

Legislative Assembly,

Thursday, 6th August, 1925.

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

QUESTION—PRISON FARM.

Mr. SAMPSON asked the Honorary Minister (Hon. S. W. Munsie): 1, How many prisoners physically capable of farm work are held at Fremantle? 2, Have the Government taken action in respect to the provision of a prison farm? 3, If so, will the work be initiated during the present financial year?

Hon. S. W. MUNSIE replied: 1, Exclusive of females and natives, about 135 at Fremantle and 33 at Rottnest are physically capable of farm work, but at least 80 of them could not be placed on a farm owing to their conduct, nature of crime, etc. Probably a maximum of about 50 men could be transferred from Fremantle to a prison farm after arrangements had been made for accommodating reformatory prisoners separately from others. In addition, the 33 men now at Rottnest, who are employed in winter months on useful outdoor work, are suitable for farm work. 2, Yes. Considerable attention has been given to this matter, which the previous Government, in all its years of office, failed to finalise. 3, The Government is unable, at this stage, to make a definite statement as to when the work will be initiated.

QUESTION—ROADS, FEDERAL GRANT.

Mr. C. P. WANSBROUGH asked the Minister for Works: Is it his intention to lay upon the Table of the House the specifications and conditions of contracts for roads to be constructed under the Federal grant?

The MINISTER FOR WORKS replied: Yes.

QUESTION—GROUP SETTLEMENT COMMISSION, COST.

Mr. J. H. SMITH: Yesterday I gave notice of my intention to ask the Premier the following question:—

1, What was the total cost of the Royal Commission on Group Settlement? 2, What amount was paid to each member of the Commission, including the Chairman. 3, Has the amount paid for the Commission been debited to general revenue or to the settlement scheme?

I will ask the Premier to answer Nos. 1 and 3 only.

The Premier: Does that mean that the hon. member does not desire an answer to No. 2?

Mr. J. H. SMITH: Yes.

Hon. W. D. Johnson: Why not include No. 2?

Mr. Thomson: You are not ashamed of it; you jolly well earned it.

Hon. W. D. Johnson: I suggest that the Premier answer No. 2 as well.

The Minister for Works: The hon. member merely gave notice of his intention to ask No. 2, but he has not asked it.

Mr. J. H. SMITH: In explanation, I would like to state that I have been informed that it is not etiquette on the part of any member to ask such a question. That is the only reason why I asked the Premier to leave it out. Therefore, I ask for answers to Nos. 1 and 3.

The PREMIER: The replies to the hon. member's questions are as follows:—No. 1, £1,253 8s. 8d. No. 3, To Consolidated Revenue Fund.

COMMITTEES FOR THE SESSION.

On motion by the PREMIER, ordered: That Sessional Committees be appointed as follows:—

Library Committee—Mr. Speaker, Mr. Corboy, and Mr. Angelo.

Standing Orders Committee—Mr. Speaker, the Chairman of Committees, Mr. Marshall, Mr. E. B. Johnston, and Mr. George.

House Committee—Mr. Speaker, Mr. Lambert, Mr. Chesson, Mr. Stubbs, and Mr. Thomson.

Printing Committee—Mr. Speaker, Mr. Panton, and Mr. J. M. Smith.

ADDRESS-IN-REPLY.

Fourth Day.

Debate resumed from the previous day

MR. THOMSON (Katanning) [4.39]: I have had the privilege of speaking to quite a number of motions for the adoption of Addresses-in-reply, and I take this opportunity of congratulating the Government upon His Excellency's Speech. If the party I have the honour to lead were on the Treasury bench, we could almost imagine the policy outlined to be one such as we would have put up—one of strong, vigorous agricultural development.

Mr. Sampson: They are all Mitchellites!

Mr. THOMSON: I thank Ministers for their courtesy and, as far as has been possible, the favourable consideration they have given to requests brought forward by Country Party members, including myself. I will admit that on occasions, when I waited upon Ministers, I was duly advised that while they were sympathetic, there was no money in the Treasury. However, we must appreciate the kindly sentiments that have actuated Ministers. The Governor's Speech deals with the Premier's visit to the Old Country and the wish is expressed in that Speech that it will prove beneficial to the State. I am sure that, as a result of the Premier's visit, much good will be accomplished. It is to be regretted that the Federal Government, in dealing with the migration agreement, did not consult the States to a greater extent during the negotiations. In the course of the Governor's Speech it is stated—

Without abandoning their declared intention of seeking every possible improvement in future, my Ministers have decided, after consideration, to come under the terms of the new agreement, which will mean a resumption of the migration activities which, for a time, have been suspended.

So far as I can gather, the agreement means that £34,000,000 has been made available to the Commonwealth on loan, and that for every £1,000,000 expended by this State on land settlement we are assured of interest rebates that will amount to approximately £350,000. That, on the face of it, appears to be a very good thing for Western Australia. We had another proposal put before this House that also appeared to be very satisfactory,

but our experience makes us somewhat sceptical regarding such agreements. However, I propose to reserve my judgment on the new migration agreement until it comes before the House. It is gratifying to learn that it is the intention of the Government to resume migration, and I am glad, therefore, that Mr. Amery, the Secretary of State for the Colonies, will visit Australia shortly. I am sure that the Premier, as the result of his visit to the Old Land, and with the knowledge he has gained, together with the information that will be at hand here, will be able to impress upon that hon. gentleman that, in future, any such migration agreement should be left in the hands of the State entirely. I contend it was grossly discourteous on the part of the Federal Government to enter into negotiations with the Imperial Government for a loan of 34 million pounds for placing people on the land under a migration policy, without consulting the States. While we shall derive considerable benefit from the Premier's visit to the Homeland, it must be admitted that owing to the negotiations entered into by the Federal Government, his hands were tied when he sought an improvement of the old agreement or more advantageous terms under the present one. For every million pounds advanced by the British Government, the State is to be repaid £350,000 by the Imperial and Commonwealth Governments. At first sight that appears to be a very generous concession. Still we must remember that the Imperial Government, ever since the war, have been paying away millions of pounds annually in doles to the unemployed, payments that have produced no return whatever except to keep people from starving. By lending the money to the dominions they are sure of getting a considerable return and of increasing the trade of the Old Country with Australia. The ex-Agent General, Sir James Connolly, first approached Mr. Amery, then Secretary of State for the Colonies, in 1922, and suggested that as we had plenty of vacant land, it would be a very good thing to have co-operation between the State and the Imperial Government. He pointed out that lending the money within the Empire would lead to the development of the Empire. It is a sound proposition for the Imperial Government to advance us money in order that we may take their surplus population to fill our vast empty spaces. Let me quote a report of a statement made by Mr. Amery in London on the 10th June showing

the value of the dominions to the Imperial Government—

Speaking at a luncheon given by the Imperial Council of Commerce, Mr. L. C. Amery (Secretary of State for the Colonies), referring to the necessity for clear and comprehensive thinking, said that figures showing the excess of manufactured goods and coal exported from Britain compared with similar imports, amounted to £32,000,000 in the case of European countries, and £98,000,000 in the case of countries outside Europe, as against £165,000,000 for the Empire, of which £77,000,000 went to the Dominions. Referring to the magnitude of the Dominions' trade as compared with the population, Mr. Amery showed that Australia bought over £80,000,000 worth of British goods last year. One Australian or New Zealander was worth to British trade 600 times as much as a Russian, 100 times as much as a Chinese, and 20 times as much as an American. He deplored the last year's folly of Britain in rejecting the Economic Conference's preference proposals, which had had a most discouraging effect upon the Empire, and was a serious menace to the welfare of the working classes of Great Britain.

I am pleased that the Speech refers to the resumption of migration. While we are willing to hold out the right hand of fellowship to migrants, we should also indicate that it is a matter of great importance to the Old Country to keep its surplus population within the Empire. It is vitally necessary to people the outposts of Empire that played their part and did their duty so well during the 1914-19 struggle. The financial returns showing that the deficit has been reduced to £58,399 make excellent reading. It is gratifying not only to the Treasurer, but also to the people generally. This has been accomplished largely because of the considerable increase of trade. The railway returns, which have increased largely, are a fair barometer of the progress of the State. The bountiful harvest, too, has been a material factor in enabling the Treasurer to reduce the deficit. No mention was made in the Speech, however, of the increased taxation, the proceeds from which must afford the Treasurer considerable satisfaction. Possibly some saving was effected by curtailing and generally tightening up public expenditure. During the Premier's absence in England the Acting Treasurer sat very tight upon the Treasury chest. He had specific instructions that not one shilling more than was necessary should be expended, and let me inform the Premier that Ministers carried out his instructions to the letter. He ought to be gratified that his team did their

work so well in that respect. No doubt the Treasurer also left specific instructions that every shilling that could be collected should be dragged in. That, of course, is his function as Treasurer. But there is a feeling in the country, perhaps not of disgust, but a feeling that the Lands Department has been more stringent this year than in previous years. Dire threats of expulsion have been held over land holders if their rents and interest were not paid. Possibly some people try to avoid payment, but I hope it will not be the policy in future to hold the pistol at the heads of settlers, as has been done in many instances during the last 12 months. I propose to reserve my criticism of the finances until the Budget is under consideration. I take this opportunity of voicing a protest against the manner in which managers from this House were appointed to meet the Council managers in conference on the Land Tax and Income Tax Bill last session. Perhaps it has become the custom for the Minister in charge of the Bill to select his own managers to attend a conference. I must congratulate the Premier upon his choice of managers on the land tax Bill last session. He selected his colleague (the Minister for Lands), and thus had two votes for a start. Then he selected the member for Subiaco (Mr. Richardson), which practically gave him three votes, because when the report of the conference went to a division, that member was the only one from the Opposition side of the House who voted with the Government for the increased land tax.

Mr. Richardson: That showed his good sense.

Mr. THOMSON: It is a wrong principle that three men of avowed views should be selected to meet managers from another place to discuss the imposition of a land tax, while members of this House opposed to the increase had no opportunity to voice their opinions at the conference.

Hon. W. D. Johnson: You are rather severe on the Legislative Council, are you not?

Mr. THOMSON: I attribute to the Council the same degree of blame.

Hon. W. D. Johnson: Does not the Council deserve more blame?

Mr. THOMSON: In my opinion the Council got at us very badly. In future, when the Bill in which the Country Party is interested goes to a conference, I shall insist upon the appointment of managers accord-

ing to the standing orders. Standing Order No. 244 reads—

If, upon such motion, any one member shall so require, the managers for the Legislative Assembly shall be selected in the same manner as the members of a select committee.

The minority in this House are justly entitled to representation at such a conference.

Mr. Taylor: We do not carry out the standing orders when appointing select committees. The mover of the motion suggests members.

Mr. THOMSON: He may or he may not. My experience is that the mover of the motion for a select committee indicates the members he would like to see appointed to the select committee, but that it is within the province of members on either side of the House to say who their representatives shall be. We can if we desire place one of our members who is different from the others on the list, and we are entitled to that consideration. An astounding position arose in that case upon a matter which vitally affected our primary producers. They will pay more than half the land tax but they had no say in the matter.

Mr. Taylor: It was the final stage, too.

Mr. THOMSON: Unfortunately, it was. I have repeatedly voiced my opinion here that our sinking fund, which now stands at £9,000,000, should be inquired into. Very few members, I think, understand the question. I should like to see an expert committee appointed to look into the working of the sinking fund. When the fund was established it was considered that it would be made up of money taken from revenue, but that is not being done to-day. We are borrowing money up to 5½ per cent. and 6 per cent. to redeem other money upon which we are paying 3½ per cent., and we are continuing to pay interest on both. It is a startling statement, but it is a fact.

Mr. Taylor: We must always do that if we have a deficit.

Mr. THOMSON: We have this huge fund in London. I am pleased to find I am not the only one who questions the advisability of this position being allowed to remain. When giving evidence before the Disabilities Commission, Mr. Collins, Secretary to the Commonwealth Treasury, said—

It appears that the accumulated fund of Western Australia amounts to about £9,000,000, and the deficit is about £6,000,000. The difficult financial position of Western Australia has been brought about by its desire

to pay off the public debt more quickly than the other States considered necessary. In considering the financial position of the State the large sinking fund should be taken into consideration. Had a sinking fund equal to the average of the other States been established, its financial position would have been on a par with that of the other States. Western Australia had no need to provide for such a large sinking fund, as nobody looks for the rapid repayment of a debt from a country in the early stages of its development.

Mr. Taylor: That is all very well from the Federal standpoint.

Mr. THOMSON: It is a statement of fact. The position is an absurd one. When the Labour Government were in power during the war they took steps to have the sinking fund suspended. Such a thing is worthy of the consideration of the Treasurer and an expert committee to-day. I have made inquiries of the Under Treasurer and other officials, and all they say is that it is a good thing for the State, for we are supposed to be able to borrow more cheaply and at a better rate because of our sinking fund. Since I have been in Parliament I do not know that we have been able to borrow money from the Home land or on the local market one-sixteenth per cent. less than the other States have done. It is, therefore, time the Government and Parliament took the matter seriously.

Mr. Taylor: It is a sound system.

Mr. THOMSON: Yes, but our deficit is £6,000,000 and our sinking fund over £9,000,000.

Mr. Taylor: The fund is earning money.

Mr. THOMSON: The money would be of greater value to the State if it were being used to build railways, extend harbours, and provide facilities for people to go on the land.

Mr. Taylor: Our overdraft is big enough already.

Mr. THOMSON: It should be reduced. There is an old saying that constant dripping wears away a stone. I hope that by reiterating this statement I may yet find some Treasurer sufficiently interested to go into the question. It is gratifying to read in the Speech that the conditions of trade are prosperous. The Speech says—

The condition of trade, industry, and land development in Western Australia may be regarded as generally satisfactory, and the outlook to-day is probably brighter than at any period since the outbreak of the world war. Increased activity and industry on the part of our own people are reflected in improved

revenues from land settlement, timber export, electricity supplies, Fremantle harbour works, railways and tramways departments, and various other departmental services.

That makes excellent reading. While we congratulate the Government upon their splendid achievement while occupying the Treasury bench, I do not think they or any other Government are entitled to the whole credit. Every State is improving its position, and every country is beginning to recover from the results of the war. The great bulk of the improvement in our trade is entirely due to the efforts of people in the hinterland. The whole of the wealth that is being created is not being created in the metropolitan area, but in the agricultural districts.

Mr. Taylor: That applies elsewhere, too.

Mr. THOMSON: Not in Victoria or New South Wales, where the secondary industries are responsible for the creation of a great deal of wealth. In Western Australia the bulk of the wealth is being produced from our primary products, and I include in that the timber industry. The next paragraph of the Speech expresses a pious hope and says—

The financial leeway to be made up, however, is very considerable, and every effort must be directed towards balancing our finances. The Federal Disabilities Commission visited this State during the year, took voluminous evidence, and its recommendations may be published at any moment. It is hoped and expected that the result of this Commission will be a measure of relief for the State as a compensation for the disabilities suffered by the incidence of Federation.

If all that we get for Western Australia is a lump sum to be handed to the Government, although this may help the Government it will not materially assist the State. It is our people who are creating the wealth and who are suffering from disabilities. A few thousand pounds would no doubt assist the Treasurer, and could probably be spent beneficially in opening up portions of the country, but would not relieve this State from the great disability of the high tariff. I say advisedly, and inoffensively, that this State is being exploited by New South Wales and Victoria. If one may judge from the statement of a prominent ex-member, who recently returned to Perth, Western Australia is regarded as the poor dependant of the Eastern States. As a matter of fact, however, to use an everyday expression, they are battenning and fattening upon the carcase of Western Australia. We have suffered more

from Federation than has any other State. The total imports to Western Australia last year amounted to £14,344,145, of which we imported from the Eastern States £7,631,416. From overseas we imported £6,662,729, upon which the Commonwealth Government collected £1,759,344 as duty. We can only assume that if we had imported all this ourselves and had control of our own Customs, we would have collected £1,000,000 more for the benefit of our people, and have been able to assist our secondary industries and possibly reduce the high cost of living. It is impossible to estimate what the high tariff is costing our citizens. I have here a cutting that appeared in the "Daily News" containing evidence supplied by the captain of a visiting vessel. He left Port Louis, Mauritius, on March 28th for Bunbury in ballast. The ballast consisted of 700 tons of stone which cost his owners £400. This stone was handed to the Bunbury Harbour Board free of cost. When he left Port Louis the best cane sugar was selling in Mauritius at £18 per ton f.o.b. If he had brought the sugar to Bunbury in place of the stone the freight on the sugar would not have been more than £2 a ton. This would have effected a saving of £1,800 to his owners and would have enabled him to sell the timber which would have been his back freight at a lower cost to the people in Mauritius. The then cost of the best cane sugar in Bunbury was £38 14s. 6d. per ton, whereas if that vessel had been able to bring sugar from Mauritius it could have been sold in Bunbury at approximately £25 a ton, so that there would have been a saving to the housewives of Bunbury and elsewhere in the State of approximately 1½d. per lb. I know, of course, that this House has no control over the Customs. Nevertheless, when one is addressing hon. members opposite, who represent the Labour movement, it is just as well to try to make them realise that the high protective tariff imposed upon the whole of Australia seriously affects the cost of living.

The Premier: What is the Page section of the Federal Government doing in the matter?

Mr. Panton: There is a silence that could be cut with a knife.

The Premier: What is the use of talking to us about the tariff? A few words to Dr. Page would be more effective, I should think.

Mr. THOMSON: I quite admit the pertinence of the Premier's interjection, but the fact must be recognised that the Country

Party representatives in the Federal Parliament, Messrs. Prowse and Gregory, in season and out of season are staunchly attacking the high tariff. I want hon. members opposite to use their influence in the industrial movement, with a view to educating their supporters with regard to the disadvantages involved in the high tariff.

The Premier: Dr. Page and his followers were elected to reduce the tariff, but they are maintaining it. We are waiting for a lead from Dr. Page.

Mr. THOMSON: I like that interjection. The Premier is the last man to wait for a lead. Judging from last night's discussion, the hon. gentleman is not likely to follow any lead coming from the Federal Treasurer.

The Premier: The Page section were elected to secure a low tariff, and they have lost that election pledge.

Mr. THOMSON: The two gentlemen to whom I have referred have not lost that pledge, and are constantly trying to impress upon the Federal Parliament—

The Premier: I am referring to their party.

Mr. THOMSON: If members opposite would use their influence over the people—

Mr. Marshall: Charity begins at home. Get to work on your own doorstep.

Mr. THOMSON: I assure the interjector that the people whom I have the honour to represent are strongly in favour of a reduced tariff. I hope hon. members opposite will back up that view loyally during the coming Senate election.

The Premier: Your party are assisting to maintain the high tariff by joining that federation in this State.

Mr. THOMSON: Unfortunately the Premier has been absent from the State; otherwise he would not have made that interjection. The agreement for joining up distinctly lays down that the three men standing for the Senate are standing for a reduction of the tariff. So we have done our part. Let hon. members opposite go and do likewise.

The Premier: It is hard to swallow that bit of dope.

Mr. THOMSON: It is not dope. However, I am not dealing with the compact.

The Premier: Pearce will stand here for a low tariff, and his colleagues over East will stand for a high tariff.

Mr. THOMSON: Probably. Many members representing Labour in their hearts be-

lieve in a low tariff, but they have to go by the majority. Nevertheless, there is no doubt where our people in Western Australia stand. The point I wish to press with regard to the high tariff is that our primary producers have to accept world's prices, while producing in a highly protected country. Thus the high tariff presses unduly upon the primary producers, and also, I may add, on the workers. The Premier has laid upon the Table the papers outlining Western Australia's case before the Commonwealth Disabilities Commission. That case, presumably, was prepared Mr. Norbert Keenan under the guidance and direction of the Colonial Treasurer and his Government. I wish to quote from some information prepared by the general secretary of the Primary Producers' Association, Mr. W. Carroll. I consider that Mr. Carroll put up figures which are absolutely irrefutable. I quote from page 15 of the case, where Mr. Keenan is reported as saying—

I produce a return marked "W," prepared by the Secretary of the Primary Producers' Association, Mr. Carroll, showing the increased cost of machinery and plant used in the agricultural industry between the year when the State entered into Federation and the present day. That return shows in the most usually employed items an increase in cost of roughly 100 per cent. Admittedly some part of the increase is due to the increased cost of production, which is general in all parts of the world, but that it, to a very large extent, is also due to the high Customs tariff, cannot be doubted, inasmuch as notwithstanding this high tariff this machinery and these implements are imported into Australia at prices which compare favourably with the price charged by the Australian manufacturer. It may here be asked, is not this a burden which is borne by the agricultural industry in all the Australian States? The answer is that that is so, but that the burden is especially disastrous in Western Australia, because it is in Western Australia that the farming industry is in the most active form of development, and is bringing into cultivation new acreage to an extent in excess of any other State in the Commonwealth.

That is the opinion of Mr. Keenan who drew up the case, after having gone through the evidence supplied. On page 17 there is the following passage:—

In fact the effect of Federation was to place the secondary industries of Western Australia in a much weaker position than they would have been in if no tariff existed at all against the competition of the world at large; since, in this latter case, the products sold would have to be carried distances many times as great as that between Mel-

bourne and Perth or Sydney and Perth to reach the market. The result, therefore, of throwing down the Customs barrier between the State of Western Australia and the highly equipped (in industrial factories) States of the East, led to Western Australia becoming merely a customer of the Eastern States. This is shown in the table which I produce and put in, marked "Z," prepared by Mr. Keyser, an officer of the Statistical Department. This table shows that secondary products manufactured in the Eastern States and imported into Western Australia have steadily increased in amount since the year 1901. The value of the products imported in that year into Western Australia from the Eastern States was £2,550,020; the value of the products imported in 1924 from the Eastern States into Western Australia was £7,631,416. If a comparison be made between the figures shown in the return and the figures appearing in the State "Statistical Abstract" for the year ended June, 1924, it will be seen that of the total goods imported and consumed by the citizens of Western Australia at the present time, we are importing considerably more than 50 per cent. from the factories of the Eastern States.

Later on the same page it is stated—

To summarise the industrial position in Western Australia, it may be described as one in which the success of the State clearly depends on the success of our primary industries alone. This success may be achieved despite the burden of the high Customs tariff, but that it will be seriously retarded by such tariff is a matter not open to argument, and that the State will find it almost wholly impossible to extend that encouragement to those industries which they require for development is also a fact which must be admitted.

In this connection, if the statement which has been made by the Government through His Excellency is correct, if the only redress Western Australia is going to receive will be of a purely monetary nature made to the Government, the inquiries of the Federal Disabilities Commission will prove futile, and of no lasting benefit to the State. I wish also to put on record the comparative prices of farming machinery before Federation and after Federation. The document from which I am quoting may be lost, but if the figures are published in "Hansard" they will remain on record to show the disabilities which our primary producing industries suffer owing to the imposition of the high Federal tariff.

Mr. Sleeman: Why go out of the State again?

Mr. THOMSON: It is easily seen that the hon. member interjecting is not a farmer. The following are the compara-

tive prices of farming machinery in the year 1901 and in the year 1925:—

	1901. £ s. d.	1925. £ s. d.
Plow, 4-furrow stump-jump mould board ...	25 0 0	62 0 0
Plow, 6-furrow, stump-jump mould board ...	29 0 0	78 10 0
Shares, per dozen ...	1 4 0	3 0 0
Seed drill, 16 disc ...	40 0 0	77 0 0
Spring-tine cultivator (17 tynes)	16 10 0	21 0 0
Set harness, per section ...	1 0 0	2 0 0
Harvester, 6 ft. (largest size made) ...	90 0 0	147 0 0
Reaper and binder, 6 ft., ranging from ...	36 0 0	88 0 0
(according to make)—and ...	40 0 0	92 0 0
Chaffcutter, 3 knife, 9½ in. jaw ...	15 0 0	27 0 0
Wagon (5 tons) ...	60 0 0	120 0 0
Spring cart ...	17 10 0	35 0 0
Seed grader ...	15 0 0	35 0 0
Wire netting, 36 x 4 x 10, per mile ...	12 0 0	23 0 0
Wire netting, rabbit-proof, 42 x 1½ x 17, per mile ...	30 0 0	62 10 0
Wire netting, 42 x 1½ x 17, per mile ...	25 0 0	44 0 0
Barbed wire ...	14 10 0	29 10 0
Galvanised corrugated iron, per ton ...	20 5 0	30 5 0

The evidence goes to show that as a result of Federation the farming community of Western Australia are paying on the average an increase of 100 per cent. on their machinery. It is not in the interests of the primary producers that such a high tariff should continue.

Mr. Marshall: We shall import our wheat and everything else.

Mr. THOMSON: Then you will be paying a damned sight more—

Mr. SPEAKER: Order!

Mr. THOMSON: I am sorry, Mr. Speaker. I intended to say "damned." If we imported our wheat, we would be paying a great deal more for it than we are paying to-day. I thank the hon. member for his interjection.

Mr. Marshall: Do you say that one cannot get a wagon in the State?

Mr. THOMSON: No; I will not say that.

Mr. Marshall: Well, why don't you buy wagons in the State?

Mr. Sampson: Wagons equal to the best are made in Western Australia.

Mr. THOMSON: A Tariff Board was appointed by the Commonwealth Government—

Mr. Marshall: By the Bruce-Page Government.

Mr. THOMSON: —to report on the imposition of protective duties on agricultural implements. They put up the argument that as the result of having a high protective tariff, machinery is actually cheaper than it would otherwise be. Carry that to its logical conclusion, and the tariff ought to be trebled so that things might be

cheaper still. Just listen to this from an epitome of the Tariff Board's report:—

In the opinion of the Tariff Board the prices of agricultural implements are, in all probability, much lower in Australia with protection and local manufacture than they would be under freetrade had no local manufacture existed. Protection is necessary in order to secure the market for the local manufacturer and permit quantity production. Quantity production and efficiency are the only means by which Australian manufacturers can hope to compete with the product of other countries. Protection is necessary to this end. The substitution of bounty for tariff protection would not be justifiable. Australian makers of "dutiable" agricultural implements can meet all reasonable demands. There is no need to import dutiable agricultural implements. If a farmer insists on using an imported machine, it is not unfair to expect him to pay the duty. The primary producers have derived very material benefits from the existence of the agricultural implement industry. It would not be unreasonable, therefore, if they were called upon to contribute to its support to a limited extent through the medium of Customs duties. The prices of Australian-made agricultural implements have been regularly and consistently reduced since the protective tariff of 1920-21 was introduced. Australian implement makers are not charging excessive prices, neither are they making excessive profits. The year 1924 was one of the best years ever experienced by implement manufacturers.

This report declares that quantity production and efficiency are the only means by which Australian manufacturers can hope to compete with the outer world. I will not cast any doubts on the efficiency of the average Australian workman, but, when the 44-hour week has been established in New South Wales and Queensland, and the Government of Western Australia are introducing it here, if it is suggested that by quantity production and efficiency and reducing the hours they are going to be able to compete with the outer world, I think we must be faced with a tariff considerably higher than the one we have. And this Tariff Board calmly say that the primary producer should accept that, because it is essential that we should build up protection. How much protection are they able to give to the primary producers? Not any, because their produce must go to the overseas markets. It is not in the interests of the State that the high tariff should be continued, and I hope to find the Disabilities Commission recommending that Western Australia should have control of its own Customs for a period of 25 years. Then the fortunate man who is Treasurer

of the State will immediately be able to reduce taxation, the cost of living will fall accordingly, and the State will begin to prosper. Even under present conditions we have no reason to complain of the progress of land settlement, but on the other hand we have no possible chance of developing secondary industries. It is gratifying to know that land settlement is in a satisfactory condition. I want to touch briefly upon our light lands, of which we are told we have 3,500,000 acres suitable for growing oats and carrying sheep. Last session in this House the Minister for Lands declared that this land was useless, and that for his part he would willingly give it away, so long as it was made use of. I say that the sooner he adopts that policy the better for the State. Enormous areas of that land are lying idle to-day, and it would not pay any man to take them up purely for the purpose of cultivation. But if the Government would give him some of that land under improvement conditions, a considerable area would be taken up and brought into production. The Speech indicates that it may be necessary to have amended legislation in order that use shall be made of that land. I hope we shall be able shortly to bring forward a practical scheme for the development of our light lands and submit it to the Government. A man in my district, having several sons, applied for 20,000 acres of light land lying useless. He concluded from the utterances of the Minister for Lands that he would be able to secure it for about 1s. per acre. Imagine his surprise on learning that the minimum price was 3s. 6d. On the face of it that seems a low price for land, but considering its poor quality, that four or five acres of it are required to carry a sheep, and that before it could be brought into use an expenditure of something like £5,000 would be required for dog-proof fencing, it is seen that the proposition is not so attractive after all. The man I refer to turned down the offer. It would have paid the Government to say to that man, "Here are the 20,000 acres you require. Improve it and you shall have the freehold." I do not propose to deal with the report of the Royal Commission on group settlement, for I have not yet had opportunity to read and digest it, but I strongly object to the process of intimidation apparent in the columns of the daily Press. This House should approach

the findings of that Commission, not from a biased viewpoint, but with a desire to do what is best in the interests of the State. It is grossly unfair that a leading newspaper should make the direct charge of bias against the members of the Royal Commission who, in my opinion, have rendered good service.

Mr. Latham: Very bad service.

Mr. THOMSON: I take strong exception to the attitude of the Press. I hope the Premier will forgive me for mentioning the fact that he asked me would I appoint a representative from my party. Here is an extract from a leading article in the "West Australian" of 30th July—

The general tenor of the report was not, of course, unforeseen. It was anticipated from the moment that the personnel of the Commission was announced, and a motion was moved in Parliament protesting against its constitution. The Commission, with the exception of the chairman (who had already committed himself to a denunciation of group methods as revealed to him in a brief survey of the work of the Peel Estate) was a purely political body. One of its members was associated with a political party which had been foremost in destructive criticism of the scheme almost from its inception, another represented a northern province, which cherishes a grievance against the expenditure of so large a portion of the State's loan moneys in the South-West; a third had, inferentially at least, roundly condemned the scheme; the remaining member had declared in favour of it. No doubt everyone of these members strove honestly to give an unprejudiced finding on the facts as they appeared to him; but it is not surprising that the conclusions expressed in the majority and minority reports bear a remarkable resemblance to the views held by the individual members before their appointment as Royal Commissioners.

It is deplorable that that attitude should be adopted by a leading newspaper. The position we have to face is a serious one, and we should approach the findings of the Royal Commission impartially and do what is best in the interests of the State. That newspaper by its reference to "a member of the Commission associated with a political party that had been foremost in destructive criticism of the scheme almost from its inception" levelled a charge at the party I have the honour to represent. I defy any man to prove that the Country Party ever condemned the group settlement scheme. But if you ask us whether we condemned the administration of that scheme, I pleaded guilty, and I will readily stand up to what I have said.

So far as I can judge, the findings of the Royal Commission go to prove conclusively that the criticism levelled against the scheme was only too well justified.

Mr. Taylor: Bring the writer of the article to the bar of the House.

Mr. THOMSON: All that the Country Party asked for was that the scheme should be controlled by men with a knowledge of settlement in the South-West. If the management had been placed in the hands of such men, I believe the Royal Commission would have been able to bring in a totally different report. I take strong exception to the Press statement that the Country Party representative on the Commission, was biased. When the Premier asked me if I would submit the name of one member to act upon the Commission, I personally refused to act, because I knew the Leader of the Opposition would say I was biased.

Mr. Sampson: On what ground do you base that statement?

Mr. THOMSON: From his public utterances throughout the State since the last general election. Neither did I suggest the member for Williams-Narrogin (Mr. E. B. Johnston) as a member of the Commission. I suggested the member for Toodyay (Mr. Lindsay), who had only recently been elected to the House, and not taken any part in the criticism of the group settlement scheme. In nominating Mr. Lindsay for the position, I considered that I did good service to the State. I believe members of the Commission approached their task with a desire to do their best for the State. It is wrong that there should be any efforts at intimidating members of the House. We have to approach the findings of the Commission with a view to ascertaining what can best be done for the State and for the men and women being settled on the groups. I want them to have a reasonable chance to make good. If the figures quoted by the Royal Commission are incorrect—and for the sake of the State I hope they are—let those members who stand for the late administration disprove them. It is our duty to see that the group settlement scheme is placed in charge of men who will manage it efficiently and who will secure better results than apparently we have had. I regret that the Press should publish a leading article directly charging my organisation with being biased. If the advice of the Country Party had been accepted and the control of the groups vested in a board of practical men, probably many of the admin-

istrative acts that have entailed such loss would have been obviated. Let me refer to a speech made by the member for Subiaco (Mr. Richardson) before the report of the Commission was submitted.

Mr. Lindsay: Before he had seen the evidence.

Mr. THOMSON: Before the Commission's report was presented to the Government, he made a statement that the Commission were biased. That is an insult to the intelligence of the members of the Commission.

The Premier: An insult to their integrity.

Mr. Richardson: You are entirely wrong. I said no such thing in Subiaco.

Mr. THOMSON: The report appeared in the Press.

Mr. Richardson: I know it did, but it was entirely wrong. Still, I would have been pretty nearly correct if I had said it.

Mr. Lindsay: You judge others by yourself.

Mr. Richardson: We shall have our say later on.

Mr. Panton: It is bad enough for Labourites to be fighting one another, without your starting.

Mr. THOMSON: I regret that heat has been engendered over my remarks.

Mr. Richardson: Only a little while ago you complained of bias at the conference with the Legislative Council.

Mr. THOMSON: I did not.

Mr. Richardson: You said the Premier appointed managers who were biased.

Mr. THOMSON: I merely made a statement of fact. I said the only member who voted with the Government for an increased land tax was the member for Subiaco, who had been selected as one of the managers at the conference with the Council.

Mr. Richardson: The inference is that the Premier was biased in appointing managers. According to your argument, the report is biased.

Mr. THOMSON: I made no accusation of bias. I visited the show recently held at Busselton, and was there informed that I and my party were absolutely opposed to group settlement. I asked the men who made that statement to produce evidence in support of it, and they could not do so, but they said that was the impression. The primary producers' movement, is composed of men who are making a living wholly and solely from the land, and how they could be opposed to helping fellow settlers in another direction is to me incomprehensible. This,

however, was only part of the political propaganda indulged in at that time. I understand that the new migration agreement will enable the Government to establish group settlements in any portion of the State. We have to open up and develop the whole of this State. I commend to the earnest consideration of the Premier a scheme submitted to the Minister for Lands by the Katanning vigilance committee, covering a scheme of group settlement in districts like Katanning. I do not wish to appear parochial, but such a scheme is worth consideration because the districts proposed to be settled are already provided with railways, roads, schools, and other facilities. The Government should seriously consider reserving an area of land from Armadale south along the Perth-Albany road for wine growing. This land is at present unproductive; it is regarded as being gravelly and poor, but it is believed that expert viticulturists, like the Italians, could turn it to profitable account, if assisted under group settlement conditions. The wheat yield during the past season was highly satisfactory. The member for Toodyay has had a life's experience of the wheat belt, and will be able to speak of its requirements. The Speech refers to the progress of dairying, and states that the basis of a flourishing industry is being established. I should like to know how many cows have been purchased for the groups and what has prompted the Government to send Mr. Hampshire, Mr. Clark, and their wives to the East to purchase cattle.

The Premier: Their wives have gone to select poultry!

Mr. THOMSON: It is reported that their object is to purchase 20,000 cows. I do not know whether that is correct, but I understand there is quite a large number of cows in this State suitable for dairying that Mr. Hampshire and his officers will have nothing to do with. I know several men who, when the group settlement scheme was initiated, started to breed up good dairy cattle that they might be in a position to supply the groups. Although cows are being slaughtered, in the opinion of competent men they are most suitable for dairying. I should like the Minister to inform the House if all the cows that are available in the State have been purchased for the groups, what the average price has been, and what it will cost to bring animals from the Eastern States. If the statements that have been made to me are correct, it seems unsatisfactory that we should be pur-

chasing cows in the Eastern States when we have already considerable numbers available here.

The Minister for Lands: We are buying all we can in this State.

Mr. THOMSON: I am advised by men, whose opinions I value, that the Government officers will not pay more than, say, £7 or £10 per cow for the local animal. It would be interesting to know what it will cost to land the cows here from the Eastern States, after the fares of the officers and the freight on the animals have been paid.

The Minister for Lands: We want more cows than we have in the State.

Mr. THOMSON: I have been told that we have many cows here that are quite suitable, but that the Government will not even try them and will not pay sufficient money for them. I know that cows have been turned down in the Gnowangerup district.

The Minister for Lands: We will not bring any cows from the Eastern States if they can be bought here.

Mr. THOMSON: Grave dissatisfaction exists over the present conditions. It is said that some of the cows delivered to the groups have been bred in dry areas, and are therefore not suitable for the South-West. What guarantee have we that any cows that are brought from the Eastern States are suitable for our South-West conditions? If the statements that have been made by responsible gentlemen are correct on this point, we may yet have trouble with the imported cows.

The Minister for Lands: I will not buy any cows if the dairy inspectors say they are unsuitable.

Mr. J. H. Smith: Did they arrive at that by observation or by testing?

Mr. THOMSON: I know of a man in the South-West who has a herd of excellent Jersey cows, which he offered to the Government.

The Minister for Lands: You do not expect us to stock the groups with pedigreed stock? Where is the money coming from?

Mr. THOMSON: What are the Government officers paying for cows?

The Minister for Lands: Round about £18.

Mr. THOMSON: This particular herd was offered at less than £18. They are first-class cows and were bred in the district. I see from the Speech that the wool outlook is very promising. It is not as promising as the Speech indicates. In my

district there has been a serious set back. Wool has dropped fully 50 per cent. in value.

The Premier: The Speech refers to production, not the price.

Mr. THOMSON: When we speak of the outlook of a product we must consider the price.

The Minister for Mines: A greater extent of country is being opened up for wool production.

Mr. THOMSON: The position is unsatisfactory for the producers, and is causing many people much alarm. With regard to the pastoral industry the Speech says—

My Ministers, realising the fine future that lies before the pastoral industry, and being seized of the necessity for enabling the pastoralists to take up country with some security as to boundaries, have instituted a system of feature surveys, which will be continued during the forthcoming year.

Cotton is also referred to in the Speech as follows:—

Two survey parties were sent to Kimberley last March for the purpose of locating and classifying land suitable for cotton growing near Elephant Hill, and preparing a scheme of subdivision. Main access roads are being surveyed, and this work will be continued until about the end of November next. In all probability the land will be thrown open for selection, and surveys continued during the following season.

I wish those who represent the North-West, and others who desire to establish that industry, every success. We who live in the southern zone know very little about the North-West. Without desiring to encourage any big Parliamentary picnic, I do think that if facilities could be provided for permitting members to see the North-West it should result in much benefit to the State. I am pleased to see that the timber industry is flourishing. If one may judge from the annual report of the Railway Department, the railways have received a substantial revenue, something over £4,000, from that industry. I congratulate the Government upon carrying out a policy of reforestation, and I trust that the lands which have been set aside for this purpose will be maintained for it. A gentleman informed me the other day that it costs as much to send our timber to Melbourne and Sydney as it does to send it to London. There must be something wrong with the Navigation Act, which is another Federal infiction upon Western Australia, and is pressing unduly heavily upon another of our primary industries. If this House has any influence

I hope it will use it in the direction of trying to have the Navigation Act amended, so that we may obtain more reasonable freights. We should have a much larger market in the Eastern States for our timber, and would doubtless get it if we could secure reasonable freight. It is astonishing that it should cost as much to send timber 2,000 miles as it does to send it 12,000 miles.

Mr. Marshall: What line of action do you suggest?

Mr. THOMSON: The Navigation Act should be repealed.

Mr. Marshall: More black labour.

Mr. THOMSON: I do not know what the hon. member means.

Mr. Latham: He knows all about it.

Mr. THOMSON: Ours is a white Australia, a policy that I have always supported, and I cannot follow the interjection.

Mr. Sleeman: Why repeal the Navigation Act?

Mr. THOMSON: It is pressing unduly hard upon our people. If members look at the matter from an unbiased point of view they will agree with me.

Mr. Latham: Surely members over there are not biassed.

Mr. THOMSON: I congratulate the Commissioner for Railways and his staff upon the excellent return they have presented to the House.

Mr. Panton: Do not forget the men who did it.

Mr. THOMSON: I was going to remind the hon. member of the men who did it, namely, those who have been growing wheat, those who have been hewing timber, and those who have been growing wool and other products that have been carried on the railways. These are the people that have enabled the railways to show such excellent results.

Mr. Sleeman: They would have done no good without good management.

Mr. THOMSON: Everyone has played his part, and the Commissioner and the staff have rendered efficient service. The report shows that there was a balance of £30,000 to make up during the half-year, that increases in pay cost £60,000, and that the Government gave a reduction of £45,000 in railway freights. I would remind the Premier that, when he was introducing his land tax, he assured the House that the farmers would benefit by it through a

reduction in railway freights. I have analysed these freights. So far as I can judge these reductions have been made on the first, second and third class rates.

Mr. Panton: And the people affected could do with it. Take the people outback on the goldfields.

Sitting suspended from 6.15 to 7.30 p.m.

Mr. THOMSON: Before tea I was dealing with the Railway Department. We were promised in this House that the farming community were to derive advantages in the shape of reduction of railway rates from the beneficent imposition of a land tax. We are told there has been a reduction of £45,000 in railway freights. However, according to the Premier's reply to a question, that amount of £45,000 is not being paid to the Railway Department. Therefore, despite £60,000 increase in wages and £45,000 reduction in freights the Railway Department have achieved the very satisfactory position of showing the substantial profit of £144,000. I congratulate the Minister for Railways and the Government generally on that result. I sincerely trust, however, that the Government will not aim at making a profit from the railways.

The Minister for Railways: No.

Mr. THOMSON: I am pleased to have that assurance from the Minister. While the railways should not be run at a loss, still they are part and parcel of the development of the State; and as long as they pay their way, it is all that should be required. I hope the Government are not contemplating increases in railway freights.

The Minister for Lands: But the railways are still a losing proposition.

Mr. THOMSON: The Government showed an absolute profit last year.

The Minister for Lands: Sinking fund charges have not been allowed for.

Mr. THOMSON: But the railways paid all their expenses. As regards the sinking fund, it is absolutely ridiculous for this State to pay sinking fund in respect of its railways, because we have the asset.

The Minister for Lands: The sinking fund has to be paid by the general taxpayer.

Mr. THOMSON: But we have the asset in the form of the railways.

The Minister for Railways: We have to pay back the money we borrowed to build

the railways, whether we have the asset or not.

Mr. THOMSON: But the State has a sinking fund of £9,000,000.

The Minister for Railways: Not out of railway revenue.

Mr. Taylor: Out of general revenue. Last year's contribution came out of borrowed money.

Mr. THOMSON: It has been repeatedly stated by a section of this House that the Railway Department and the farming community are spoon fed by the Government. In that connection let me draw attention to certain figures in the report of the Commissioner for Railways showing freights paid during the year in respect of primary products—wool £50,274, hay and chaff £85,261, wheat—and it has been frequently stated that wheat haulage does not pay the Railway Department, though I venture to say it would gladden the hearts of the Minister and the Commissioner if they could haul wheat all the year in full train loads at the present rate—

The Minister for Railways: That is not so.

Mr. THOMSON: During the wheat period the department run at full capacity, and wheat is a paying freight.

The Minister for Railways: We are hauling timber at the same time, and timber pays twice as much as wheat.

Mr. THOMSON: I admit that.

Mr. Taylor: Timber is hauled all the year.

Mr. THOMSON: I maintain, however, that wheat hauling pays the railways.

The Minister for Railways: When there is plenty of wheat about, there is general prosperity, and high class freights naturally increase.

Mr. THOMSON: The primary industries provide more than a third of the direct traffic on the railways. That calculation does not include timber traffic, for which we do not claim credit. In any case, the great bulk of the direct traffic is provided by country residents.

Mr. George: We could not exist but for the country.

Mr. THOMSON: The hon. member's interjection anticipates my argument. To return to the figures I was quoting: wheat £349,253, fruit and vegetables £71,062, fertilisers £51,123, special grain rates £91,811, and livestock £131,430. Those items total £830,214. As the total revenue collected

by the Railway Department amounts to £2,198,332, a simple sum in division shows that the direct traffic provided by primary production represents one-third of the total traffic on our railway system. Turning now to first, second, and third class rates, it is again the country districts that are carrying the greater part of the burden and providing the bulk of the freight for the railways. Naturally I admit that the railways have been pushed out into the country districts to supply much needed wants. But when one takes into consideration the fact that the reduction which has been made in railway freights is not, as suggested by the Premier, for the purpose of reducing the burden of the man on the land, but for the purpose of competing with the motors which are taking the high class goods traffic away from the Railway Department—

The Minister for Railways: If the motors continue to get the high class rates, the low rates will have to go up.

Mr. THOMSON: In introducing his land tax proposals the Premier said the farmers would get in railway freight reductions more than the amount of the land tax to be imposed upon them. I say in plain English that the Government have not delivered the goods.

The Minister for Railways: Yes, we have.

Mr. THOMSON: Farmers in my own district have told me that their land tax has been increased from about 25s. 6d. to about £9.

The Minister for Railways: That has not been done by the last amendment; that is due largely to revaluation.

Mr. THOMSON: And also to the increased tax, seeing that the tax has gone up from ½d. in the pound to 1d. And not only that, but the Government have cut out the exemption of £250, and the provision which permitted the farmer who was making his living directly from the soil to deduct his land tax from his income tax, or vice versa, whichever was the greater. So the farmer who previously paid, say, £1 7s. in land tax, and was permitted to deduct that amount from his income tax, now has to pay that £1 7s., and in addition has to pay £9 on top of that. The people I represent are very anxious to know when the Government propose to deliver the goods with regard to the land tax. I admit that a certain section who subscribe to the platform of the Primary Producers' Association were staunch believers in a land tax, because they thought

it would reduce railway freights. Now that they have to pay £7, £8, or £9 in land tax, whereas previously they paid practically nothing, they have begun to scratch their heads and wonder where the force of their argument came in.

The Minister for Railways: The additional imposition of land tax was to be deducted from railway freights.

Mr. THOMSON: That will be an interesting point to discuss when the full amount of land tax has been collected. I believe the Treasurer will find himself getting a great deal more money to spend than ever he anticipated, by reason of the fact that land values have increased very much, while all exemptions have been abolished.

Mr. Lutey: It is pleasing to know that land values are increasing.

Mr. THOMSON: Who is increasing those values?

The Minister for Railways: The people of the State.

Mr. THOMSON: The imposition of land tax has not increased land values. Those values have been increased by the men who have gone out and cleared land and made it productive.

The Minister for Railways: And by the amount of money the Government spend in providing public utilities.

Mr. THOMSON: I admit, of course, that when a railway is built into a district, the value of the land there improves to a certain extent. But, after all, it is the productivity of the soil that makes it of value. In to-day's newspaper there is a statement that within a radius of $12\frac{1}{2}$ miles of the existing railway system there are 3,500,000 acres of land unutilised, and therefore not worth a brass farthing to the State. The position is that under existing conditions the land has not been taken up and utilised. The mere fact that railways have gone through does not make the land productive.

The Minister for Railways: Land would not be taken up at all if the railways were not there.

Mr. THOMSON: I have the instance in mind where a man wished to take up 20,000 acres and the Government wanted 3s. 6d. an acre for it. That man would have to spend about £5,000 before he could get any return from the proposition.

The Minister for Lands: But the Act would not allow him to make up the land.

Mr. THOMSON: He has a family. The Minister knows to whom I refer.

The Minister for Lands: I do not.

Mr. THOMSON: I think the Minister has a shrewd suspicion. In my opinion the Government did not deliver the goods when they imposed the land tax and did not reduce railway freights. The Minister mentioned the competition of the motor traffic, and stated that if it continued, freights on the lower classes of goods would have to be increased. Last year when the land tax was before the House, the promise was made that reductions would be made from which the farmers would benefit. On the other hand, railway freights have not been reduced apart from the rates applying to first, second, and third class goods.

The Minister for Railways: The people in the country get their goods, such as groceries and so on, from the city and those rates cover them.

Mr. THOMSON: I asked a trader in my district what particular benefit the people at Katanning were receiving from the reduced railway rates. He said, "If you can give $2\frac{1}{2}$ per cent. discount on a penny, which it costs to bring a tin of jam down from the city, I will tell you."

The Minister for Railways: If freights go up, they will not hesitate to increase the price by a penny.

Mr. THOMSON: Would the Minister suggest that because the railway freight on a tin of jam has gone down $2\frac{1}{2}$ per cent. on a penny, that traders should reduce the price by 1d.?

The Minister for Railways: I did not say any such thing.

Mr. THOMSON: Now the Minister has indicated that freights have been reduced in order to enable him to compete with the motor traffic.

The Minister for Railways: Nothing of the kind.

Mr. THOMSON: But the Minister made that statement himself.

The Minister for Railways: I did not. Do you want us to start with a reduction on super.?

Mr. THOMSON: I will deal with super-phosphate later. The quarterly report of the Commissioner of Railways, dated 24th July last, contains the following reference to motor competition—

In view of the inroads that motor competition is making on our traffic the old system of waiting for clients to bring their goods to us for transport has become antiquated. We have, as a business concern, transportation to sell, and as this commodity is as good,

or even better than that sold by other firms, it behoves us to adopt the methods of successful business houses, viz., to place our wares before prospective customers per medium of a commercial traveller. With this object in view a temporary appointment was made in the early part of the calendar year to test whether it was possible to regain traffic that had been diverted to the roads, hold that which was beginning to waver, and obtain new business. The officer chosen was Mr. L. T. Hickey, erstwhile of the advertising section of the secretary's branch who, having experience in selling, advertising, and a general all round knowledge of railway working, was especially qualified for the position. So successful has the innovation been that you agreed to the permanent appointment of this officer. Considerable benefit has already accrued to the department; goods which for years had been transported by road are now being carried by rail. The presence of a departmental officer calling on mercantile firms in the city has been favourably commented upon in many quarters. The presentation of the railways' case has in numerous instances been the means of removing erroneous impressions, with benefit to our customers and the State generally. Being in close touch with commercial circles, complaints are brought under notice which can frequently be fixed up there and then, thus creating a better feeling all round. Traffic is being regained and new business obtained. That the introduction of a commercial section is appreciated by business people is evidenced from the letters of commendation which have been received.

I congratulate the Commissioner of Railways on having taken that step. It is gratifying to me as a user of the railways to know that the department realised that its methods were antiquated and that there was every need to canvass for business. From one standpoint, therefore, it would seem that motor competition has done good. It has aroused the Railway Department and led to the adoption of business methods. If the department does not conduct its operations along business lines, there are others who will take the business from the railways. I would like to know whether the officer who has been appointed is in a position to give special concessions to counteract the motor competition, or whether he has to adhere strictly to the regulations?

Mr. George: The Commissioner has that power.

Mr. Taylor: And has he authority to delegate that power to others?

The Minister for Railways: No.

Mr. THOMSON: But it would seem that, in effect, he has done so by giving this particular officer power to make special concessions.

Mr. George: That can be done within certain limits.

The Minister for Railways: What one customer gets, others can get.

Mr. THOMSON: While the Government and the Railway Department take credit for a reduction to the extent of £45,000 in railway freights on first, second and third classes of goods, we now find that this newly appointed officer will endeavour to secure additional traffic for the railways. Probably he will endeavour to get back a lot of the traffic that now passes over the Perth-Fremantle road.

Mr. George: There is not much chance there.

Mr. THOMSON: It would be interesting to know whether the department has done much to meet that competition. Surely there is an enormous amount of business done up and down the Perth-Fremantle road that could be secured by the railways. If this officer is to live up to his job, he will see to that part of the business. Will this principle to which the Minister has referred be applicable to the whole State?

The Minister for Railways: Yes. If you have a trainload of stuff, we will give you a special concession.

Mr. THOMSON: That is satisfactory.

Mr. A. Wansbrough: Is that concession open to everyone?

The Minister for Railways: I will see to that.

Mr. THOMSON: Regarding the superphosphate question, I would impress upon Ministers that the season in the Great Southern district generally is later than in the Eastern Wheat Belt, and I hope, therefore, that the Government will extend the period during which the super. concession operates in the interests of the Great Southern. It should be extended for one or two months. Seeding and harvesting operations are much later than they are in the Wheat Belt. The theory advanced by the Railway Department in favour of cheap rates is to encourage the farmers to send for their manure supplies at a time when they can send back loading of wheat. That position does not apply in the Great Southern.

The Minister for Lands: They have no wheat to send back from many parts of the district. That was one reason why I was asked to grant cheaper rates there.

Mr. THOMSON: We have in the Great Southern our local flour mills, and we also have the ports of Albany and Bunbury.

The Minister for Lands: That was not the reason. It was that they had not got the wheat there. Take the Kojonup district.

Mr. THOMSON: That is not a wheat-growing district. The settlers go in for sheep and oats, but it is absolutely essential that they should have super supplies. There are many seasons such as the present when considerable quantities of super are used for top dressing, and the settlers should be able to obtain their supplies at cheap rates. The Minister has indicated that if train loads were available, cheaper rates would rule. If he extends the period for the Great Southern areas, orders will come through and we shall be able to send away full train loads.

The Minister for Railways: You do not suggest reducing the price of super?

Mr. THOMSON: No; I want the period extended to enable the Great Southern districts to take advantage of the cheap rates. We know that the two companies supplying super are unable to cope completely with the demand in the short time in which it is required.

The Minister for Railways: We had better adjust the rate and make it apply all the year round.

Mr. THOMSON: It is better to leave the rate as it is and extend the period. The railways collected £51,123 on account of super freights, and it should be the policy of the Government to encourage still further the use of super, because that will mean increased yields and larger back loadings. Now that the railways have reached the paying stage, the Government should endeavour to encourage decentralisation by the establishment of industries in the country. The member for Albany (Mr. A. Wansbrough) asked a question dealing with preferential rates. It is not in the interests of the State that we should grist the whole of our wheat at the seaboard. I hope to be able to put up a scheme to Ministers for their favourable consideration whereby the mills in the country districts will be placed on a footing that will enable them to export flour on the basis that operates with the mills on the seaboard.

The Minister for Railways: You do not give us credit for the reductions on the railways on flour for export.

Mr. THOMSON: I am quite prepared to give the Government credit for that. The more favourably situated mills in the metropolitan area will still be on a better footing than the country mills.

The Minister for Railways: The country mills get 12½ per cent. rebate.

Mr. THOMSON: It is questionable whether that will be sufficient. I am perturbed at the possibility of a great number of country mills being closed down.

The Minister for Lands: You cannot expect a man with a mill right against the ship's side to have the same costs as a man with a mill 200 miles inland.

Mr. THOMSON: The Government say they favour decentralisation.

The Minister for Lands: There is no question of decentralisation about this.

Mr. THOMSON: When the late Mr. F. H. Piesse was Minister for Railways, the country mills were given an opportunity equally with the metropolitan mills to compete in the overseas markets.

The Minister for Railways: The country mills have a 12½ per cent. rebate now.

Mr. THOMSON: That is not sufficient. I am pleased that the Government are taking vigorous steps to establish an agricultural college. That should have been done years ago. The Speech contains the following paragraph under the heading "Public Service":—

With a view to securing the greatest possible efficiency in the public service, several important appointments have either been recently made or are now under active consideration. The appointments include Mr. F. W. H. Stileman as Engineer-in-Chief, a resident engineer for hills water supply, an engineer for harbours and rivers, a factory superintendent for the State Implement Works, a chief veterinary officer, a veterinary pathologist, a bacteriologist and pathologist, a medical officer of schools, two divisional forest officers, and an assistant principal architect.

I hope one of the Ministers will inform us how many of those appointments have been made from men educated in Western Australia. I think most of the positions have been filled by men from other parts. That goes to show that though we have been spending a large sum of money on our education system, our young men have to leave the State in order to obtain positions.

The Premier: What has that to do with the appointments?

Mr. THOMSON: A great deal.

The Premier: The State wants the best men it can get, no matter what part of the British Empire they come from.

Mr. THOMSON: Quite so, but I should like to know whether Western Australians, who probably were equally as brainy and as highly qualified as the men from the Eastern States and overseas, had opportunities to get these positions.

The Premier: We have not had educational institutions here sufficiently long to train men for the higher positions. Our University has been in existence only 10 years.

Mr. THOMSON: What opportunities are being given to men who for many years have served the State in junior capacities as engineers and architects? When a vacancy occurs they are passed over.

The Premier: Your argument is that they should get appointments because they were educated in the State and irrespective of their qualifications.

Mr. THOMSON: Officers connected with the engineering branch of the Government service, who have not been able to obtain further advancement, have gone to the Eastern States and to the Malay States and have commanded princely salaries, far beyond the salaries offered here. It is not fair that men who have given the State excellent service, and who possibly have been kept down by senior officers—

Mr. George: Oh!

Mr. THOMSON: I can instance men who have served in junior capacities in the engineering branch and who, seeing no prospect of advancement, went elsewhere and to-day are receiving treble the salary they would have been drawing here. We should give our own men opportunities to take these positions before seeking applicants from the Eastern States.

The Premier: So we did.

Mr. THOMSON: I do not think our officers are getting a fair deal. Take the architectural branch: men who have given the State loyal service as supervisors are passed over in favour of a gentleman from without the State. I do not blame the appointee; I cast no reflection upon him.

The Minister for Lands: I have heard you condemn the architectural branch.

The Premier: In fact, the building side of the Works Department is the one you have found fault with.

Mr. George: The officers there could not do a decent job, could not do it cheaply, and did not know how to do it, according to the hon. member.

Mr. THOMSON: That branch is still under the Principal Architect, Mr. Hardwick, But I am dealing with the principle and not with individuals.

Mr. George: All things being equal, the local men should receive preference.

Mr. THOMSON: Yes, and to my mind a gross injustice has been done by making some of these outside appointments. Our education system has evidently been wrong. We have been spending a considerable sum of money on education and have not been able to fit our own people for these positions. The agricultural industry is one that will absorb men and give them a reasonable chance of making a living. I hope the Government will be able satisfactorily to explain why it was necessary to go to the Old Country for a resident engineer for hills water supply, why it was necessary to appoint an outside engineer for harbours and rivers and an outside factories inspector for the implement works.

Mr. Sleeman: Because you people say that State implements are inferior.

Mr. THOMSON: We should give greater consideration to officers in the State service. Could we have a better example than the present Commissioner of railways? He learnt in Western Australia practically all he knows of railways. There was a howl of indignation when he was appointed Commissioner, and I maintain, even in the presence of the member for Murray-Wellington, that we have never had a Commissioner of Railways who has obtained better results than has the present Commissioner. There is a man who received his training locally. Yet when responsible positions are offered in other departments, the Government go elsewhere for men to fill them.

The Premier: It is time there was a cleaning up in some of the professions. This State is covered with monuments to the incapacity of some of them that cost this State millions of pounds.

Mr. THOMSON: Has the Premier any guarantee that the gentleman appointed will be any better?

The Premier: I know some of the men we have had in the past, and that it is common sense to look elsewhere.

Mr. THOMSON: While possibly mistakes have been made—

The Premier: Possibly a success has happened now and again by accident! You are doing no good to the men you have in mind, but you are inviting criticism of the men we have had, and it is not desirable to have such criticism in this House.

Mr. THOMSON: I am not inviting criticism; I am merely voicing my opinion. I have not mentioned any individual who should have been appointed to one of the vacancies.

The Premier: You are arguing that we should not go outside the State for highly trained men.

Mr. THOMSON: Not that altogether; I maintain that we should give our own men a reasonable chance of advancement.

The Premier: So we have done, but I am going by qualifications first of all.

Mr. THOMSON: That is quite right, but there have been many occasions when junior officers, who have served the State with considerable ability, should have received encouragement. The astonishing fact is that men who have been passed over here have gone elsewhere and been advanced in both status and salary.

The Minister for Lands: If I had been guilty of speaking against high officials, as you have done, I would not be guilty of talking as you have done to-night.

Mr. THOMSON: Mr. Davies was sacked for being incompetent and yet he went to England and took charge of one of the largest railways there?

Mr. George: He was not sacked for incompetency.

Mr. A. Wansbrough: His term of office had expired.

The Premier: That is pretty ancient history.

Mr. THOMSON: It illustrates my argument.

Hon. S. W. Munsie: The firm for whom he is managing does not pay very big salaries.

Mr. THOMSON: I should like an assurance from the Government that the officers of the public service who have rendered loyal service have not been overlooked.

The Premier: Loyal service often consists of a man sitting down for 25 years and drawing a good salary for not very much work.

Mr. THOMSON: That is possible.

The Premier: Drawing his salary irregularly for a quarter of a century, or doing very little.

Mr. THOMSON: It is possible that some officers with the necessary qualifications and ability are not given the opportunity.

The Premier: The hon. member knows what has occurred in regard to some of the work that has been carried out by professional men. It is time we had some new officers who apparently have qualifications.

Mr. THOMSON: I am sure the Premier would not have appointed the new Engineer-in-Chief unless he had been satisfied with his qualifications.

The Premier: And unless I was satisfied there was no one in the State fitted for the job.

Mr. THOMSON: I am prepared to admit that.

The Premier: There is no question about it.

Mr. THOMSON: I do not question his qualifications or his appointment.

The Minister for Mines: Are you then standing up for local men?

Mr. THOMSON: When all is said and done, in appointing an Engineer-in-Chief from outside the Government are practically perpetuating the system that has been in existence, one which the Premier has stated has been so disastrous to the State. I have frequently advocated that when important public works had to be undertaken they should be thrown open for public competition on the part of private professional men, as well as our junior officers, so that schemes might be submitted by one and all. The work would still be conducted under the supervision of the responsible officer, but these other people would be given an opportunity of competing. It may be found that even in the much despised Public Works Department there are some geniuses.

Mr. George: The Public Works Department is all right.

The Premier: You cannot keep down a genius. That is why you and I are here.

Mr. THOMSON: I am pleased to learn from the figures submitted by the Colonial Secretary that the Harbour Trust has shown a profit of £36,623. We regret the action of the Government in not appointing representatives of the primary producers upon the Harbour Trust. I hope we shall be able to persuade the Premier to amend the Harbour Trust Act, so that for the future there shall be upon the trust two primary producers' representatives, two industrial, and two business representatives.

The Premier: How would you join them into one party?

Mr. THOMSON: The great bulk of the trade that goes through the harbour is provided by those interested in primary production.

The Premier: What does the wheat export pay?

The Minister for Lands: Nothing.

Mr. THOMSON: I do not know that we are exporting any labour, and there are two Labour representatives on the Trust.

The Minister for Lands: It is the labour that does the work.

Mr. THOMSON: The primary producers are entitled to representation there.

Mr. Panton: Export stops as soon as labour is withdrawn.

Mr. THOMSON: Labour would have nothing to do if no wheat were grown.

The Minister for Lands: People do not grow wheat for the purpose of supplying the metropolitan area.

Mr. THOMSON: No one suggests that.

The Premier: Let us reduce the harbour charges, the railway freights and taxation.

Mr. THOMSON: I think I can show the Premier how he can reduce the harbour charges by £10,000, if the figures I have are correct. There was trouble at Fremantle with the Seamen's Union, and their refusal to take out the pilots. For some time the Harbour Trust had been endeavouring to cut out a lot of the pilot boats, at the request of those who were frequenting the port.

Mr. Sleeman: It was impossible to do it.

Mr. Panton: He has the "West Australian." Let him go.

Mr. THOMSON: This was a statement made by Mr. Stevens, the Secretary to the Fremantle Harbour Trust. Probably he knows as much about the question as the hon. member. This is what he said:—

The facts are that the sea portion of the pilotage service at Fremantle had become unnecessary, and this was discovered before the strike occurred. For a considerable time past the commanders of mail and other steamers coming to the port have been complaining of the annoyance and delay caused to them by having to stop a large modern ship at sea and manoeuvre her into position to enable a pilot to board safely, when the steaming into Gage Roads is only an ordinary reasonable feat of seamanship and navigation, far easier than these masters have to accomplish at many other ports which they visit. It has long been pointed out that, while this outside service was necessary in the old days of sailing vessels and later before the present perfection of wireless and other navigational

aids, that are to be found on the modern steamship, with vessels as they are to-day, it has become only a costly and troublesome annoyance. The Trust Commissioners, with the assistance of their professional pilot staff, have been going into this matter very carefully for some time past, and six months ago it was decided to improve the lighting of Gage Roads by substituting gas-lit buoys for the ordinary buoys, which have for many years marked Hall's Bank and Scott's Ledge reefs, and when these new appliances were ready, to curtail the compulsory pilotage service to a Gage Roads and inner harbour service only. In July last the apparatus was ordered, and it is nearly all to hand, some small parts only now being awaited. It was hoped to have all complete about January or February. The late strike, however, occurred towards the end of November, and lasted till a few days ago, and in that period of time, when the Trust was unable to get pilots out to the sea boarding ground, steamers came into Gage Roads day or night without any hesitation. During the time the strike lasted, no fewer than forty-four steamers—some approaching 20,000 tons—came to Gage Roads without pilots and the Trust has received letters from the commanders of many of these ships hoping that they would now be relieved of the outside stop. This demonstration forced upon the Trust by the strike of the men, showed clearly that, even without the proposed improved lighting of the Roads, the feat of bringing his ship in unaided was without difficulty to the modern shipmaster, and the Commissioners felt that they could not, in the face of what had happened, re-open the outside service without appearing impracticable and non-alive to the real interests of the port. It was consequently decided to bring in the new economy straight away, and, to that end, the Commissioners prepared the necessary amendments to the pilotage regulations of the port and sent them forward for ratification by the Governor-in-Council, as prescribed by the Fremantle Harbour Trust Act; but the Government has replied that Cabinet, after due consideration, does not approve of the proposed alteration, so the Trust Commissioners have found themselves forced to re-establish the full service on the lines existing before the strike. It is necessary, however, to give the public an idea of what has happened. When the Seamen's Union had settled its new working agreement with the Minister for Works as applying to the dredge hands, the private tug-owners and the Harbour Trust had to be settled with. When Mr. Walsh and Mr. Houghton came to me for the purpose of continuing negotiations for an agreement covering the deck hands and firemen of the pilot launches, I told these gentlemen what the position was—that the Trust intended to put into operation at once the curtailment of the system, which would necessitate the use of one launch instead of two, and that, as it was intended to man that boat with our old permanent hands, who had held the positions of coxswains and drivers in the boat to be laid up, there was nothing to negotiate about, as we would not again re-

quire the services of the men who had gone on strike. Mr. Walsh and Mr. Houghton expressed considerable concern, and were worried to know how they were going to meet the "boys" and explain the new position. In order to show Mr. Walsh that there was no veiled attempt being made to punish (or victimise, as the unions have it) the men who went on strike, I showed him the sections in our Act dealing with pilotage, the limits of the port within which the Trust was bound to supply pilots, and the office records showing that in July last the revision of the service was decided upon, and orders placed for new lighting apparatus to make for the absolute safety of shipping. Mr. Walsh personally examined all these points, and, when I asked him if it was a fair thing to sacrifice old loyal officers, some of whom had been in the Government service before the Trust was formed and certainly years before the men on strike came on, he, without hesitation, said that it was not fair to do such a thing, but he pleaded for an agreement which he said would be needed, as he intended to get these old men into his union, to which I replied that the Trust must leave that to the discretion of the men themselves individually.

The Harbour Trust was anxious to effect this saving of £10,000, and yet the Government—

Mr. Sleeman: It was not practicable. The Government could not do it.

Hon. S. W. Munsie: Who was going to get the benefit of it?

Mr. THOMSON: The Government refused to allow the Harbour Trust to put this economy into effect.

The Premier: The secretary and the Trust were not aware that the saving could be effected until the strike demonstrated it to them.

Mr. THOMSON: Mr. Stevens said that in July the apparatus had been ordered and was nearly all to hand, some small parts only being awaited.

Mr. Sleeman: Not even the members of the Trust knew that.

Mr. THOMSON: The Government refused to permit this saving.

The Minister for Lands: Do you know that Mr. Stevens asked for the alteration as a temporary measure, because there might be some danger in bringing the ships from Rottnest to the inner anchorage during the strike? It had nothing to do with the pilots. That statement was wrong.

Mr. THOMSON: This is the statement of the secretary of the Trust.

The Minister for Lands: Mr. Stevens asked for an alteration of the service for an entirely different reason.

Mr. Sleeman: It is like some of the other statements that have been made.

Mr. THOMSON: We cannot get away from the facts.

Hon. S. W. Munsie: The companies would have had the benefit of the £10,000, not the primary producers.

Mr. THOMSON: This statement was made in the Press.

Mr. Sleeman: And it must be right.

Mr. Panton: The "Worker" or the "West Australian"?

Mr. THOMSON: Members of the public can become acquainted with the facts only when they see them in the Press. It is for the Government to reply. This is a definite statement, showing that £10,000 could be saved.

Hon. S. W. Munsie: To the shipping companies.

Mr. THOMSON: No.

Hon. S. W. Munsie: Yes.

Mr. THOMSON: Certainly not.

Hon. S. W. Munsie: Not a penny of the amount would have been saved to anybody else.

Mr. THOMSON: At all events, this is the concluding portion—

I am directed now to say that the Trust Commissioners are of the opinion that even the throwing of the port into chaos again would have been preferable to the handing over of the administration and policy of the Trust to the tender mercies of the Seamen's Union—

Mr. Marshall: Mr. Stevens again!

Mr. THOMSON: This is not Mr. Stevens; this is the Trust Commissioners. Mr. Stevens says, "I am directed." The final words are—

but the decision of the Government left the Commissioners no alternative but to reintroduce the sea service.

Mr. Taylor: It is a shocking indictment of the Government.

Mr. Marshall: A no-confidence motion should have been based on that.

Mr. THOMSON: There is an amount of £10,000 being wasted, because the men who are paid by the Government out of funds collected from the Fremantle Harbour—

Hon. S. W. Munsie: From the shipping companies.

Mr. THOMSON: No. In their wisdom the Harbour Trust Commissioners suggested the curtailment of a service, which curtailment, in their mature opinion, would have saved £10,000; and it was considered quite unnecessary.

The Minister for Lands: That is a deliberate lie.

Mr. SPEAKER: Order!

The Minister for Lands: I do not say the hon. member is telling a lie; but if Stevens said that, it is a deliberate lie.

Mr. THOMSON: I am not making the statement. It is for the Government to prove whether that statement, published by the Press, is correct or otherwise. If the Commissioners are right in saying that the service should cease, the Government in this instance are wasting £10,000. Perhaps, as the Premier suggests, the saving of that amount would involve a curtailment of fees in other directions. Considering that steamers of as much as 24,000 tons have been brought into the harbour—

The Minister for Lands: Stevens was afraid of his life that there would be a claim for damages in case of something happening during that period.

The Premier: He deserves no credit whatever in this connection.

Mr. THOMSON: I consider that we should have a little more explanation than we have got up to the present. Certainly a section of the people believe that the Government are spending £10,000 per annum unnecessarily.

The Premier: Your association say that a reduction of £40,000 in railway freights is so small as not to result in reduction of prices, and therefore of no benefit to the producers. Will this reduction of £10,000 benefit them?

Mr. THOMSON: The Premier should also argue that £60,000 a year additional pay to the railway servants represented so small an amount to the individual man as not to be worth while. That is on the same line of argument.

The Premier: But I am not arguing that way. It is your association who argue that way.

Mr. THOMSON: The Premier was not in the Chamber while I was speaking.

The Premier: I am referring, not to what you said, but to what your association said.

Mr. THOMSON: I am speaking for myself at the present time.

The Premier: You can drop the association whenever it suits you.

Mr. THOMSON: No. I am very proud to belong to the association.

Mr. Marshall: I never heard anyone say that about you.

Mr. THOMSON: Dealing now with the Soldiers' Mental Home, I find the following paragraph in the Governor's Speech—

Under agreement between the Commonwealth and State Governments a new mental hospital for soldiers, of modern design, is in course of erection at West Subiaco on a very high and otherwise excellent site, comprising an area of 127 acres. Accommodation is being provided for 70 beds, 35 of which are for the soldier patients for whom the Commonwealth is responsible, and 35 for soldier patients for whom the State is responsible. The erection cost is estimated at £45,000.

I certainly consider the Commonwealth Government are dodging their responsibilities in this matter. While it may be argued that their responsibility does not extend beyond a period of two years, I consider that the responsibility is one to be borne by the Federation for the full period and to the full extent. However, the powers that be have seen fit to accept half the responsibility. I can only voice my protest against what I consider another iniquitous imposition by the Federal Government on the State of Western Australia. I have spoken somewhat longer than I anticipated doing. I sincerely trust that one or two matters with which I have dealt will be inquired into by the Government, and that one or two recommendations which I have submitted will be deemed worthy of consideration. I sincerely congratulate the Government on the splendid position in which they find the finances, and I sincerely hope, in the interests of the State, that the financial position will continue to improve during the current 12 months as it has done in the past 12 months.

MR. GEORGE (Murray-Wellington) [8.39]: The Governor's Speech, of course, is regarded as a summary of what has been done by the Government during the past year, and of what they intend to try to carry out during the coming year. One paragraph of the Speech deals with the migration agreement that has been made with the Imperial and Commonwealth Governments. I notice that although our Ministers have accepted, as they could not very well help accepting, that agreement, they have not abandoned hope that it may be possible to arrange better terms for Western Australia. Members of this House are so well acquainted with the various arguments put forward from

time to time regarding the disabilities under which Western Australia suffers, that it is not necessary for me to repeat them. I am quite sure the Government would have the support of every member of the House in any endeavour to better the conditions. The last speaker congratulated the Government on the financial position of the State, and I observe that the deficit has been reduced to £58,399. That, possibly, may be the best that the present Government can do. Perhaps I am optimistic, but I do think that if my chief had remained in office there would have been no deficit, but a surplus, and also that there would not have been the extra taxation against which the member for Katanning (Mr. Thomson) has spoken with so much force and so much pertinence. I presume the Government intend, like all the Governments I have known, to exercise the greatest care in the domain of finance. Let us hope that when the year's Budget comes before us, there will be no question of a deficit, but possibly a reduction in taxation. I have not very much faith in the promises of the Commonwealth to the State Governments as regards borrowing and so forth. I have not the slightest doubt that the State Governments have done the best they could for their respective States; but, I repeat, I have no faith in Commonwealth Governments, whether Labour or anti-Labour. I think all Commonwealth Governments are in the hands of the bureaucrats of their service, whose aim appears to be, so far as taxation is concerned, to devise the most ingenious methods of increasing taxation. We had some instances of that in our own State during the past 12 months—increasing taxation by means not appearing in the measure before the House; and when the taxation Bills are before us this session. I shall have a few remarks to make on that aspect. The Federal Disabilities Commission certainly visited this State and took evidence here, and also in other parts of Australia. So far as I am able to form a judgment, the Federal Commissioners were not directly concerned so much to ascertain the disabilities of an isolated State like Western Australia or Tasmania, as to find means of combating the arguments put forward on behalf of such States. Instead of going to the root of the matter and trying to find out how much basis there is for the complaints, the Federal Commissioners, like some other Commissioners, set about delving for proofs of an already decided position. I notice that the Govern-

ment do not say anything with regard to group settlement. I am not sure how far one would be in order in referring to that peculiar report which has come from the Royal Commission appointed to consider the subject, but from personal visits to and personal observation of a number of group settlements, I am satisfied that the group settlement scheme is of value to the State, and will prove of greater value to the State. I never expected 100 per cent. of successes, because my life's experience tells me that in every walk of life there are a tremendous number of failures. When one brings people from another country and settles them upon land even as good as Western Australian land, many of them have very little experience, if any at all, is it to be wondered that in conditions which are strange to them, and so may prey upon their minds and cause them to feel dissatisfied, a proportion of them should fail? On the other hand, with previous training or a bigger heart they would have won through. During the last three or four months I have seen 40 or 50 different settlers on the Peel Estate, and I have not met with a single complaint of any serious moment from them. Some of them might say, "If this drain were done, it would open up so and so." I would reply, "Very well: make representations to the department." And the department in almost every instance attended to the matter quickly. But no one should be sanguine enough to believe that we are going to settle a large number of men from overseas on what is practically virgin country, and find them successful right from the jump. The history of Western Australian land settlement is pretty nearly the same as the history of land settlement in other parts of the world. The first generation of early settlers worked like slaves for the sake of their families, to try and get through. The second generation worked hard, and in most instances the third generation began to get the benefit. But in the group settlement scheme we are seeking for successive generations; we are expected by the public and the Press, and by people who have not given sufficient thought to the matter, to make a complete success from the very start. It is considered that the Government should provide the means necessary for success right from the jump. Anyone with experience of land settlement knows that it is a slow process, and a process calling for every quality that manhood and womanhood possesses; that

one cannot expect to have everything rosy right away. Several instances have come under my notice at the Peel Estate. Some people came out a little while ago. They had had nothing to do with land before. I spoke to one woman and asked how she was getting on. She said, "There are difficulties and troubles, and I don't think we have got all we expected. But it is better being here with three meals a day and a good house, than starving in London." I do not mention such instances because my leader, Sir James Mitchell, has been connected with this scheme; I know that the Minister for Lands has also done a lot and that his heart is in the work. In view of the report we have had in connection with land settlement matters, it is only right that we should tell of these things that can be proved. I saw another man who had been a bus or tram driver in London, and when he came out here he hardly knew what a spade was. That man came out about three years ago and he has done well on the Peel Estate from the start. He has improved his holding and his house, and is now in comfortable circumstances. That man's neighbours also came out from England and they have been built up in health, not only because of the wonderful climate of Western Australia, but because the husband, with the wife's assistance, has been able to lay the foundation of a competency on his holding. I can quote a number of other instances. I do not say there are no complaints to be heard, but what complaints there are, mostly relate to trivial matters; the major part of the scheme is sound.

The Minister for Lands: The great majority of them there are really good people.

Mr. GEORGE: That is so. Recently I had the pleasure of conveying the information to the group settlers on the Peel Estate that the Government recognised their spirit of self-help and were willing to co-operate with them. No medical facilities were available there, and the Government intend putting up a hospital, the people having guaranteed to provide the equipment and maintenance.

Mr. Taylor: For how long?

Mr. GEORGE: As long as is needed.

Mr. Taylor: No fear!

Mr. GEORGE: Unless things develop in a most unfortunate way and the people are unable to make a living, there is no fear about it. If circumstances should prove to be so bad that there is the fear the member for Mount Margaret refers to, then it will

be the duty of the Government to render the assistance necessary and provide medical attention for the indigent and others requiring it. A brief paragraph in the Governor's Speech refers to forestry matters, and it is stated that the export trade in timber has been maintained during the year and that the increased value of our forest wealth is reflected in the increased departmental returns during the past 12 months. The revenue that has been derived by the department from royalties on timber must be large indeed. I understand the Government have given some consideration to the disposal of the funds, and it will be interesting to ascertain what their intentions are when the Forests Estimates are before members. Regarding the railways, the member for Katanning (Mr. Thomson) spoke about the traffic between Perth and Fremantle and talked as though the railways could deal with it. The railways can carry all the traffic offering between Perth and Fremantle, but they cannot give the quick delivery that is being obtained daily, not only by means of the motor lorries on the road, but by means of the motors run by the various wholesale merchants in the port and the city. If goods are sent by rail they have to be loaded at the port warehouse or from the ship's side into lorries, taken to the railway yards, loaded into trucks, conveyed to Perth, unloaded into lorries, and taken to the city warehouses where they have to be unloaded again. On the other hand, if goods are brought by motor lorry they can be delivered from Fremantle within a couple of hours.

Mr. Withers: What about doing away with the railways?

Mr. GEORGE: The member for Katanning probably does not know these things. Then again, the traffic between Perth and Fremantle is catered for by the Swan River Shipping Company. That firm's boats bring goods right from the ship's side to Perth where they are delivered the same day. The organisation and work of the railways are good, but the motor traffic is in a different category.

Mr. Clydesdale: How would you grapple with it?

Mr. GEORGE: When the charabanes opened up a quick and regular service for the people, I told the Commissioner what the position would be. If the charabanes, passing one's door, land one in Perth in 20 minutes or so, people will not walk half a mile to the station and repeat that day after day.

These things represent the ordinary developments of the times, and the question as to how the difficulties involved are to be overcome is one that the Commissioner of Railways will have to consider, in conjunction with the best aid he can secure. The railway returns afford great pleasure, for they contain some significant figures. References have been made to the prospects of a record harvest this year. We have every reason to hope that the predictions will be fulfilled, because the tonnage of fertilisers carried has increased from 123,000 tons in 1923-24 to 147,481 tons in 1924-25. It is from such increases in the quantities of fertilisers used that we shall secure the heavy increases in returns and of the heavier tonnages to be carried over our railways. It is gratifying to feel that our optimism had a sound basis. As to land taxation in relation to railway freights, I am in sympathy with the views expressed by the member for Katanning (Mr. Thomson), because I think the arrangements regarding railway freights have been very thoughtfully prepared. The reduction in freights have applied to the higher classes of goods, but to be of value to the producers the reduction should be on those things that the producers need most.

The Minister for Lands: The largest amount comes from the metropolitan area, and they get very little return for it.

Mr. Pantou: He knows that.

Mr. GEORGE: The land tax, large or small, that comes from the people on the land, was to have a set-off in respect of the freights.

The Minister for Lands: You know we have been carting stuff at a loss.

Mr. GEORGE: The people in the country object to paying half-a-crown for an article and getting no return. The reduction in railway freights has not been anything in proportion to the amount of taxation the Government's proposals have involved. I am pleased indeed to know that an agricultural college is to be established in Western Australia. I regret that one was not in existence long before this. Agriculture is the big mainstay of the State and it is from agriculture that we must expect to have increased population, augmented wealth, and widened possibilities. It is best that the youth of Western Australia shall be educated within the State upon land where they will have to earn their own living. It would have been better had the sons of Western Australians

gained their agricultural knowledge at a local college instead of being sent to agricultural colleges in the Eastern States. It is interesting to note that a light land farm has been established at Wongan Hills, and also a number of other projects that were started by Sir James Mitchell have been carried on. During the speech delivered by the member for Bunbury (Mr. Withers), I interjected with reference to the purchase of the new dredge. The negotiations for the purchase were carried out during my time. I noticed the statement made by the Minister for Works in the "West Australian." I do not desire to take any credit in this matter, but the facts briefly were that negotiations for the purchase of the dredge were carried out by the Engineer-in-Chief and I knew what was going on. He told me that the terms were the best he could obtain and the matter was passed on to the Treasurer to be dealt with. If Mr. McCallum, as the successor to Mr. George, found circumstances that enabled him to make a better bargain, all the more power to him. I do not envy him in the slightest; he can take the credit. My only concern is, what is best for Western Australia. That is all there is in the whole affair. Regarding agricultural water supplies, the Government are carrying on the regular administration policy, and if they can improve upon it, more power to them. If I can help them to improve it, my services and experience are at their command. The metropolitan water supply scheme is being continued; despite the efforts made by certain persons some time ago, the Government had the sense to take no heed of them. When rogue elephants play about in a zoo, it is sometimes useful if there is a keeper strong enough to deal with them. I am also pleased that the filters at Osborne Park have given satisfaction. It was fully expected that they would give satisfaction. It is unfortunate that there was an accident to one of the filter beds, but that has been rectified. No matter who gets the credit for the work, it is gratifying that the water supply of Perth has been improved, as it was said it would be improved. I must express my regret that the engineer who had to do with that scheme, and who, if he had not been harassed, would still be with us, has passed away by his own hand, and that that was his reward for service honest and honourable to the State. The particular gentlemen

who can claim to have got themselves into the niche of fame or rather ill-fame, by first of all causing C. Y. O'Connor to pass away and afterwards F. W. Lawson are welcome to all the satisfaction that it can give them. When I see those gentlemen, I see the brand of Cain which no blood will wash out. The various railways mentioned in the Speech are familiar to me, seeing we started them and carried them on. Some of them have been completed, and others are in course of construction. I congratulate the Government on their decision to continue the Esperance railway from Salmon Gums to Norseman. That railway should have been built from the Norseman end to Esperance. I strove for all I was worth to get it constructed in that way, but I could not obtain the funds. Had we been able to build it in that way, it would have been completed for 25 per cent. less cost. Regarding the public service and the jeremiad of the member for Katanning, I do not agree with him. We have good officers and loyal men in our public service. Some of them, like myself, are finding that the flight of years has taken from them the strength and vigour of youth, but the brain is still active. Provided the claims of those who considered themselves eligible for the position of Engineer-in-Chief were fully considered, I do not see that any other course was open to the Government than to use their judgment and get someone with perhaps wider experience than Western Australia had given its officers. No doubt our engineers, with their local experience, are valuable and good men, and when the new Engineer-in-Chief arrives, he will find a staff of men who will give him the benefit of their experience without holding anything back out of jealousy through missing the position for which they may have considered themselves fitted. I hope the respectable Press of this State will not fall into the error, on the arrival of the new engineer and other officers, of indulging in a lot of enthusiastic eulogy as to what they are expected to do. Provided the new officers get a fair crack of the whip, Western Australia will have a chance of tackling many of the big problems confronting it. While I have every respect for the newspaper staffs, their profession often requires them to express opinions on matters of which their experience can be but slight, or they must depend upon men from whom they can pick up informa-

tion. There is probably no civil service that does not contain a number of professional men who fear that their qualifications are not fully appreciated by those whom they are serving. Some of them forget that the venting of grievances, although it may ease the mind for the time being, frequently verges upon disloyalty to those for whom they are working, and certainly disloyalty to those with whom they are associated. Too many cases of criticism that have had disastrous consequences in the last two or three years have simply sprung from the fact that some disgruntled person or other has been able to get hold of a man of position and cram him with things that on the surface may seem to be justified, but when investigated are found to have little or no foundation. I hope that the gentlemen about to join the staff of the Western Australian Government will not be met with a multitude of effusive eulogies, but will be given a fair crack of the whip by the Press. They will be given a fair chance by the Government and, I believe, by all members of Parliament. The responsibility cast upon a man holding the position of Engineer-in-Chief is very great. The amount of routine work thrust upon him frequently interferes with his investigations and work on big questions so greatly that some method should be sought to relieve him. As to the legislation for the session, I have not seen the proposed Constitution Amendment Bill, nor do I know the lines on which the Government intend to proceed. We shall have to wait until the Government announce their intentions. I trust that when the Minister for Works brings in the Traffic Bill he will make provision for greater power over the lorries using the roads, the speeds they travel at, the weights they carry and the dimensions of the loads. I do a good deal of travelling about and I see many of these lorries, and I know that quite a number of them, heavily laden, travel on the Perth-Fremantle-road at a speed of 15 to 25 miles an hour. I passed a lorry the other day, but before I succeeded in doing so, I had to travel two miles and speed up from 25 to 30 miles an hour. That is not right. Many lorries using the road carry loads of a length prohibited even under the present Act and regulations, and constitute a danger, especially when turning the corners of narrow streets. A number of wagons may also be seen carrying loose barrels not securely tied. They travel at a speed and wobble all over the place, and if they happened to get a cant or strike a hump,

there might easily be an accident. These may appear to be trivial matters, but they are matters that should be attended to. I shall look forward to the advent of the Land Drainage Bill with considerable pleasure. I expect it is the same old measure that the present Minister for Lands had before him when he was previously Minister for Works, and which I looked at frequently during my eight years of office, but could never get an opportunity to introduce. Now I hope it will be introduced and that something will be done, because land drainage in the South-West is a most vital problem and one that has to be faced. It is a proper policy, and I am sure the Minister for Lands will agree with me that it is better to start on land near to the markets than to undertake work at tremendous distances where the settlers will be handicapped from the outset.

Mr. Pantou: We have been telling you that for 20 years and you have just woke up.

The Minister for Lands: There is an area of 250,000 acres in your district and we cannot touch it for another five years.

Mr. GEORGE: The existing Road Districts Act requires quite a number of modifications and the insertion of provisions to meet the altered conditions brought about by motor transport. One point the Minister should consider is whether the rates collected in any particular ward should not have some relation to the expenditure. It should not be possible, as has been done in some districts, for rates to be collected for many years and practically no expenditure to be made in the wards concerned. People in those wards can obtain no redress from the board. If possible the Government should enlarge the audit staff to deal with road board accounts. I am satisfied that if an annual audit were made, many of the irregularities now occurring would be obviated and the ratepayers would know how they stood at the time instead of being kept waiting year after year. In a district I know of one ward in the last 20 years must have contributed £10,000 in rates and not £20 has been expended in its area by the board. Provision should be made in the Act to protect the ratepayers. They have to pay their rates, and surely they have a right to expect something in return. It is not right that a ratepayer's money should be filched from him and spent elsewhere. He has the right to expect that some

of the money collected should be expended for the purpose of giving him and his neighbours some of the facilities that are so necessary. I suppose the Government have been steadily overhauling the files and records of the departments, with the object of ascertaining whether they can do better than other people or put into force things which other people might have been unable to do. Instead of rushing into a lot of criticism upon their administration I think I shall be doing better service to the country if I confine my remarks to the various topics and departments that will in due course come before us for debate. I am pleased to think and hope that we have turned the corner, and that Western Australia is steadily marching along a course of prosperity, which its great potentialities justify us in assuming it will some day reach.

On motion by Mr. Sleeman, debate adjourned.

House adjourned at 9.17 p.m.

Legislative Council,

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

QUESTION—RAILWAY CONSTRUCTION, SALMON GUMS-NORSEMAN.

Hon. J. W. KIRWAN asked the Colonial Secretary: 1, Will the Government comply with the general desire in the Esperance district that formation work in connection with the Salmon Gums-Norseman railway be started at both the Salmon Gums and Norseman ends? 2, Are the Government