliament by one who thought a larger share should be taken by the Government, the Minister for Mines pointed out the importance of encouraging the sinking of capital in what was always a risky enterprise, and said that to attract fresh capital into a risky undertaking it was clearly necessary to avoid creating in the minds of investors the

fear of confiscatory taxation. Evidently the South Africans did not fear putting off investors. In fact, during last year alone £80,000,000 of new capital went into South African mines. Since the boom started, no less than £200,000,000 of new capital has been invested there. My own opinion is that this State would have been justified, in view of the high price of gold, in imposing a small royalty on gold and using the money so obtained for the extension of those State batteries which are said to be so urgently necessary, and also for meeting the cost of the prospecting scheme instead of taking that money from loan funds. In addition, there is high indirect taxation of the gold mining industry of Western Australia, especially on new flotations. Speaking on the Address-in-reply, I pointed out the enormous amounts taken off in the flotation of companies. I shall instance one case, because when the Minister for Mines was speaking with reference to the company in question he said he knew they had £750,000 cash in the bank. I interjected that that was reduced by £250,000 paid to vendors and in expenses. Thereupon the Minister said I did not know what I was talking about. I shall give the terms of the flotation, so that hon. members may appreciate what is called the rake-off.

Mr. Marshall: He was speaking in the sense of authorised capital, not subscribed capital.

Mr. PATRICK: No. The Minister said the money was in the bank. The facts are as follows:—

Of the £700,000 cash subscribed, £155,000 went as the cash portion of the purchase consideration, £35,000 in underwriting and over-riding commissions, £7,600 in registration duties, and £26,400 in preliminary expenses, working capital being around £175,000. The Australian Machinery and Investment Co., Ltd., received £80,000 cash and 930,000 shares of 5s. each for certain interests described as "some of the best known gold mines in Western Australia," including shares in Lochinvar Gold Mines, Ltd. (formerly the Paddington Consols), Black Range Gold Mines, Ltd. (Oroya, Black Range), Woolgar Gold Mines, Ltd. (Menzies Consolidated), Gladiator Gold Mines, Ltd. (Augusta), and Bindah Gold Mines, Ltd., together with options over Fitzgerald Brown Coal, No Liability.

Hon. members will realise that large taxation is thus being taken out of the gold-mining industry. Those mines, if they ever prove payable, must pay back that money before the investor gets any return. In fact, we are now introducing into Western Aus-

tralia the system known as holding companies, which has been absolutely condemned in the United States. There it is known as pyramid financing. Hon. members will understand that the term "pyramid" means building up. President Roosevelt this year signed a Bill which he said was the most important measure he had ever signed, controlling the operations of holding companies. Holding companies are worked in this way: the company to which I have just referred would, as the result of that flotation, float off perhaps a dozen subsidiary companies, and each of the subsidiary companies would have to give a rake-off to the holding company. An instance is the Yellowdine company, which is held by numerous companies, as shown by the extract I have quoted. Now the proposal is to float a new Yellowdine company for the purpose of buying back the interests of those other companies and making a fresh start. Naturally there will be a rake-off to the new company, so that the mine will have to be a good one to give a return to those who put up the real money for working it.

The Minister for Lands: That is why the shares are so stagnant.

Mr. PATRICK: Of course it is. One other matter I desire to mention is the delay in bringing into operation the recommendations of the Royal Commission on bulk handling. Hon. members know that, as the Royal Commission stated, the bulk handling system represents one genuine attempt made by the farmers to reduce their costs, and the Commission indicated that costs could be reduced by 2½d. per bushel. It is regrettable that the Government have succeeded during their three years in office in withholding that very substantial benefit from the farmers. There is no doubt that if the system had been extended—it was begun just over three years ago—the saving mentioned by the Royal Commission would have been general throughout the State. I cannot understand why obstacles have been placed in the way of Co-operative Bulk Handling Ltd. In Canada, the co-operative movement, which comprises the three great co-operative pools, control no less than 1,600 elevators. They own those elevators, and there has been no action to prevent the company installing them. They were installed because the farmers were not satisfied with the deal they had received from the private

companies operating, and therefore the elevators were installed in opposition to those private concerns. I have not heard that the Government railways or the private railway concerns of Canada objected to that being done. It is only necessary to state that in our five peak years of 1926-27 to 1930-31, £3,017,539 was spent on bags, to demonstrate the cost to the farmers. That amount represents the landed cost in Australia over those five years, and, naturally, to that has to be added railage and merchants' profits. Farmers, especially those in my electorate, have been hoping that the bulk handling system would be extended in view of the report of the Royal Commission. Recently a large meeting of farmers was held at Morawa, and, as a result, some weeks ago I introduced a deputation to the Chief Secretary asking that permission be granted for the installation of bulk handling facilities at the siding near Morawa. The Minister pointed out that he did not think there was a chance of doing anything this year, as there would be no time. In reply to that the deputation pointed out that they had already made arrangements to get the sidings equipped, and for the handling of wheat at Geraldton. The Minister then stated that the Government had already arrived at a decision, and that the Minister for Lands would shortly make a statement in this House. That statement has not yet been made. It is three months since the Commission submitted their report, and I think the Government should at least have agreed to the extension of the system this year. With other members, I regret that the season has not been entirely satisfactory. It opened well, but, unfortunately, the September rainfall was much below the average throughout the State. It was bad luck, because there was a prospect of getting reasonable prices. The present state of affairs will affect the Government Estimates, because it must react on railway finance and revenue generally. In the circumstances, I think the Premier was very wise in framing his Revenue Estimates in what he described as a spirit of restrained optimism, because, as Mr. Duffy, one of the directors of the Commonwealth Bank—he was once a very prominent man in the Labour movement—when passing through Western Australia, said—

Australia still has a long way to go before prosperity, as we know it, returns. Australia's

economic salvation is so bound up with wool and wheat that, until there has been a definite upward tendency in the wheat market, we cannot be too sanguine of our future.

Vote put and passed.

Vote—*Railways and Tramways, £562,500.*

Mr. NORTH: Following upon the answer he gave to my question this afternoon, I would like the Minister for Railways to say exactly what was meant by the reply. If the standard railway gauge question is to be discussed at the Premiers' Conference to be held shortly, is it a fact that if the Federal Government were able to finance the State to standardise our system, it would be less economical to run on the broader gauge? His answer to the question this afternoon would seem to suggest that it would cost less to run on the narrow gauge than on the standard gauge. If that is the position, it is difficult to understand why the Eastern States have burdened themselves with broader gauges. There may be some reason for it, but surely it cannot be, in any engineering sense, that the standard gauge is more uneconomical. My question was based on the assumption that the entire cost of the conversion and provision of new rolling stock would be borne by the Federal Government.

The Minister for Railways: There is no possibility of that being done. There has been no suggestion of that. The reference was only to the section between Kalgoorlie and Perth.

Mr. NORTH: Then that will not affect this issue.

Item—Additions, improvements opened railways, £250,000:

Mr. NORTH: Is action contemplated with regard to the proposed subway at the Cottesloe station? That work has been requested for 12 or 15 years, and plans have been drafted. If the subway were provided, it would do away with the level crossing regarding which there has been so much criticism for years past. I understand that the subway would eliminate the necessity for signalmen at a cost of between £600 and £700 a year. It is suggested that that saving, calculated as interest, would more than pay for the undertaking.

The Minister for Railways: A signalman would be required there in any case.

Mr. NORTH: There was one there before. The subway would also remove the

trouble regarding the closing of the gates. Also under that same item are the frequent requests I get as to a new siding for Eric-street between Swanbourne and Cottesloe stations. Residents have been demanding that facility for some time. When the late Mr. Seaddan was Minister they were told that although the department viewed the proposal favourably, the financial position would not permit of it.

Mr. LAMBERT: There is greater necessity for improvement at the level crossing at Melbourne-road than at Cottesloe. Still I hope the Railway Department will take into account the fact that the opening and closing of the gates at Cottesloe constitute a distinct annoyance. At Melbourne-road, from Wellington-street to Roe-street, there is great room for improvement.

Mr. Marshall: Is there much traffic down there?

Mr. LAMBERT: Yes; it is the main artery to the railway goods-sheds. I hope the Minister will direct that at the Cottesloe crossing the gates should not be closed for ten minutes or even five minutes before a train passes.

Vote put and passed.

Vote—*Harbours and Rivers, £250,500—agreed to.*

Vote—*Water Supply and Sewerage, £1,143,500:*

Item, sewerage and drainage Perth and Fremantle, £375,000:

Mr. NORTH: I should like to ask the Minister why the sewerage of Peppermint Grove is being pushed on notwithstanding that almost every resident in the district has a septic tank, and no complaints have been received. People there do not want the deep sewerage, but would prefer to retain their septic tanks. If it be that the engineers cannot make their main scheme satisfactory without including the Peppermint Grove area, well and good, but if that is not the reason, the residents would like to know why the department should force on the work in that district.

Mr. LAMBERT: I do not know that there is any great necessity for going on with the sewerage of Peppermint Grove. Probably the money could be expended to much better effect in some other direction. Almost every home there has a septic tank and there is no justification for spending a large sum of money there on

sewerage except as part of a big comprehensive scheme.

Mr. CROSS: I should like to know how much of this amount is to be devoted to South Perth and Victoria Park. All the residents there are anxious to know when the promised work is to be commenced.

Item, Metropolitan Water Supply, £325,000:

Mr. NORTH: I have received many complaints about meters, and I should like to ask is it the practise in the capitals of the Eastern States to fix meters in 25 per cent. of the homes of customers and let the other 75 per cent. go free. When a person's meter is working against him and he asks for a test, invariably the meter works perfectly during the period of test.

Item, Goldfields Water Supply £310,000:

Mr. LAMBERT: I hope the Government will give consideration to the reticulating of many areas in my electorate at Southern Cross. I know it will involve a considerable sum of money, but when we are spending loan money this is one of the means to which the Government should give serious consideration.

Item, Water Supply in Agricultural and North-West Districts (including drainage and irrigations and loans and grants to local authorities and drainage boards), £100,000:

Mr. McLARTY: I understand the Minister is considering the imposition of certain drainage rates in some of the drainage areas in the South-West. I hope the Minister, if he must impose a rate, will impose the lightest possible rate, and I suggest that he might consider the advisability of not imposing any rate at all for the present. A great majority of the settlers who will benefit from the drainage are Agricultural Bank clients who are in arrears with their interest, and many of them with their principal repayments. If it is not possible for them to meet those commitments, they will be unable to meet imposts for drainage.

Hon. C. G. Latham: Will not this give them a higher earning power?

Mr. McLARTY: Certainly. The Minister smiles, but if Agricultural Bank interest cannot be collected, how can he expect to collect additional rates? I hope that the drainage rate will not be imposed for

the present. The Premier, in introducing the Estimates, said there would be no comprehensive drainage works carried out in the South-West. I hope that does not mean that he is not going to continue drainage works necessary to the comprehensive scheme already in hand. Eventually the settlers will be able to pay drainage rates, but they cannot be expected to pay the rates on flooded country, and only recently has the country been relieved of the water. I would be glad to know whether it is intended to complete the minor drains so necessary to the comprehensive works already carried out. I hope the Minister will seek the advice and co-operation of local bodies. The road boards consist of practical men who know where the drains should go and the class of country worth draining. If he seeks their co-operation, it will be of benefit. Some months ago I introduced to the Minister a deputation on drainage matters in my district, and I should like to know whether he has reached a decision on the requests submitted to him, and whether he has a reply that I can pass on to those people.

The MINISTER FOR WATER SUPPLIES: The member for Claremont gave a very satisfactory reply to his own question. The matter of meters is one for correspondence. Generally, the new meters about which complaints are made are correct. They are always subject to test.

Hon. C. G. Latham: After one has paid for the cost of testing.

The MINISTER FOR WATER SUPPLIES: The old ones were not registering and, when new ones were put in, people started to complain. As to sewerage on the south side of the river, there is a definite programme which has to proceed in an orderly manner. In the main we are proceeding to a plan, and work on the south side of the river will be undertaken in due course. While some people are very anxious to have the sewerage extended there, others are not. The member for Canning, I think, will certainly have his desire met. There is great difficulty in respect to country water supplies. Proposals are put up to me piecemeal and it is difficult to tell which one should receive preference. Consequently I had a committee appointed representing the Department of Agriculture, the Agricultural Bank, the Lands Department and the Country Water Supply Department. Each re-

quest is reported on by the committee and placed in order of urgency. An amount of money has been set aside, and whatever sum the Treasurer can make available will be expended in accordance with the representations of the committee. In the drier areas shallow boring has been practised, but now it is proposed that a bore, for which £5,000 has been provided, shall be used capable of going to a depth of 400 feet and testing the country. The Government Geologist is a member of the committee, and I am hopeful that this boring will have a good effect in the drier areas for which it has been difficult to provide water.

Mr. Patrick: It has been successful in the Dartmoor district.

The MINISTER FOR WATER SUPPLIES: Yes. Extensions from the goldfields main to Moorine Rock and the miners' settlement have been suggested. That work will be most expensive and there is no prospect of undertaking it. Up to the present the committee have not been favourable to it.

Mr. Lambert: The goldfields water scheme has cost the country £1,300,000.

The MINISTER FOR WATER SUPPLIES: That does not make any difference.

Mr. Lambert: And I think the goldfields people have paid for it.

The MINISTER FOR WATER SUPPLIES: I explained that the other night. Those schemes would be very expensive. There is no prospect of their paying, and though they might be considered urgent, I cannot hold out any hope of the extensions being made in the near future. The member for Murray-Wellington touched on a most debatable question—that of imposing drainage rates. He asked me to declare a policy straight out, but I need not remind him that in the circumstances that is almost impossible. Drainage in the South-West is a costly work. The Harvey scheme alone, with the river diversion and the snagging of the old watercourse, has cost the country £400,000, and instead of the settlers, who have benefited by having their lands improved in value by the drainage, making any attempt to meet the position, they hold meetings and decide that the drainage has not improved their holdings. Once they get the drainage they call a public meeting, where they are unanimous in saying that it is of no use to them, and that therefore no rates should be imposed. If

they can get out of the payment of rates to the Government they think they are justified in doing so. The only money we are likely to be able to get is for irrigation. People will not be able to get the water unless they pay their rates. They do get drainage without the payment of rates, and it is difficult to secure the money. I admit that some consideration must be given to people who are not in a position to pay, particularly Agricultural Bank clients. Those liabilities will have to be treated in conjunction with the other liabilities. If bank clients are unable to pay interest or other dues, then the drainage rates they owe will have to be taken into consideration with the other liabilities. This is one reason why it is difficult to determine upon a policy. We could impose a rate, but very often with little prospect of getting the money. Because some people do not pay, those who can pay do not pay either. The position in respect to drainage rates is unsatisfactory. I am not recommending any very extensive drainage scheme. Even the settler very often is not thankful for the drainage of the area in which he lives. It is not a payable proposition for the Government. A great deal of drainage work has been done, and I hope it will have the effect of developing the country.

Mr. McLarty: It will.

The MINISTER FOR WATER SUPPLIES: In time the work may be justified. When speaking at Harvey I said, whether these large drainage schemes would eventually be justified depended on the people themselves. I hoped they would show they were people who wanted to develop the country, and that it would then be possible to secure payment of the drainage rates. Some liability rests upon the private owner whose land values have been increased and the productivity of whose land has improved. Practically all drainage drains some private land. We are endeavouring to devise a policy to meet a most difficult situation. I hope we shall be able to say what will be required in the near future, and that those concerned will make an attempt to meet their just dues in respect to drainage rates. The general question referred to by the hon. member has not yet been finalised, but most other matters were dealt with at the deputation which waited upon me.

Vote put and passed.

Vote—Development of Goldfields and Mineral Resources, £50,000:

Mr. LAMBERT: There is an item here, "Development of Mining (including prospecting and boring for minerals and miscellaneous, £40,000)" about which I should like some information. I object to the expenditure of a large sum of money in co-operating with the Military Department in the making of geographical and geological surveys in the centre of Australia. We should not needlessly spend money in this way when it will be of no economic advantage to us.

The CHAIRMAN: I think the hon. member's remarks would more aptly have been made on the Bill that was before the Chamber recently.

Mr. LAMBERT: It is no use looking for minerals in the centre of Australia when they are of no economic value to us.

Mr. Moloney: How do you know that?

Mr. LAMBERT: Is the State being committed to an expenditure of £40,000 on this geological work?

The CHAIRMAN: A Bill has already been passed by both Houses of Parliament providing a sum of £37,500 for the purpose which you are now discussing. Western Australia represents only part of the scheme. Consequently I rule that under this item you are not justified in discussing the subject.

Mr. LAMBERT: Any item requiring an allocation from Loan Estimates we have a right to discuss, apart from any Bill. Its being implemented in conjunction with others does not concern us at present.

The CHAIRMAN: The item does not cover what the hon. member is speaking about.

Mr. LAMBERT: It is an allocation from Loan Estimates, and so we have a right to discuss it.

Mr. Moloney: You are trying to bulldoze the Chairman.

The CHAIRMAN: I ask you to respect the Chair, Mr. Moloney. The hon. member is not attempting to bulldoze the Chair. He is quite within his rights. I ask you, Mr. Moloney, to withdraw that remark.

Mr. Moloney: In view of the Chairman's exercising that right, I certainly withdraw the remark.

Mr. LAMBERT: While I know the enthusiasm of the Minister for Mines and of his technical officers for a mineral survey

of Western Australia in co-operation with the Commonwealth Government, I sharply disapprove of the policy that is being pursued. I regard that policy as a waste of money. Commercial minerals that can be utilised are only such minerals as can be conveyed to the coast. I have had definite and severe experience in this respect.

The CHAIRMAN: I have already ruled that you are not in order in discussing under this item what you are now discussing, having regard to legislation recently passed. You cannot comment on such legislation, Mr. Lambert. Under this item you cannot proceed along the lines upon which you are now proceeding.

Mr. LAMBERT: In confining myself to the item, I ask what is implied by "boring for minerals and miscellaneous"?

The MINISTER FOR LANDS: If the hon. member will look at page 23 of the Loan Estimates he will find that the amount is to be utilised for loans under the Mining Development Act, assistance to prospectors, loans of boring plants; boring, rebates, subsidies, and assistance to the mining industry generally. That is the Vote provided every year, and always expended in the same way. The aerial survey is not provided for on these Loan Estimates, but will be paid for by the Federal Government, and was the subject of legislation some weeks ago.

Vote put and passed.

Vote—Development of Agriculture, etc., £340,500:

Item, Development of agriculture, £135,127.

Hon. C. G. LATHAM: I presume that most of this money is intended to continue the Government's policy of clearing further land in the group settlement areas. Probably the Vote also provides further funds for settlements which the Minister for Lands recently said I had started, and which it was his pleasure to condemn.

The Minister for Lands: I did not condemn them.

Hon. C. G. LATHAM: The Minister referred to the Nornalup settlement, saying that certainly there was good land in the area but that the settlers had left. From the Auditor General's report, presented to-day, I see that already £90,000 has been spent in that area. Any such sum is far in

excess of what should be spent at Nornalup. Is the expenditure to continue? I object to the present Government or any other Government simply expending money on land settlement and then writing it off. The Labour Government spent nearly £7,000,000 on group settlement, and then wrote down the amount by £4,000,000. If the Nornalup settlers have left their holdings, what is the Minister doing about it? Is he putting on caretakers? Will he try to dispose of the holdings? Before the present Minister took over, three of those settlers had obtained releases from Group Settlement and were operating under the Agricultural Bank, and were capable of earning their living on their holdings.

The Minister for Lands: Was that at Nornalup?

Hon. C. G. LATHAM: Yes. They were freed from the scheme and were earning their own living.

The Minister for Lands: How long had they been there?

Hon. C. G. LATHAM: Eighteen months or two years.

The Minister for Lands: Positively marvellous!

Hon. C. G. LATHAM: Yes, but since then, spoilt by the Minister.

The Minister for Lands: At any rate, it is not true.

Hon. C. G. LATHAM: I do not think the Minister knows anything about it. It is true.

The Minister for Lands: What are their names?

Hon. C. G. LATHAM: Ask me something easy.

The Minister for Lands: Ah!

Hon. C. G. LATHAM: The Minister need not worry. I will have their names when we deal with the Revenue Estimates. If he likes, we will talk these Estimates out to-night and I will give him their names later. The Minister asks me for their names! Does he know the names of all the people down there? Of course, he does not. I can tell him where they were located. Some of the men were sending their vegetables to the goldfields and disposing of them there.

The Minister for Lands: All right.

Hon. C. G. LATHAM: Now we find that the amount spent at Nornalup has risen to £90,000, and, of course, the Minister will come along directly and condemn the whole thing because the settlement was inaugu-

ated by another Government, of which he was not a member. I do not want this sort of thing to go on any longer, and it is about time we took stock. I agree that much less has been spent at Nannup and at Albany. I believe about £13,000 only at Albany and at Nannup about half that which has been spent at Nornalup.

Mr. Wansbrough: At Albany it is quite a different class of country.

Hon. C. G. LATHAM: And it would require to be. I suppose the capitalisation of blocks at Nornalup is about £1,500 each, and the probability is that the settlers are running about two or three head of cattle only at this stage. Before we pass this Vote, the Minister might tell us, if the matter is included under this heading, how many of the settlers are left there, what are their prospects, how many cattle are they running, and what sidelines have they? The Committee should refuse to pass any more money under this heading merely to enable the Government to write off the amount later on. I want the Minister to give us that information.

Mr. F. C. L. Smith: What is the area of the blocks at Nornalup?

Hon. C. G. LATHAM: From 150 acres to 300 acres, although some may be a little larger. It is rich country, heavily timbered. The blocks were only partially cleared when I handed over to the present Minister, and I understand that there has been additional clearing carried out since then. I have not been down there since I left office, because the Minister is such a suspicious character that if I were to go down, I would be charged with being political. For that reason, I have kept away.

The Minister for Justice: Why talk like that?

Hon. C. G. LATHAM: I am justified in talking in that manner after what the Minister said the other evening.

The Minister for Justice: Don't worry about that.

Hon. C. G. LATHAM: I am not worrying about him in the slightest degree, but I, in common with other members, have a responsibility in the checking of expenditure. I am giving the Minister an opportunity to tell us what the position is at Nornalup. I propose to have something further to say when we discuss the Vote for the Agricultural Bank.

Mr. McLARTY: I would like some information regarding one item.

Hon. C. G. Latham: But wait a minute! I want the Minister to reply.

The MINISTER FOR LANDS: I will reply with the greatest possible pleasure. If the Leader of the Opposition had not lost all sense of proportion or, in other words, had not lost his head, he would not have made such a foolish statement as that the Government have spent £90,000 at Nornalup. Who was responsible for that settlement?

Hon. C. G. Latham: You have been responsible for the last two years.

The MINISTER FOR LANDS: Who was responsible for the settlement? Who put the settlers there?

Hon. C. G. Latham: I did, or rather the Government with which I was associated.

The MINISTER FOR LANDS: Who established the settlement at Nornalup, when thousands of men were already leaving the land?

Hon. C. G. Latham: There were not thousands of men leaving the land then.

The MINISTER FOR LANDS: What mentality is this? What mentality can a man possess who talks about waste on group settlements and condemns the Government who carry on the scheme that his Government initiated, and then starts another group settlement in the same locality? What extraordinary mentality! Can members understand anything more stupid?

Hon. C. G. Latham: Yes, you!

The MINISTER FOR LANDS: Men had been leaving their holdings on the group settlements. Farmers in the wheatbelt were crying for help, and this man, the Leader of the Opposition, starts a new group settlement at a time when hundreds were leaving their holdings. Now he has the impertinence to hold me responsible because the Administration had to carry on. Who ought to be condemned? Consider the stupidity of the Government who could establish another group settlement in the midst of an earlier group settlement that was already in serious trouble, in regard to which, he says, millions of money has been wasted. Having inaugurated that scheme and landed us with it, he now says to us, "You are responsible. What have you done with the money?" Then he attempts to justify himself and says, "You spent £7,000,000 on group settlements, and now you are going to do the same thing at Nor-

nalup." Did members ever hear anything more impudent?

Hon. C. G. Latham: It is absolutely true, if it is impudence. I will give you your own words for it.

The MINISTER FOR LANDS: Could there be anything more impudent than for a member of Parliament to get up in this House and accuse the Government of wasting money on schemes that he started and, after he had inaugurated another similar scheme, hold us responsible for that too? Who will listen to that claptrap? Now the Leader of the Opposition says that we are responsible for group settlement. If he and Opposition members speak until they are black in their faces, they will never convince any other individual in this country, apart from themselves. The community know all about it. So I commend to the Leader of the Opposition the words of Omar Khayyam.

Hon. C. G. Latham: I should think you would require that, too.

The MINISTER FOR LANDS: Here are the lines—

The moving finger writes, and having writ
Moves on; nor all thy piety nor wit
Shall lure it back to cancel half a line,
Nor all thy tears wash out a word of it.

So all the sophistry, all the tears and impudence will not get rid of the fact that the Government of which the Leader of the Opposition was a member were responsible for group settlement, and that, in the midst of that disaster, they established another group settlement for which they are also responsible. Now to come along and tell us that, after two years, three settlers have made good at Nornalup in that heavily timbered country, is simply marvellous. It has never been done before.

Hon. C. G. Latham: Hasn't it?

The MINISTER FOR LANDS: It is simply marvellous that three settlers have gone off the scheme and gone on the Agricultural Bank. Well, I have never had the pleasure of meeting them, but when I do I will fall on their necks. There are people from the group settlements in that same country in the House now, and when they hear that there are three settlers who have made good in two years, they will declare that they must be supermen. I will make inquiries into this. I think that when the King distributed the Jubilee medals it was a great omission that they were not issued to those three men. I have

been down in that area, but have never heard of those men. However, the hon. member says they are mentioned in "Hansard." That is where a lot of exaggerations are to be found—in "Hansard."

Hon. C. G. Latham: And most of them come from you. You have never got up without having a lot of lies to tell.

The MINISTER FOR LANDS: I do not think there has ever been a greater exaggeration than these three men, but nevertheless I will look for them, and if they have got through they will be exceedingly interesting, because they stand alone. There are all the old settlers, those, for instance, represented by the member for Sussex (Mr. Brockman) who have been struggling for 50 years or more. When they hear about those three men it will shame the old settlers since three men have succeeded in two years. I have not previously heard of those three men, but to-morrow I will go down to my office indignant that those men have not been brought under my notice. Really I do not think there is a word of truth in the statement, for when I look at the hon. member's demeanour I begin to think he is not quite all right; he is so excited that surely he must have made a mistake.

Hon. C. G. Latham: If there is any man in this House queer in the head, it is you.

The CHAIRMAN: Order!

The MINISTER FOR LANDS: It occurred to me that the hon. member was dreaming.

Hon. C. G. Latham: Unlike you, I do not require to have someone to prompt me all the time.

The MINISTER FOR LANDS: Well you ought to have.

Hon. C. G. Latham: I am asking you to make inquiries, not about them, but about the expenditure of £90,000.

The MINISTER FOR LANDS: I will come to that.

Mr. Patrick: I wish you would.

The MINISTER FOR LANDS: I will make inquiries about those three men to-morrow, and on the Lands Estimates I will give their names if possible and tell the Committee more about them. A number of settlers have left Nornalup. I told the hon. member I had asked why they should leave Nornalup, where they had £2 a week and a home. But settlers have left it and, as far as pos-

sible, other settlers have been put in their places. The member for Beverley (Mr. Mann) could name quite a few who have gone down there. I think the hon. member went first to view the land and then recommended it to his own constituents. Why? Because it does not seem right that cleared areas should be allowed to grow up again. And if that had been permitted, what would have been the charge here? It would have been said that we had had splendid settlers and had permitted them to be driven out.

Hon. C. G. Latham: I like your fertile brain.

The MINISTER FOR LANDS: The hon. member has only to move that the Vote be reduced by a certain amount, and I will accept the challenge. Is the hon. member game?

Hon. C. G. Latham: Is not that wonderful?

The MINISTER FOR LANDS: The hon. member says he wants to see all this come to an end.

Hon. C. G. Latham: Nothing of the sort. I want to stop you from doing what you did before.

The MINISTER FOR LANDS: Well, move that the Vote be reduced. If the hon. member has the courage to say that this must come to an end, let him move to reduce the Vote, and certainly it will come to an end. There is the challenge, but the hon. member will not rise to it.

Hon. C. G. Latham: And you will not try to make political capital out of it, will you?

The MINISTER FOR LANDS: You have only to move to reduce the Vote and say this has gone too far, the expense is too great, and that there must be an end to it. Happily, the settlers who still remain there are making considerable progress. Some good settlers left, I understand, because their wives were not satisfied. The places of those settlers have been filled by other settlers. A considerable acreage has been cleared. I was very pleased with the character of the country and with its water supply. I commend the hon. member in that it is one of the best areas I have seen in the South-West, one of the finest to be found in the South-West. In the main the hon. member made a very wise and good selection, and the settlers are there; they have their homes there, and last year we supplied a considerable number of stock.

I think in all there are 459 head of dairy stock down there. That country cannot be brought into production quickly; it never has been and never will be. Any man who sets his hand to develop a holding in the South-West knows that it will take years to accomplish and that the cost will be very great. Most of the holdings at Nornalup have been fenced and provided with rabbit-proof netting. That was done before I took office. This year additional cattle will be put on the land to make those people more self-supporting as soon as possible. That is my aim. There has been a far greater number of settlers at Nornalup than at Napier and so the expenditure has been far greater. Unless the Chamber gives a decision to close down the settlement, it must be continued. I can see no alternative. While I consider it was stupid to create a new settlement in the midst of an existing settlement which was not satisfactory and where holdings were already available, still it has to be continued. If the hon. member wishes to be fair, he must start off fairly.

Hon. C. G. Latham: You did not do so the other night. I am going to give you back a little of your own.

The MINISTER FOR LANDS: The hon. member has not done so yet.

Hon. C. G. Latham: I will do so presently.

The MINISTER FOR LANDS: I do not fear it.

Hon. C. G. Latham: You behave decently and I will do likewise. I have always done so, but you have not.

The MINISTER FOR LANDS: I do not fear the hon. member in the least. The other night the hon. member started the ball rolling.

Hon. C. G. Latham: I did not.

The MINISTER FOR LANDS: The hon. member undoubtedly did.

Hon. C. G. Latham: If you had refrained from interjecting, I would not have said anything.

The MINISTER FOR LANDS: The member for Nedlands made an accusation against me. He said that I came here with notes in order to attack the Leader of the Opposition. I came here unprepared to speak at all and without a solitary note.

Hon. C. G. Latham: You found it necessary to usurp your chief's place.

The MINISTER FOR LANDS: My chief asked me to speak in defence of my own department. To-night the

hon. member started off as unfairly as he did the other night. This Vote will be expended as wisely as possible, just as we expended last year's Vote. I told members how different was the policy of the Collier Government from that of the Government of which the hon. member was a member. His complaint was that the vote had been reduced and that the farmers in the wheat belt, who were in a very bad way, would get less assistance as a result of the reduction. I pointed out that during his term of office not a shilling of the Vote was used to assist any farmer in the wheat belt then on the land. To-night I will prove that statement to the hilt. It was the custom of the Mitchell-Latham Government to utilise this money to provide work for the unemployed and for other purposes. I mentioned that I put an end to the waste of money at Frankland River and utilised the money of this Vote to establish further cleared areas on Agricultural Bank property. Instead of spending large sums at Frankland River and other out-of-the-way places, from this Vote last year, a sum of £89,752 was expended on Agricultural Bank holdings for reconditioning and further development.

Hon. C. G. Latham: Is not that on a par with what we were doing?

The MINISTER FOR LANDS: Is it?

Hon. C. G. Latham: Of course it is.

The MINISTER FOR LANDS: It is not. The hon. member's Government spent some of the money on a special settlement undertaken by the hon. member. He also spent it on providing work for the unemployed at Frankland River and Margaret River and on schemes where land was not wanted. Frankland River areas are 14 miles from a railway. The land has been made available for selection and the Lands Department have not received a solitary application for it. Last year the hon. member said that the Frankland River country was good dairying land. Reports from people in the neighbourhood say it is not good dairying land. It is not suitable for dairying.

Hon. C. G. Latham: I think you said you got that from Mr. Hadley.

The MINISTER FOR LANDS: Mr. Hadley was one of them.

Hon. C. G. Latham: You know how far he is away from the settlement.

The MINISTER FOR LANDS: He is farming down there.

Hon. C. G. Latham: He is 14 miles away from it.

The MINISTER FOR LANDS: Mr. Law was a member of the advisory committee who approved the settlement, and he advised me to obtain a report from Mr. Hadley. A report was obtained. The fact is that nobody wants this land 40 miles from a railway. We have utilised the unemployed on the reconditioning and further development of Agricultural Bank farms and in that way £89,752 of the Vote was spent. On the special settlements of the hon. member, we spent £22,000. We either have to spend money on them or abandon them. Consequently, unless this Chamber decides to the contrary—and I leave it to the hon. member to take the initiative—they will have to be continued. It is very unfair to charge me with the responsibility for expenditure that has to be incurred because of a settlement and promises made by the hon. member.

Hon. C. G. Latham: What was the promise made?

The MINISTER FOR LANDS: If there was not a promise, why were those people sent down their with their families? Why was the scheme initiated? Is not that a promise?

Hon. C. G. Latham: I did not promise them a second group settlement such as you are carrying on.

The MINISTER FOR LANDS: As I said before, the Opposition cannot escape the blame for the group settlement scheme. Why have not the 900 locations abandoned in the reconstruction been taken up since? Would the member for Murray-Wellington say that the money expended on the Peel Estate was justified or that the abandoned holdings would maintain a man and his family? Of course not. Everybody who sees the Peel Estate country scoffs at it. I remember taking Mr. Devereaux, a man with a knowledge of land in the Eastern States, to see the Peel Estate—he was then vice-chairman of the Migration Commission—and he said, "Dreadful! Dreadful! I commend the Government for the action they have taken in abandoning it." The member for Murray-Wellington told me he had taken some farmers from New South Wales out there. They said to him, "Did the Government ever mean to settle dairy farmers here?" The member for Nedlands spoke of this as a great scheme, a great idea.

Hon. C. G. Latham: I am glad to hear the member for Murray-Wellington took friends down to condemn a part of his own electorate. I suppose he told you that in confidence.

The MINISTER FOR LANDS: He did not tell me in confidence.

Hon. C. G. Latham: I told you something in confidence once.

The MINISTER FOR LANDS: He told it to me as public information. The Peel Estate was settled nearly a hundred years ago. Does the Leader of the Opposition know that Western Australia is nearly as old as New South Wales? Why is it that settlement has progressed around all the other cities in Australia, but has not done so here? There is a reason for that.

Hon. N. Keenan: I was referring to the groups in the South-West, not to the Peel Estate. Are the group settlements limited to the Peel Estate?

The MINISTER FOR LANDS: It was said to be a magnificent conception, and yet no one wants to be associated with it any more. The Commonwealth authorities will not have any more group settlements like this, nor be associated with them. I have here a list showing the manner in which the Government of which the Leader of the Opposition was a member spent the money embraced by this Vote. We remember how he harped on this the other night.

Hon. C. G. Latham: Let us have it. I have some official records here with me, some of your own too.

The MINISTER FOR LANDS: I am accustomed to all this bluffing.

Hon. C. G. Latham: You do all the bluffing.

The MINISTER FOR LANDS: But I take no notice of it.

Hon. C. G. Latham: Let us have it.

The MINISTER FOR LANDS: In two years the hon. member's Government spent at Nannup £21,000; at Albany £6,000; at the Nornalup settlement £46,000, although he says the expenditure on the Nornalup settlement was £60,000.

Hon. C. G. Latham: I said £94,000.

The MINISTER FOR LANDS: In their two years they spent £46,000. At South Busselton, they spent £9,000, in alkaline investigations £2,000, in a grant to the Young Australia League, £1,117; on cottages at Herdsman's Lake, £10,270, and on surveys £45,443. He expended a considerable sum

on surveying pig and poultry selections on the sand plain country near Gingin. We have not sold one single block there.

Hon. C. G. Latham: None of it was surveyed.

The MINISTER FOR LANDS: I will keep that rod in pickle for the hon. member. Anyway, I stopped that.

Hon. C. G. Latham: If the Surveyor General sent a man there, he did so without my authority.

The MINISTER FOR LANDS: Under the heading of land clearing I find the hon. member spent at Wooroloo £7,978, at Whitby Falls £5,928, at Muresk College £551, at the Narrogin Farm School £383, at the Denmark Farm £1,622, at Ulijugulup £9,440, at Frankland River £29,298, at Margaret River £8,431, at Harvey commonage £1,460, on Agricultural Bank holdings £5,365, all in two years, as against the £89,000 spent by this Government on Agricultural Bank locations. On flax-growing he spent £2,493, on the Sabina Vale stud stock depot £2,135, on demonstration group farms £677, the grand total being £202,000. The other night the hon. member raised all this controversy and created all this bad feeling by harping upon and condemning the Government because they were not spending enough money under this Vote to assist farmers who were suffering from bad seasons, whereas his Government did not spend one shilling upon them from this Vote. The hon. member may think this is a convenient time at which to make a demonstration. He will not get away with that. Every statement he makes means that I will compile facts to confute him.

Hon. C. G. Latham: You will manufacture them, all right.

The MINISTER FOR LANDS: I will put the facts before members, and the country.

Hon. C. G. Latham: With the same result you generally get when you travel around.

The MINISTER FOR LANDS: He talked bitterly about the treatment he received the other night. He will be well advised to walk more carefully in future and to be more sure of his ground. Neither the other night nor to-night did he make any statement that bears the imprint of fact. If he wants this expenditure at Nornalup to stop, I challenge him to take the responsibility. He initiated the settlement and put us into it. Now he wants to blame us for

it. Could anything be more impudent? I invite him to test the feeling of members on the question whether or not the settlement should be closed down.

Hon. C. G. Latham: That is very clever. You can put that over Trades Hall, but not over us.

The MINISTER FOR LANDS: Again I have called the hon. member's bluff.

Hon. C. G. Latham: I will call yours soon.

The MINISTER FOR LANDS: Let him continue this as long as he likes. The Nornalup settlement is not the responsibility of the Government, but we have to go on with it. A promise was made to the settlers, and unless Parliament otherwise determines, we shall have to see it through.

Hon. C. G. LATHAM: The Minister for Lands says a tremendous lot, but after all he says nothing. His remarks have conveyed nothing to members. He was asked a certain question. He knows very little about land settlement. He has tried to cloud the issue by a lot of talk, and has made a number of wild statements. We started the Nornalup settlement because we wanted to make an attempt to find something for married men so that they would be taken permanently off the labour market. The Minister and his colleagues have complained bitterly because the previous Government did not find work for all when they first took office. They could find neither the work nor the money for the unemployed who were forced upon them. The Minister ought to know the position of the finances when his Government left office. There was no money in the Treasury. We therefore had to find some, and at the same time had to meet a wave of unemployment.

Mr. Needham: There was less money in the Treasury when you left it.

Hon. C. G. LATHAM: The hon. member knows nothing about it. He depends on information supplied by Ministers. Fortunately that information is not generally as inaccurate as that supplied by the Minister for Lands. Those settlements were an honest attempt to try to place people who were well worth assisting. The Minister says his Government were not responsible for the group settlements. The hon. gentleman can go about the country trying to persuade people that the present Government are not responsible, but the figures I shall quote are, with one exception, from re-

turn No. 10 accompanying this year's Estimates of Revenue and Expenditure. Under the Mitchell Government, in 1922-23 the expenditure on group settlements was £502,579, and in 1923-24 £822,910. Then there was a change of Government. In 1924-25 the Minister for Lands of the day spent £1,124,252, in 1925-26 £1,335,009, in 1926-27 £1,428,486, in 1927-28, the year when the Minister for Lands of the day was appointed Agent General and the present Minister for Lands took his place, £1,112,829, in 1928-29 £766,893. Then there was another change of Government and in 1929-30 the expenditure was reduced to £639,611. Under Labour Administration considerably over £6,000,000 was spent. On the 30th June, 1931, the Minister, speaking on the Financial Development Board Act, stated—

To date there has been a loss of £4,000,000 on group settlements, and there is now a demand for a further revaluation of group settlements.

During the period mentioned, the Labour Government not only spent that amount of money but wrote it down by £4,000,000.

Mr. Wansbrough: What about providing schools, houses and so forth?

Hon. C. G. LATHAM: Nothing of the sort. Most of the schools were provided from the Public Works Vote. This amount was spent entirely on group settlements. In 1930-31 we expended £213,298, and in 1931-32 £67,513, that amount being increased in 1932-33 to £79,646. Immediately the present Government took over, 1933-34, the expenditure rose to £115,904. For 1934-35 the amount was £26,073. Last financial year it was about £20,000. To blame the present Opposition for the expenditure of £6,000,000 over which they had no control is utterly useless. I remember the Minister for Lands touring the York electorate with a Labour candidate. Apparently he could not do me sufficient injury without attacking me personally. The making of personal attacks is his unfortunate habit. The other evening I pointed out that insufficient funds were being found under the Loan Estimates for assistance to farmers. Because I dared to say that, the Minister replied in the most offensive manner. He is the only Minister with whom during my 15 years here I have not been able to get on, and yet I have shown myself most tolerant

to him. We found money for the agriculturists, the Minister's statement notwithstanding. He told the farmers about the Financial Development Board. He knows that £700,000 was raised by that board for the agriculturists. Why does he not tell the truth?

The Minister for Lands: No such sum as £700,000 was raised.

Hon. C. G. LATHAM: Very well; I will get the figures. Will the Minister accept the figures of that Royal Commission which we appointed, and which the Minister condemned, saying the best men available had not been selected? Yet his Government chose one of those Royal Commissioners to sit on another Royal Commission. I have the Agricultural Bank reports for 1930 to 1934, both figures inclusive. I have not the 1935 report. By the Act, the Agricultural Bank Commissioners are bound to provide a report not later than the 1st November, and it is to be laid on the Table at the next ensuing meeting of Parliament. The Commissioners are taking the full period allowed to them. According to the reports of the Agricultural Bank trustees, for the year ended 30th June, 1930, there were supplied 5,694 tons of superphosphate, in 1931 there were supplied 32,433 tons, in 1932 there were supplied 11,473 tons, in 1933 there were supplied 5,581 tons, and in the last year for which I have figures, 1934, there were supplied 3,883 tons, of which 1,615 tons went to Esperance and 726 tons to the Miners' Settlement. These are accurate figures taken from Agricultural Bank reports, and they give a flat contradiction to the Minister's statement. As for the thousands of farmers referred to by the Minister, when we took over the government, according to Agricultural Bank reports there were on the 30th June, 1931, 493 defaulted securities on the Bank's hands. In 1931 the number had increased to 631, or 128 over the previous year's figure. In 1932 the number had increased to 905, or 274 over the figure for the preceding year. On the 30th June, 1933, there were 1,215, or 310 more, and during the last year for which I have the report the number decreased by 689 securities that reverted to the bank, compared with 722 during the previous three years. That is in accordance with the report made by the trustees of the Agricultural Bank. Another indication of the Minister's generosity! The final paragraph in the report of the Bank Trustees for the year ended

the 30th June, 1934, contains the following:—

The condition of the wheat industry, with which the Bank is mostly concerned, continues to be a matter of the gravest concern to the State. The accumulated deficiencies of the depression period, added to the uncertainties of the future have led in many cases to a relaxation of effort with an increasing number of abandonments. In the absence of other funds, the Commonwealth Grant has been of the greatest assistance in tiding over a difficult period. The claims received under the Commonwealth Relief Act, 1932, totalled 11,473 in respect of 3,594,756 acres harvested for grain. The amount provided by the Commonwealth Government for the assistance of growers was £436,145.

And then they set out how the money was spent. There is the statement issued by the people who have the authority to spend the money, and that contradicts the assertion made by the Minister that nothing had been done by previous Governments. Of course, it was done. I will quote from the financial returns supplied by the Treasurer before he left for the Eastern States, showing the assistance that has been given to settlers. Return No. 10 gives the expenditure under that heading as follows:—

	£
1923-24	441,546

That was the year when there was a change of Government.

	£
1924-25	192,710

That was the first year during which the Labour Government took office.

	£
1925-26	10,784
1926-27	84,960
1927-28	110,959
1928-29	92,907
1929-30	67,121

That was the last year of the Labour Government and the next year, which was the first year of the Mitchell Government, there was an increase.

	£
1930-31	262,880

The next year the Finance and Development Act became operative, and there was the £500,000 that the Minister for Lands said I could not find, although the Premier asked me to go to Sydney and negotiate for that amount.

The Minister for Justice: You said £700,000.

Hon. C. G. LATHAM: But the amount I am referring to was the first portion that was made available. If the former Under

Secretary for Lands had not been retired, he could have verified what I say because he accompanied me when I went to see Mr. Riddle about the matter.

The Minister for Lands: That was when you went to buy those cattle?

Hon. C. G. LATHAM: Yes. If the Minister has anything to say about that, he had better say it, because it will not be to my disadvantage.

The Minister for Lands: I know all about it.

Hon. C. G. LATHAM: Then you know nothing against me in that regard.

Mr. Hawke: You are a bit touchy.

Hon. C. G. LATHAM: I know the Minister too well. The return shows that the amounts available for the assistance of settlers in subsequent years were—

	£
1931-32	79,516
1932-33	94,679

Then the present Government took office and they abandoned the use of money from that fund, and made use of the Agricultural Bank again for the purpose of rendering this assistance. In the last two years the payments have been—

	£
1933-34	113,535
1934-35	6,921

These figures prove that the present Government have not done all that was previously carried out for the farmers. The fertiliser figures that I dealt with earlier proved that point too. Then the Minister for Lands said that we gave the settlers £1 a week. We gave them all the money we could, having regard to our responsibilities to other sections of the community. So the provocative manner in which the Minister for Lands approaches these Estimates has helped towards the feeling that has been displayed. When he has something to say, he might stick to true facts.

Mr. Hawke: All facts are true.

Hon. C. G. LATHAM: It all depends on who handles them. As a rule, facts are true. If the Minister for Lands would state his case fairly and reasonably, he would have little opposition from this side of the House. When he adopts his aggravating attitude and dares to put himself on a pedestal and assumes the air of a paragon of virtue who must not be criticised or discussed, he causes trouble. As a matter of fact, he took a responsibility the other night that he was not asked to shoulder. The

Premier was in the House and presumably the Minister knew of the arrangement I had made with him to allow the general discussion to conclude so that the Premier could leave by boat to-day. In the circumstances, the Minister might have been more considerate to his own Leader. The arrangement was made and I was willing to honour it. I had the assistance of the Leader of the National Party to give effect to the understanding. It was the Minister for Lands who created all the ill-feeling and probably he is satisfied. He certainly has not convinced me that all the money that could have been found, and should have been found, was made available to assist the settlers. As to his reference to the Nornalup settlers, I am pleased to know that they are progressing, but I want the Minister to realise that it is useless spending money there unnecessarily. When we calmly consider the amount spent on group settlement, we must recognise that there has been tremendous waste. I do not object to settlers getting all they are entitled to, but I do object to waste. As to the Minister's talk about members rushing about the country, I can tell him that I have heard a lot about Frankland River, but the Minister was a member of a Government that cleared 80 miles of road over which I do not suppose 12 vehicles have ever travelled. He felled trees over several thousands of acres and on some of the blocks now there are suckers 30 feet high, and I do not know when the land will be used. That was at Forrestania.

Mr. Lambert: But you know that was done with Commonwealth money.

Hon. C. G. LATHAM: Unfortunately it was not.

Mr. Lambert: Of course it was.

The Minister for Lands: Yes.

Hon. C. G. LATHAM: When we investigated that matter, it was found that the work had not been done with that money. Then, again, we heard that we were responsible for the 3,500 farms scheme.

The Minister for Lands: They were.

Hon. C. G. LATHAM: The Federal people repudiated that assertion and told the Minister they were not responsible.

The Minister for Lands: At any rate, that is a good scheme.

Hon. C. G. LATHAM: Yes, if the railways were provided.

Mr. Lambert: You know that a certain amount was allocated for investigation.

Hon. C. G. LATHAM: Yes, but far more money was spent at Forrestania than was allocated for that purpose. I know that a certain amount was allocated for preliminary work, but that did not include the clearing I speak of. I was asked to have a look at the areas I refer to and, to my amazement, I found all this work had been done and two men were there in charge of the camp. When we called tenders for the removal of the plant there to Southern Cross, I believe the cost was about £600. That work was done not 40 miles from a railway but 90 miles. I do not say that the land there is useless, but the Minister complained about the previous Government clearing land in the South-West—that was undertaken to provide work for single unemployed men—that was not 90 miles from a railway. Does not the Minister know that his own officers condemned that area? That is where the money was spent.

The Minister for Lands: Where was that?

Hon. C. G. LATHAM: Out at Forrestania.

The Minister for Lands: Nonsense!

Hon. C. G. LATHAM: Who was responsible for sending that wire across to the Eastern States?

The Minister for Lands: The officers of the department knew about the salt, but they did not condemn the land by any means.

Hon. C. G. LATHAM: Well, it was done before we took office. The Minister might well attend to the mote in his own eye before calling attention to motes in other people's eyes. I am a great deal fairer to the Minister than he is to me, because when I went into the question I found it was done purposely to provide work for single men, and so was the work at the Frankland River. What does Mr. Law know about farming? Is he a practical farmer, and did the Government employ him at any period? And Mr. Hadley, would he be an authority on land? The probability is he never saw it. I ask the hon. member to get opinions from people residing in the district. Let him find out what they think of it. So, too, with the settlement at the Frankland River.

The Minister for Lands: That is all right.

Hon. C. G. LATHAM: Well, why condemn the country? You would not get an offer for first-class group blocks to-day, but

that is no reason why we should condemn the whole of that country. If the hon. member has not been in charge of the Lands Department long enough to make his condemnation of the land a perennial matter we may be able to dispose of this land in the near future. If the Minister is a little more tolerant and if he refrains from making interjections when I am speaking, probably he will get through his Lands Estimates much quicker than he would by the exercise of his aggressive manner.

The MINISTER FOR LANDS: I can only say to the hon. member that whatever he got he brought upon himself.

Hon. C. G. Latham: I was speaking on the general discussion in the presence of the Premier, when you took up the responsibility.

The MINISTER FOR LANDS: That was my department.

Hon. C. G. Latham: But why did not you take it up at the proper time?

The MINISTER FOR LANDS: That is what I should have done. The hon. member is not going to get away by wandering all round the suburbs as he did during his last remarks.

Hon. C. G. Latham: Very well, we shall have another go.

The MINISTER FOR LANDS: The hon. member has repeatedly referred to the money spent on group settlement during the Labour Government's time. When the Mitchell Government left office the Labour Government had to carry on the work.

Hon. C. G. Latham: Did not you start new areas?

The MINISTER FOR LANDS: The Labour Government built all the houses and all the dairy sheds and supplied the cattle and the fences and the farming machinery.

Hon. C. G. Latham: And started new areas, as for instance at Greenbushes and other places.

The MINISTER FOR LANDS: There was great loss on the group settlements, and the Labour Government appointed a Royal Commission to go thoroughly into the question. Actually there were two Royal Commissions, for one had been appointed by another place to inquire into the Peel Estate. Both those Commissions condemned group settlement, all except the hon. member, who brought in a minority report advising that they should be continued.

[Mr. Panton took the Chair.]

Hon. C. G. Latham: Who did? You read the report.

The MINISTER FOR LANDS: Since the majority condemned group settlement, why did the hon. member disagree with that report.

Hon. C. G. Latham: They did not condemn group settlement.

The MINISTER FOR LANDS: The hon. member in his minority report said it appeared to him that the other members of the Commission had not a proper appreciation of the group settlement scheme formulated by Sir James Mitchell. Then the hon. member set out his disagreement and the reason for it. He disagreed with the other members of the Commission, and now he charges us with having gone on spending money on a scheme which was condemned by a Commission of which he was a member.

Hon. C. G. Latham: It was not condemned by them.

The MINISTER FOR LANDS: Well, it was that the other members were pessimistic. I do not propose to proceed any further in this debate unless called upon. The hon. member attacked the Government on this Vote, and I said the other night that his Government had not expended one penny to assist farmers out of this Vote.

Mr. SAMPSON: I move—

That progress be reported.

Motion put, and a division taken with the following result:—

Ayes	8
Noes	16
<hr/>	
Majority against	8
<hr/>	

AYES.

Mr. Ferguson
Mr. Keenan
Mr. McLarty
Mr. Patrick

Mr. Seward
Mr. Warrar
Mr. Welsh
Mr. Doney

(Teller.)

NOES.

Mr. Cross
Mr. Fox
Mr. Hawke
Mr. Hegney
Mr. Lambert
Mr. Millington
Mr. Moloney
Mr. Needham

Mr. Raphael
Mr. Rodoreda
Mr. F. C. L. Smith
Mr. Troy
Mr. Wansbrough
Mr. Willcock
Mr. Wilson
Mr. Clothier

(Teller.)

Motion (progress) thus negatived.

Hon. C. G. LATHAM: The Minister said that the Royal Commission appointed by

the Collier Government in 1925 had condemned the scheme. On page 12 the commissioners stated—

Your commissioners summarise their findings as follows:—

1. The better class of lands of the South-West are suitable for dairying and mixed farming, and can be put under pasture at a cost which will allow dairying to be profitably carried on.

2. A considerable area of poor land unsuitable for the purpose has been utilised for group settlement.

3. Farms prepared under the group settlement scheme will prove to be too heavily capitalised to be profitably worked at their full cost.

4. The settler under the group settlement scheme is unlikely to be able to live and meet his interest payments until he has a herd of from 28 to 30 cows. To establish him under scheme conditions upon a farm improved sufficiently to carry the herd, advances will be required totalling about £3,000.

5. A capable settler could be established upon such a farm under ordinary Agricultural Bank conditions with advances totalling from £1,600 to £2,000, and therefore, such group settlers as will succeed in establishing themselves under the scheme could have done so as individuals under the Agricultural Bank at lower capital cost.

6. The sustenance provisions of the scheme have had a demoralising effect upon the settlers, and have been the chief cause of the high cost of group work.

7. It is improbable that the South-West lands can be successfully settled by migrants drawn from the surplus population of Great Britain, excepting by those who, after having been selected as suitable for life upon the land, have undergone a period of training.

8. The financial position of the State in relation to the scheme is a particularly unsatisfactory one. Serious losses are apparent on account of the high cost of group work, and these will continue to be made until all groups are put on piece-work.

It is therefore recommended that—

1. In view of the large amount of State funds involved, group settlement be suspended until it has been determined that the group settler is able to pay interest upon the advances required to establish him.

2. That the approval of the Imperial and Commonwealth Governments be sought for a variation of the existing agreement, with a view to substituting the contract system for that of day work under sustenance for all future group work.

3. Should the Government determine to continue South-West settlement under any group system, it is recommended—

(a) That group membership be confined to settlers who have passed through a period of preliminary training.

(b) That the whole work of preparing the farms be completed under piece-work.

(c) That for the purpose of providing training for settlers, group areas in each district

be conducted as training camps while the farms upon them are being prepared, and that the Imperial Government be invited to approve of such camps as training farms under the new agreements.

(d) Groups be settled only upon carefully selected areas which will provide each location with at least 100 acres of first-class land.

That was signed by C. W. Harper (Chairman), T. Moore, J. Lindsay, and W. D. Johnson, and was dated the 9th June, 1925. The present Minister for Lands did not take control of group settlements until 1927, but the Labour Government continued in control until 1930. During those years they had that information from the Commission whom they themselves had appointed. Did they carry out the suggestions of the Commission? No. We were told there were no new settlements. What about the settlement at Greenbushes—Catterick? There were two settlements there. The Minister said I was the only one who approved the scheme. In my recommendations I said—

I therefore recommend that—

1. In view of the large amount of State funds involved and the unsatisfactory results under the sustenance system, the existing groups be brought under contract conditions at once and, if necessary, the approval of the Imperial and Commonwealth Governments be sought for a variation of the existing agreement with a view to substituting the contract system for that of day work with sustenance payments for these and all future groups.

2. Groups be settled only upon carefully selected areas that will provide each location with at least 100 acres of first-class land.

3. Group membership be confined to settlers who have passed through a period of preliminary training.

4. For the purpose of providing training for settlers, group areas in each district be conducted as training camps, while the farms upon them are being prepared, and that the Imperial Government be invited to approve of such camps as training farms under the new agreement.

That is practically the same.

The Minister for Justice: Then why did you put in a minority report?

Hon. C. G. LATHAM: There were some points in the majority report with which I disagreed. The Minister for Lands was sufficiently uncharitable at one stage to say that somebody wrote the report for me, and I took the opportunity to say that his statement was not true. The report was typed at Parliament House under my direction. The Minister is always ungenerous. Those extracts from the Commission's

report show how inaccurate the Minister is. The Commission did not condemn the scheme, and the conditions under which we placed married people on the land were the conditions suggested by the Commission. We hoped at the time that the liability on each farm would not exceed £1,000.

Item, Agricultural Group Settlement, £20,000:

Mr. McLARTY: Can the Minister give any information in regard to revaluations under this heading?

The MINISTER FOR LANDS: I have given the information.

Mr. McLARTY: I am more particularly concerned about the Peel Estate. The few settlers who are left are so scattered that it is difficult to get postal facilities for them. They are also very unsettled as to the future. Some effort should be made to keep them on their holdings. If the Minister can make a pronouncement that revaluations will be made in the near future it will do a lot of good. Competent men with local knowledge could make such valuations. Everything possible should be done to prevent these settlers from leaving the estate. The roads are going to pieces, and there is a general lack of interest in the area. I should like to know what the future policy will be.

The MINISTER FOR LANDS: The question of policy is one for the Agricultural Bank, which has full power to deal with the matter. No doubt in due course the commissioners will tackle this question. They must act consistently. In an institution where so much capital and so much land are involved, time must be given the commissioners in which to prepare a policy.

Item, Pine planting, purchase of land and forests regeneration, £100,000:

Mr. NEEDHAM: I should like to know if any of this money will be spent in the employment of "C" class men on relief work. It appears to be the intention to embrace still more of these men in forestry activities. How much of this money will be used for the absorption of these people?

The MINISTER FOR JUSTICE: This portion of the Vote deals with work of the description mentioned. It is subject to a Commonwealth subsidy equal practically to pound for pound. The Government have employed many "C" class men at Mundaring. Arrangements have been made for the

same number who are employed at Wooroloo to be continued at forestry work elsewhere. Much depends on the next meeting of the Loan Council. If sufficient money is made available we hope to employ the same number of "C" class men as were employed a few months ago.

Vote put and passed.

Vote—Roads and Bridges, Public Buildings, etc., £230,244:

Mr. SAMPSON: Is it the intention of the Government to complete the road between Kalamunda and Mundaring? Only about five or six miles remain to be finished. If the road were completed it would join up Mundaring Weir with Piesse's Brook. It would also open up a good deal of country and provide an opportunity for tourists to make the round trip.

Mr. Cross: Should we spend a lot of money in providing for round trips?

Mr. SAMPSON: The usefulness of the land in this district is impaired by the non-completion of the road. Will the Minister make a statement on the subject?

The Acting Minister for Works: I will go into the matter and advise the hon. member.

Item, Workers' Homes Board capital, £15,000.

Mr. FOX: Will the Minister administering the Workers' Homes Board give special consideration to applicants with incomes approximating the basic wage in order to enable them to get homes? It has been stated that such applicants have been refused help by the Workers' Homes Board. People with decent incomes should be able to make arrangements privately to secure homes; but what I have in view is a home on which 10s. per week would pay interest, and also pay off the capital cost within a reasonable time. If people with small incomes are not able to get assistance to build homes, the purpose for which the Workers' Homes Board was established is being departed from.

Mr. DONEY: In connection with last year's vote of £35,000 I recollect the Premier saying the amount was down as compared with the preceding year because there was no demand whatever for workers' homes. I had an impression that the applications were a great many more than the board could deal with promptly. I learn that on account of too low capitalisation of

the board last year, there have been great delays. I remember, too, the Premier saying that no application was delayed for more than six months, and that delays occurred only by reason of the necessity for investigating the bona fides of applicants. My impression is that for two or three years past applicants have had to wait 12 months and more. The Premier's idea that there is no delay to applications other than those needing investigation is discounted by the fact that the board are trailing about 300 applications behind. When I interjected to that effect recently, the Premier would not have it at all.

The MINISTER FOR JUSTICE: I have not all the information required. As regards preparations for workers' homes, the building trade is comparatively busy now and practically all the men capable of being employed in the industry are being employed.

Hon. P. D. Ferguson: And all the bricks, too.

The MINISTER FOR JUSTICE: Yes. All the work that can be gone on with is being proceeded with in an expeditious manner. Until building materials are available, not much progress will be made. The £15,000 proposed to be spent represents fresh capital. All the repayments coming in from existing homes, on which about £1,000,000 is owing, also go in. The amount spent, therefore, is very much more than £15,000.

Mr. Doney: I understand that, but there is the fact that we are £15,000 down on last year's capitalisation.

The MINISTER FOR JUSTICE: For many years no new capital was made available. Last year, the financial position being more favourable, £15,000 of new capital was supplied.

Mr. Doney: The Premier said there was not much demand for workers' homes last year.

The MINISTER FOR JUSTICE: No. In 1931, owing to the depression, there was not much demand for workers' homes. There has been a demand, but it has not been met, principally because, as mentioned by the Premier last week, architects and so forth have not been available. The Premier assured the House that there is sufficient money to carry on the operations of the board and to deal with all applications that can be approved. Necessarily, many appli-

cations are not approved. We have the board's assurance that no applicant will have to wait more than six months.

Mr. Doney: I do not think that is correct.

Mr. Sampson: Recently the board told me differently.

Vote put and passed.

Resolutions reported, and the report adopted.

House adjourned at 12.18 a.m. (Friday).

Legislative Council,

Tuesday, 5th November, 1935.

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

ASSENT TO BILL.

Message from the Lieut.-Governor received and read notifying assent to the Industries Assistance Act Continuance Bill.

QUESTION—AGRICULTURAL BANK COMMISSION.

Chairmanship, Persons Approached and Conditions.

Hon. J. J. HOLMES asked the Chief Secretary: 1, Was the President of the Primary Producers' Association, or any other person other than the present occupant, offered the position of chairman of the Agricultural Bank Commission at a salary