

## Legislative Council.

Wednesday, 21st October, 1936.

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

### QUESTION—COUNTRY WATER SUPPLIES.

#### *Boring Plants for Local Authorities.*

Hon. A. THOMSON asked the Chief Secretary: In view of the serious position facing many farmers owing to shortage of water supplies, have the Government under consideration the necessity for immediately making available to local authorities boring plants, with an expert in charge, so that possible water supplies may be tapped on farms?

The CHIEF SECRETARY replied: Hand boring plants effective to 100 feet depth are available to local authorities and to Agricultural Bank Commissioners for use of individual farmers in the dry wheatbelt area. Nine months' boring, with three power plants, at the direction of Government Geologist and under expert drillers resulted in 47 bores being put down to a depth from 50 to 200 feet, at a cost of £5,000, 34 being worthless, 10 being partially effective for small numbers of sheep only, and three yielding water suitable for all classes of stock.

### QUESTION—RAILWAY REVENUE.

#### *Goldfields Line.*

Hon. A. THOMSON asked the Chief Secretary: How much revenue was obtained by the Railway Department on the Fremantle-Goldfields line from (a) passengers, (b) goods, for the years 1932-33, 1933-34, 1934-35, and 1935-36?

The CHIEF SECRETARY replied: The earnings of the different sections are not

kept separately by the Railway Department. To extract the information desired by the hon. member would occupy the time of several officers for some months.

### QUESTION—TAXATION.

#### *Departmental Rulings.*

Hon. H. SEDDON asked the Chief Secretary: Will he lay on the Table a copy of the rulings under which the Taxation Department officials operate the Stamp Act and the Financial Emergency Act?

The CHIEF SECRETARY replied: No general rulings have been issued in connection with the operation of the Financial Emergency Tax Assessment Act, but a copy of the Handbook and Regulations issued under that Act is being laid on the Table of the House. The Stamp Act is modelled on the English Act, and is interpreted in accordance with Alpe's "Law of the Stamp Duties," which is a recognised authority on this subject.

### BILL—PEARLING CREWS ACCIDENT ASSURANCE FUND.

#### *Further Recommittal.*

On motion by Hon. J. Nicholson, Bill again recommitted for the consideration of a proposed new clause.

#### *In Committee.*

Hon. J. Cornell in the Chair, the Chief Secretary in charge of the Bill.

Hon. J. NICHOLSON: We omitted to insert a clause exempting members of the board from personal liability. To remedy the omission and bring the Bill into harmony with other legislation providing for the appointment of boards, I move—

That the following be inserted to stand as Clause 14:—"No individual member of the board or any officer or servant of the board shall, as such, be under any personal liability to any creditor or person having any claim against the board beyond the property of the board in his hands."

The CHIEF SECRETARY: I am advised that the new clause is not essential, but there is no objection to inserting it.

New clause put and passed.

Bill again reported with a further amendment.

**BILL—SUPPLY (No. 2), £1,600,000.***Standing Orders Suspension.*

**THE CHIEF SECRETARY** (Hon. W. H. Kitson—West) [4.39]: I move—

That so much of the Standing Orders be suspended as is necessary to enable the Supply Bill to pass through the remaining stages at one sitting.

Question put and passed.

*Second Reading.*

**THE CHIEF SECRETARY** (Hon. W. H. Kitson—West) [4.40] in moving the second reading said: The Bill proposes to grant the Government supply for a further period of two months pending the passing of the Estimates. Supply granted under No. 1 Bill for the quarter ended the 30th September, was £2,200,000. This amount was apportioned as follows:—

	£
Consolidated Revenue Fund ..	1,300,000
General Loan Fund ..	600,000
Treasurer's Advance ..	300,000
<b>Total ..</b>	<b>£2,200,000</b>

This Bill provides for further supply amounting to £1,250,000 from Consolidated Revenue and £350,000 from General Loan Fund, a total of £1,600,000. During the three months ended the 30th September, expenditure from Supply granted—not including expenditure under Special Acts—was as follows:—

	£
Consolidated Revenue ..	1,607,684
General Loan Fund ..	557,021
<b>Total ..</b>	<b>£2,164,705</b>

During the same period the total expenditure, including Special Acts, was as follows:—

	£
Special Acts ..	1,002,859
Governmental ..	696,835
Public Utilities ..	910,849
<b>Total ..</b>	<b>£2,610,543</b>

Included in expenditure under Special Acts were interest and sinking fund amounting to £911,706. Exchange on remittances to London and drought relief to settlers, totalling £156,482 and £18,670 respectively, are included under the heading "Governmental." Revenue for the three

months ended the 30th September amounted to £2,431,555. This figure comprised—

	£
Taxation ..	520,565
Territorial ..	130,393
Commonwealth Grants ..	318,359
Public Utilities ..	1,249,159
All Other ..	213,079
<b>Total ..</b>	<b>£2,431,555</b>

The deficit for the first quarter of the current financial year was thus £178,988, compared with £241,857 for the same period of last year. However, the Commonwealth grant received during the three months ended the 30th September amounted to £200,000, and included £75,000 received on the basis of £800,000 per annum. Owing to the reduction in our grant under Section 96 of the Constitution, from £800,000 to £500,000, the amount over-received during the first quarter will have to be adjusted over the ensuing two months. Actually, therefore, the deficit for the first three months was £253,988. On the other hand, the deficit for the corresponding period of last year was overstated since the grant was underpaid during that quarter to the extent of £50,000. Therefore, the deficit for that period was really £191,857. Members will thus see that we are £62,131 worse off for the first three months of this year than we were during the corresponding period of 1935-36. Further, we still have a deduction of £225,000 in our grant to be spread over the remaining nine months of the financial year. I move—

That the Bill be now read a second time.

**HON. H. SEDDON** (North-East) [4.45]: I wish to offer a few remarks on this, the second Supply Bill of the session. First of all I desire to thank the Chief Secretary for the manner in which he has laid before us the figures relative to the first three months of the current financial year. Those figures are highly significant. They indicate that the optimism which unfortunately seems to have coloured the views of a good many of the general public rests on rather a slender foundation. At any rate, for the remaining part of the year the Government will be severely put to it to curtail some of their commitments. As the Minister pointed out, some £75,000 extra was received by the Government during the last three months on account of financial assistance from the Federal Government, being at the rate of £800,000

a year instead of the present figure of £500,000. In consequence the Government will not only have to face a reduced payment on this account during the next three months, but will have to make up the £75,000 already over-received. The actual figures of the deficit for the quarter are interesting. When we realise that the Government are committed to a much heavier expenditure this year than they were last year, on account of the operation of the last instalment of the financial emergency legislation coming in, we appreciate that they will have a pretty hard row to hoe during the remaining nine months of the year. In view of that fact it is rather peculiar to contrast the Government's pleadings in one direction with their actions in another. I would have appreciated a statement from the Minister explaining how the Government propose to meet the extra expenditure they are incurring in connection with the increased amount granted to sustenance workers. If that is going to be granted out of loan funds, which are apparently to be less than last year, is it to be used to employ a smaller number of men? Probably the Government anticipate that the improved conditions of last year with regard to employment will continue for the present year. I hope the Government are right, but there are some rather disquieting features in our National income. The figures for the returns from the financial emergency legislation are the best barometer that we can follow, because they show from month to month the receipts by way of taxation. If hon. members will make a comparison, they will see that the figures for September are down considerably on those for August. The outlook for many of our primary products is not by any means reassuring. The position in regard to wheat and wool has been stressed repeatedly, and there is no need for me to refer to it other than to point out that these two items comprise the greater part of our exports. As our imports last month were shown by the Government Statistician to be considerably up, the result is that we are not retaining, as we should retain, a margin overseas to meet our commitments there. We see wool returns are down—we are told from many quarters that flocks have been greatly reduced owing to the drought—and of course the natural result must be that wool returns for some years to come, even if the drought breaks, will be much lower than they have

been in the past. While that deficiency is being made up to some extent by the difference in the proceeds now received from mining as compared with wheat and wool, we shall not receive anything like as large a figure as we have been counting on from these other commodities. For that reason I urge that a note of caution should be sounded through all sections of the community. The Government have their task ahead of them, but I do not think the general public appreciate the fact, which will become evident in the immediate future, of a reduction in the incomes of those people who are living on primary production. Our position overseas is jeopardised considerably, as I have indicated, by the fact that importations are taking place at so high a rate. The Minister pointed out that the commitments in the way of interest and sinking fund amount to, roughly, £911,000 for the quarter, and he also instanced that £156,000 is required to cover exchange and drought relief.

The Chief Secretary: The figures are £156,000 for exchange and £18,000 for drought relief.

Hon. H. SEDDON: Of the amount of £910,000 I suppose 50 per cent. will be payable oversea and will carry the 25 per cent. exchange. The House will appreciate the fact that this constitutes an extra burden on revenue compared with what it had to bear when things were looking so rosy in the years gone by. We have, of course, benefited by the reduction in the interest rate brought about by conversions oversea, but that reduction is counterbalanced by the amount of £156,000 I have just quoted. I stress the note of caution because of certain remarks reported in the Press as having been made by the President of the Arbitration Court yesterday. Those remarks are worthy of consideration by every section of the community.

Hon. A. Thomson: Hear, hear!

Hon. H. SEDDON: They were weighty remarks, and were made by an authority appointed to consider the preservation of the balance when dealing with those industrial troubles which unfortunately arise in various forms of industry. Therefore with the outlook confronting us it is to be hoped there will be reason exhibited rather than unreasonableness. It is to be hoped that people will appreciate that the lessons of the last four years may unfortunately be repeated in

the future, and under far worse conditions than we passed through during the last four years. May I point out that the principal factor in relieving the depression was a considerable amount of capital which came into the country to assist in developing our mining resources. If hon. members will study the condition of the mining market, they will realise that for some considerable time past that market has been characterised by uncertainty. Capitalists and investors generally have had some severe shocks from this State; and it will take very little more in the same direction to induce them to turn their eyes away to other fields, where they feel they will not have the same difficulties to contend with as they have in Western Australia. The unfortunate experience of the last four years has stressed the fact that without the assistance of outside finance, whether from the Eastern States or from oversea, our difficulties would have been much greater than they were; and they were quite serious enough, in all conscience.

Hon. T. Moore: Why stress the last four years?

Hon. H. SEDDON: Because the last four years in my opinion represent the time of the depression. But perhaps I should have said, from 1931 onwards. However, as I have indicated, there was a certain lag in the year 1930-31 from the effects of the boom year, 1929. I wish to conclude my remarks, therefore, on a note of caution, and also on a note of reasonableness. Let us hope that industrial troubles will be settled along the lines which have been laid down to enable industrial situations to be considered dispassionately by those who are placed in a position where they should be free from interference in order to give a fair deal to every section of the community.

**HON. A. THOMSON** (South-East) [4.56]: I desire principally to draw public attention, especially in the metropolitan area, to the serious position that faces many of our farmers. The Premier will shortly go to the East in the hope of being able to induce the Federal Government to grant this State more assistance, with a view to relieving the position of the farmers, which in many districts is more serious than it was even during the drought year of 1914. From a country point of view it is sometimes highly difficult to understand the actions of the Government.

While I take no exception to those actions generally, I had hoped that things were such that all the men on sustenance would be able to obtain full employment. On the other hand, many of the men on the land now have reached the position of asking themselves, "What have we to gain by hanging on to our present position on the land?" As Mr. Seddon has pointed out, there is a strange psychological factor operating in the case of those who are fortunate enough to be in receipt of a full basic wage plus the margins applicable under State Arbitration awards. A large section seem to forget that the present position of affairs cannot last indefinitely. Let us realise the enormous amount of wealth which has been produced in the form of wheat and wool and other commodities in the country districts. I desire to sound a note of warning to the public that the primary producers as a whole are faced with a most difficult position. In previous years they suffered from a serious drought and did not secure returns in the way of produce. This year many farmers who for the last 30 years were satisfied that they had at least sufficient water supplies to carry on, find the water question a most serious one. I regret to say that that question is especially important and serious along the Great Southern Railway. That is the reason that prompted me to ask the Chief Secretary whether boring plants had been made available. I am delighted to have the reply which the hon. gentleman has given. Later I will ask the Minister at which department those plants can be obtained, and in due course I will pass on the word to many in my own district. We all sympathise with the Premier and his Government in the difficult task with which they are faced in view of the fact that £300,000 has been withheld from them by the Federal Government on the intimation of the Grants Commission. Another question I asked was as to the revenue that the Railway Department had derived from the additional traffic on the goldfields line. We have been told the position of the railways and we have had a very interesting report presented to us by the Transport Board, showing the beneficial results that have accrued through driving motor trucks off the road.

The PRESIDENT: Order! This is hardly an occasion on which to discuss another

Bill that is before the House. The hon. member will have an opportunity later.

HON. A. THOMSON: I wanted to draw the attention of the House, and incidentally of the Minister, to the reply given to that question, namely that the earnings of various sections in the Railway Department are not kept separately; yet in the returns of the department the amounts are all given. However, as you, Sir, have rightly pointed out. I will have an opportunity to deal with that later, although I should have preferred to keep it entirely separate from that other Bill. I want to stress the difficult position that country towns and residents are facing. Country storekeepers are having an extremely difficult time, and in some parts of the State they have been compelled to advise their customers that there is no more credit available, that in future cash must be paid for all goods supplied. I think we require an early pronouncement from the Government as to what they propose to do in the matter. I have no wish to embarrass the Government, for they have a very difficult task before them, but there are many on the land who are anxious to know what steps the Government propose to take with a view to assisting to keep them on the land. So far allowances have been made, but some of them the farmer is expected to repay. Those workers in the city enjoying a 44-hour week and the basic wage are exceedingly fortunate, notwithstanding which three branches of industry are being held up because the workers are not prepared to abide by the awards given. There is a spirit of unrest abroad, and one cannot wonder at farmers deciding to leave the land and come into the city. I am convinced that successive Governments have honestly tried to encourage people to reside in the country, but in the present difficult position of the farmers it will be a great worry to Ministers to know how they are going to supply the wants of those farmers, including water supplies for the country districts. I am pleased to see that the Government propose to make available small grants, but I am afraid that in some districts larger amounts will be required. I will not oppose the second reading of the Bill because, of course, the Government must have Supply, but I do wish that many people who are living with all the comforts a city provides would realise the difficulties that our people in the coun-

try districts are living under to-day. Then those people in the city would be more thankful for the conditions under which they reside in the metropolitan area.

HON. J. CORNELL (South) [5.8]: In offering a few remarks on the Bill I may say that during the discussion on the Address-in-reply I did not inflict myself on the House, so I propose to take advantage of the second reading of this Supply Bill to make a few pertinent observations. Mr. Thomson has referred to the plight of the agricultural industry. With the exception probably of Karlgarin, I doubt if the South Province farmers were ever so hard up against it as they are to-day. I am given to understand there will not be one crop of wheat on the miners' settlement. When the Minister for Lands next deals with the subject of group settlement I ask him to conjure up the plight of those in the miners' settlement. I am convinced that the miners' settlement is a bigger failure than is group settlement itself. My advice is that crops there are practically a wash-out. The same thing generally can be said of Yilgarn.

Hon. J. J. Holmes: And in every other district it is the same.

Hon. J. CORNELL: The farming community are at their wits' end for some declaration of policy from the Government.

Hon. A. Thomson: That is what they want.

Hon. J. CORNELL: They want to know whether or not it is worth while trying to get along in the existing depressing circumstances. It is certain that there will be no Federal wheat grant, because wheat is at 4s. 6d. per bushel at country sidings. All that the impecunious farmer can look forward to is as to whether the crop he is to get will be anything like the crop he got last year, plus the wheat grant. For a few years the Agricultural Bank had the distribution of the Commonwealth grant to farmers. If they do not get the same grant this year, the Agricultural Bank will be able to put off a third of its staff; because it is common knowledge that at least one-third of the Bank's staff was practically employed on the distribution of the grant. A declaration of policy is required so that the farmers can be assured of the future. At the other end of the South Province we have a water shortage that has practically caused a cessation of the mining industry on the Phillips River goldfield. I understand there are only six

or eight men working for the de Bernalles group down there. So members will see the seriousness of the position for both farmers and miners in the South Province. I am given to understand that a prominent resident of the mallee district, who has been there since its inception, one of the first men to go farming there and one of the last to go broke, is shifting up to the Peel Estate with his wife and family. I am told that the crops there also promise to be a wash-out this year. So the position is not confined to the north-eastern wheatbelt. As Mr. Holmes stated, it is the same in most districts. In some of them it is worse than it was in 1914.

Hon. J. M. Macfarlane: And in the pastoral areas also.

Hon. J. CORNELL: I wish to refer to the administration of the Agricultural Bank, and I want to know what benefit the new administration of the Bank has conferred on the community, as against the services of the old administration. The new administration has been 18 months on the job, and what has it done? Its only effort at rehabilitation of the wheatbelt has been in the Esperance district. I am told that the end of wheatgrowing in the mallee is very near.

Hon. G. W. Miles: The new administration is there to save the taxpayer from getting further into the mud.

Hon. J. CORNELL: The hon. member is talking through the back of his head. The position to-day is that there are more employees in the Agricultural Bank than ever before.

Hon. G. W. Miles: We now have Commissioners which will carry out the Act.

Hon. J. CORNELL: We have Commissioners who will do nothing but drive some of the best men off the land.

Hon. G. W. Miles: Some of them ought never to have been on the land.

Hon. J. CORNELL: The hon. member has never had anything to do with agriculture, nor with the administration of agriculture. I want to know what the new Commissioners have done in 18 months of office.

Hon. G. W. Miles: They have been able to say "No," which other men cannot do.

Hon. J. CORNELL: They have been able to take money from clients which rightly belonged to those clients. And after months and months, someone did come between the client and the Bank.

Hon. G. W. Miles: You are quoting one side.

Hon. J. CORNELL: I am quoting what I know to be correct because of the organisation with which I am associated. The position to-day is, regarding the present Administration, that it takes twice or three times as long to get a decision as it did in the old days. Finality is a subject about which the present Bank administration knows nothing. The Commissioners say that no one is to come between them and their clients, but someone did come between them and the group settlers. My observation regarding the whole of the present-time administration of the Bank is that it is more or less a rule-of-thumb, or the yard-stick. We have the spectacle in the group settlements of the head serang there being a person whom the settlers refuse to have on the board.

Hon. A. Thomson: And they were right, too.

Hon. J. CORNELL: Can anyone wonder at it? The weakness of the whole position is this: Before the new state of affairs came into existence, those employed by the Bank were public servants, and were recognised as such. They had a certain security of tenure, that is to say, that the then trustees of the Bank could not give them a week's notice of dismissal. That is where the weakness lies. The independence of the staff has gone because a week's notice will put any officer out of that institution, excepting, of course, the Commissioners. An efficient set of officers would always be prepared to display a certain amount of initiative, and the officers of the Bank could rectify palpable grievances, and especially those that had to be dealt with right away. To-day the officers of the Bank do just what they are told to do, and nothing more. An officer can be dismissed on a week's notice, and he has no redress, no one to whom to appeal. He has not even the redress of a porter employed in the railway service. Does anyone mean to tell me that officers employed under such conditions will display any initiative? Certainly not. They will do merely what they are instructed to carry out. This is deplorable because it can only work out in one direction. I heard of a case the other day of a man who wanted some horse-feed. A representative of the Bank, in a flash motor car, happened along, and he said to the individual "There is no need to turn your horses

into the crop, I will see to it." A week later the farmer was told to proceed in the ordinary manner. The horse might die in the meantime. If under the old order of things the member for the district had had such a case brought under his notice, he would immediately have seen the Managing Trustee, or the manager of the Bank, and feed for the horse would have been provided without any delay, and the details would have been attended to later. That does not and cannot happen to-day. The position to-day is that everything has to run its usual course, and we know the time that takes. There is another matter I wish to have cleared up, and I think the public have a right to know something about it. Who supplies the motor cars for the Commissioners? One Commissioner has a car the number of which corresponds with a Government garage number. Why should he have that number? Does he use that car purely in connection with the business of the Bank—I know he does not—or does he use it in connection with his own business and his own pleasure? That is what the public should know.

Hon. G. W. Miles: Quite right.

Hon. J. CORNELL: The former Managing Trustee of the Bank had a motor car of his own, but the present chairman of the Commissioners has a motor car with the number "2120" which he uses for the business of the Bank, for the purpose of his own business, and for his pleasure as well.

Hon. C. B. Williams: Does he use it to run up to his own farm?

Hon. J. CORNELL: He uses it for his own business and to attend football matches and other places. The public have a right to know whether the chairman, whose emolument is £2,000 a year, can use this high-powered motor car for his own pleasure as well as in connection with the business of the Bank. The Premier himself does not do that, neither does any other Minister. Why should this high-handed gentleman be able to enjoy such a privilege? I require an explanation of this later on, if the Minister cannot give it now. There is still another matter to which I wish to refer, and that is the abnormal death rate amongst those who work in the mining industry. I have already said, and Mr. Williams has also referred to it, that the death rate is largely due to the in-

experience of the men employed. I know a shift boss on the Golden Mile who told me that the young chaps of to-day know nothing about mining, and they will not take advice from the older and more experienced men, or from the old shift bosses.

Hon. J. J. Holmes: Does that apply to mining only?

Hon. J. CORNELL: The result is that many of those young fellows are carried up from below ground. The only way to overcome this is to have more inspectors and more inspection, and unless Parliament is prepared to extend the powers of workmen's inspectors, we should do away with them. My opinion is that the powers of those inspectors should be increased, and that they should have the authority to prosecute just as have the other inspectors. The position to-day is that they are obliged to report to the Government inspector, who, in turn, reports to the department to decide whether or not action shall be taken. As I said, the only remedy is more inspectors and more inspection, and greater powers to be given to the workmen's inspectors. Mr. Seddon touched on another subject and so did Mr. Thomson, briefly. All public men should express an opinion regarding the present industrial position, and the strife that from time to time presents itself within the State. It is due to the Government to tell the workers who subscribe to the remedy of arbitration that they must accept it, not only when it suits them, but always, and that they cannot have it both ways.

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

Hon. J. CORNELL: My association with industrial affairs goes back a long way. I can remember a shearers' strike in New South Wales as far back as 1888, when a couple of men received two years' imprisonment for their association with a strike. That was before the actual birth of the Labour Party. The wise men of those days said that there could be only one end to the use of extreme force. In the long run the working man must lose, but in the interim, the period in which the worker is out, the sufferers are the wives and families.

Hon. A. Thomson: That is the tragedy of it.

Hon. J. CORNELL: After 35 or 36 years experience of arbitration in this State we find that the position to-day is exactly the same as it was 50 years ago. A large sec-

tion of the community still consider that the only weapon to be used is cessation of labour. We are back to the old order of things. What we want to know now is whether the working man intends to subscribe wholeheartedly to arbitration or whether he wants to scrap it. Personally, I would scrap it, and I would adopt the South African method, that is to say, give each party a definite period before they could either lock-out or go on strike, and impose a penalty if they did either before the expiration of that period. After that period had expired, and the Labour Department of the State had made a thorough investigation and endeavoured by conciliation to bring the warring factions together, if reason could not prevail within say a fortnight or three weeks I would allow both sides either to lock-out or strike. Reason is the great factor in all things. If conciliation were applied in its entirety it would be much better in the long run than would be compulsory arbitration. The worker himself only is to blame for the abolition of the conciliatory part of the Industrial Arbitration Act. In 1912 the amending Act did away with conciliation. In those days there was conciliation. We did more by that means on the Golden Mile than we ever did by arbitration. When the men went to arbitration on the goldfields, they got it where the chicken got the axe, in the neck. I wish to give an illustration of the loyalty of the working miners in the days gone by to their belief in the settlement of disputes by arbitration. The first arbitration award on the goldfields inadvertently took away from the men a recognised custom, that is the short Saturday in a 47-hour week. It prescribed an eight-hour day, and the employers said, "All right, it will be eight hours on Saturday." The men were working seven hours a day including crib time. The award lasted 18 months. The working miner of those days said, "We went to the court; the other people did not take us there. It is our job, though it may be hard to swallow, to abide by the decision and try to right it when we go there again." They did not go there again for a long time. Most of the old working miners have now gone. I cite this as an illustration of their desire to do the right thing in respect to using arbitration for the settlement of disputes. I wish to draw attention to a report which appeared in last Monday's "West Australian" of the remarks of an ecclesiastic in this State when

addressing a congregation of ex-students of schools with which he was associated. He warned them against the insidious virus of communism, and that they should inquire cautiously into the inner workings of any organisation which dabbled in communism, and which they had been asked to join. Here is where the reverend gentleman missed the point. The trade union movement of Australia is honeycombed with communists. In the trade union movement, the communist is a factor that can account for greater harm than it can as part of a recognised communistic organisation. That is the chief factor for the present industrial unrest that we see in this State. We know that where men congregate in groups, as they do in coal and gold mines, and in the cities, a few men with the necessary insidious propaganda can turn the thoughts of big majorities of men, and that they actually do so. Although I know the Labour Party refuses to admit communistic organisations to their fold, they do admit trade unionists, and through them they admit communists. It behoves every one of our public men, and members of the Government in particular, to declare exactly where we stand on the two questions, arbitration or no arbitration. I commend the President of the Arbitration Court who has been a friend of mine and an acquaintance for 36 or 37 years. In his make-up there is not one iota of bias towards any political party, or the Labour Party in particular. As the mouthpiece of the Arbitration Court he has definitely stated that as long as he is president the men cannot have it both ways. We ought to back up the president if we think he is right.

Hon. C. B. Williams: The coal and gold miners will back you up very conclusively.

Hon. J. CORNELL: We ought to back him if we think he is right, and if we think he is wrong we ought to say so and abolish the institution over which he presides.

Hon. C. B. Williams: That would be sensible.

Hon. J. CORNELL: My own opinion is that leaving aside the economic struggle or this class war, the president is right.

Hon. C. B. Williams: Tell us in what way he is right with regard to the coal miners and the gold miners.

Hon. J. CORNELL: He is right. He said that when people come to the court, begging him to adjudicate and sign a definite undertaking that if he does adjudicate they



will abide by his decision, they should abide by it.

Hon. C. B. Williams: They are still working, are they not?

Hon. J. CORNELL: They are trying to work someone else.

Hon. C. B. Williams: Are they not abiding by his decision?

Hon. J. CORNELL: Mr. Williams asks if they are not abiding by the president's decision.

Hon. C. B. Williams: That is all you can want.

Hon. J. CORNELL: They are endeavouring to move the Government of the day.

Hon. C. B. Williams: They are entitled to do that.

Hon. J. CORNELL: They want to upset the decision which the president was asked to give. Whether the president is right or wrong is beside the question. The point is that arbitration is on its trial. The president has given what he thinks is the correct view. The people who have agreed to abide by that decision now say he is wrong. I felt I must speak on the question that appealed to me as the paramount one. All down the years my record in the industrial movement will compare favourably with that of other industrialists over a long term. During my long connection with the Labour Party I held some very high and responsible positions. I never hesitated, and never backed and filled, and always stood up four-square to the men I was supposed to represent. I had no compunction in telling them where I thought they were wrong.

Hon. A. Thomson: It is a pity there is not more of that done to-day.

Hon. J. CORNELL: Had I adopted any other course and backed and filled in the political arena, I would not be standing here to-day.

Hon. A. Thomson: Of course you would not.

Hon. J. CORNELL: Wherever I may be, even though it be unpopular, the old axiom that great is the truth and it will prevail, always appeals to me above all other sayings.

**HON. T. MOORE** (Central) [5.40]: I agree with what Mr. Thomson and Mr. Cornell have said concerning the unfortunate position of our farmers. It would seem from other speeches that farmers in other parts of the State than in the Central Province are in the worst plight,

whereas we believe that from the point of view of bad seasons our district has suffered most. It so happens that in a great proportion of that area we have experienced three bad seasons. Some three years ago the farmers grew very fine crops. When they thought they were going to reap their reward, rust came along and in many instances ruined the crops. Many of those crops were put in under lien. The merchants, who do any extensive trade in the North in that regard, had taken over the farmers and allowed them a certain amount of money with which to carry on, with the idea of being recouped out of the ensuing crop. That crop, however, was lost through rust. They were beautiful crops which looked like yielding ten bags or more to the acre, but they yielded nothing. The better they looked the worse they were. Last year we had unfortunately a very dry period. Crops were again put in under lien and the farmers agreed to recoup the merchants out of the second year's crop for the losses they had incurred on the failure of the preceding year. That crop, too, failed. Now we have this alarming drought. Although the farmers did get a little crop in last year they did not get sufficient with which to pay off the liens. They were not in the position to put in any other crop under lien, so that I do not know what is going to happen to them. I do not know whether the merchants could find the finance with which to carry them on with the idea of being recouped from the possible results of a third crop, the last of the three. Along the coastal area is a fringe of country which is carrying fairly good crops. In places that were fortunately situated, some of the crops are good. Generally speaking, however, in every district from Pithara upwards the returns will be very low. That will mean a disaster in two ways, from the point of view of the farmers in the first place, and secondly from the point of view of the State. Whatever the outlook may have been a few months ago, it has since altered very materially for the coming year. Some member referred to the fact that the past season was as bad, from the standpoint of drought, as 1914, and that what the farmers were waiting for was an announcement of Government policy that would indicate to them how they were to be assisted to carry on. I agree that the farmers are

awaiting the announcement of some such policy, but let members consider the position of the Government to-day compared with the situation in 1914. In the latter year, Parliament was able to look after the State's finances, and the Government were able to carry on as they thought right. In those circumstances the Government could promptly evolve a policy and in 1914 the Industries Assistance Act was introduced. That legislation was cursed by many, but proved to be a godsend to others. To-day the Government unfortunately cannot do that. The Government cannot announce their policy until the Premier journeys to the Eastern States. The Government have lost control over State finance. The Premier does not know how much he can get until he goes East. That indicates to members how much worse off we are now than in 1914. The Government have no power, and do not know what financial resources will be at their disposal.

Hon. A. Thomson: But we can set a policy now.

Hon. T. MOORE: I wonder how Mr. Thomson would finance the policy! He knows that the Federal Government have the power now to say how much Western Australia shall receive.

Hon. A. Thomson: Desperate needs make men do desperate deeds.

Hon. T. MOORE: And desperate needs make men go on strike! Members must realise the position.

Hon. A. Thomson: Without any desire to flog the question, I would remind you that the Government can find £78,000 for the provision of trolley buses.

The PRESIDENT: Order!

Hon. T. MOORE: If we had that £78,000 at our disposal it would be a mere flea-bite.

Hon. A. Thomson: I agree with you.

Hon. T. MOORE: It is ridiculous for Mr. Thomson to advance that pettifogging point when discussing a matter of such moment. No such interjection will draw me off the track. What we require is not less than £1,000,000.

Hon. A. Thomson: I agree.

Hon. T. MOORE: That shows the unfortunate position in which the State finds itself to-day. It makes one wonder where the State is getting to. Members in this House make speeches to let the

metropolitan people know what is going on. That is what Mr. Thomson did to-day. He said he wanted the metropolitan people to know what was the position in the country. If it is necessary for him to let the people in the metropolitan district know what is the position in the country, how much worse off is the State when it is a matter of letting the Federal authorities know of our needs! Under our present system of finance, the Premier must go to the Eastern States and his voice will be raised in the wilderness of Canberra, which has proved itself to be a pretty hostile camp where the interests of Western Australia are concerned. That has been proved even this year. We have asked the Federal Government for assistance, and a Federal Minister was conducted throughout the agricultural areas in order to show him the devastation caused by the drought. What was the result? The State has received nothing. The Premier's sole voice will be raised in the Eastern States with his request for financial assistance. He will go over and ask what the Federal Government can do for us. In my opinion we should do more than that. There are three political parties in Western Australia. Instead of one party having its representative at Canberra, the three parties should be interested enough to send at least two members each in order to form a delegation to proceed to Canberra, and bombard the Federal Government. There is something in numbers. What is one voice raised among many?

Hon. A. Thomson: Has the Premier asked for assistance?

The PRESIDENT: Order! I remind Mr. Thomson that Mr. Moore is addressing the Chair.

Hon. T. MOORE: This is a time when all parties should get together. We have already done what we could, but we have been turned down pretty flat by the Federal Government. Mr. Gregory, a member of the Country Party in the House of Representatives, has come out into the open, and has said that the position is altogether wrong, particularly with the dealings in connection with the wool industry. I do not desire to enter into that phase, although I could do so at length, because the present situation is having a crippling effect on the industry. We have experienced a drought in both the pastoral

and agricultural areas, and relief measures will entail the expenditure of a large sum of money. Our request for help has been turned down, and yet members are still hoping that the Premier may secure some assistance when he goes to Canberra. The three political parties here should hold meetings, and consider the position with a view to adopting the suggestion I advance. That suggestion need not come from the Premier. I throw it out now. Let the various political parties get together and decide on some line of common action to bring the authorities at Canberra to understand our need. They are the people who will hand out assistance or withhold it from us in the time of our distress. I admit that the need that existed in 1914 was not so great as it is now, because in those days there were not so many farmers on the land, nor were there so many whose interests had to be looked after. The fact that there are more farmers on the land now and that the interests of so many more people have to be looked after in these days, is all the more reason why the Federal Government should be forced to appreciate the real position in Western Australia. The Federal Government say that we handed over the control of our finances to them, but we know that is not the fact. They took away the per capita payments from us, and now we have to take what the Federal Government give us. They have bound us in a stiff web, and they give us what they think fit. We have lost all our rights.

Hon. G. B. Wood: Perhaps it is time for another secession referendum.

Hon. T. MOORE: Unfortunately the secession referendum did not get us anywhere. It served to draw attention to the fact that conditions in Western Australia were unsatisfactory, but that was all. The present situation is likely to convert more people to secession than formerly. That will be so if present conditions continue and the Federal Government maintain their crippling grip on the State finances. Unless something is done, I do not know what policy the Premier could announce until he goes to the Eastern States on Saturday week. Time is going on, and people in the pastoral and agricultural areas are awaiting a policy. I do not know how it can be evolved until the Premier knows how much money he can get. Why cannot the representatives of the various political parties in the Federal Par-

liament do something by exerting their influence? We know what lobbying means. We have had experience of that ourselves. If something requires attention, someone is sent along to exercise influence and pressure. We should send our representatives to do some lobbying in Canberra in order to ascertain how far the Federal Government are prepared to go to assist us in our present time of difficulty. When we place various requirements of our several districts before departmental officers, we find they are sympathetic, but they tell us that requests have been made for this and for that, and they have only so much money at their disposal. They are in a quandary as to which requirement most deserves attention. Mr. Thomson wants to know what can be done with regard to water supplies, yet he represents one of the best watered districts in the State.

Hon. A. Thomson: Unfortunately that is not so to-day.

Hon. T. MOORE: Then he can visualise the position in other parts of the State.

Hon. A. Thomson: That is so.

Hon. T. MOORE: Every member recognises how difficult it is to secure the establishment of an adequate water supply. I commend the Government for what they have done in my province during the past few years. They have sent out parties of men to bore for water, and splendid results have followed that policy. An enormous amount of money is required to provide adequate water supplies throughout the State. When those supplies are furnished in due course, we shall be able to proceed much more easily with our development. One of the best directions in which the Government can spend money is in the provision of water supplies. Once they make that provision the Government will have placed a monumental achievement to their credit. It will cost a lot of money, but if the work is not undertaken properly, the growers will lose many head of stock with consequent deprivation to settlers themselves. I support the second reading of the Bill, and I again throw out the suggestion that the three political parties get together in order to present a united front that will help us out of our troubles.

HON. V. HAMERSLEY (East) [5.56]: The presentation of the Bill to the House affords us an opportunity to place before

the Government some of the requirements of our districts. I recognise that a large number of claims are made upon the Government, and we can understand the difficulty of Ministers in view of the shortage of funds at their disposal. I desire to draw attention to the position of a number of settlers in my province and elsewhere. I refer to those farmers who are in a serious plight because of the depredations of grasshoppers. Areas that were seriously affected last season are menaced more seriously this season. If the situation were taken in hand and drastic methods were adopted, the position could be improved. The difficulty has been accentuated by the neglect of the vacant holdings. The Government received offers from a great many people to undertake the improvement of those blocks in order to hamper the advance of the grasshoppers. Nothing was done. Many settlers already in dire distress have had the added misfortune of having their crops devastated by the grasshoppers. Appeals were made to the Government months ago, and the reply received was that the Government had limited financial resources only. However, some of the road boards acted in conjunction with the Government, and supplies of poison were distributed among the settlers. As a result much good work was done, but even so the effort was entirely inadequate. It is unfortunate that a wholesale scheme for dealing with the pest was not put in hand at an earlier stage. I believe that is the only way by which the grasshopper difficulty can be minimised for next season. The grasshoppers have increased in numbers tremendously this year, particularly in areas that were devastated last season. Many settlers who anticipated having good crops had them destroyed by the pest. Many settlers who were buoyed up by the hope of having a good crop had to see their wheat eaten day by day by the grasshoppers, all because the abandoned holdings are breeding grounds for the pest. In fact, those abandoned holdings have been rendered so bare by the pest that they look more like land impregnated with salt. There is not a vestige of green pickings on them. Can and will the Government adopt a scheme that will immediately change these abandoned farms from being a dreadful loss into propositions that will be at once realisable? In their pre-

sent condition they are of no use at all. They are a menace to the whole community, and particularly to districts adjacent to them which are not yet badly affected. These areas could be cultivated at a cost of from 3s. to 4s. an acre. Some 50,000 acres could be put under cultivation for anything from £7,500 to £10,000, and 100,000 acres for from £15,000 to £20,000. Had the money spent in providing an increase for sustenance workers been spent in the direction I have mentioned, it would have resulted in an immense amount of additional employment. Such work carried out on these areas would result in a tremendous demand for them from people desiring to put the land under crop. That cultivation could be carried out any time between now and the next sowing season, and I appeal to the Government to encourage the Agricultural Department, or the best authority, to have the work put in hand.

The Chief Secretary: Could that country be cultivated now?

Hon. V. HAMERSLEY: Now, or in the summer time, and the hatching of the eggs of the grasshoppers laid in these lands would be prevented. Even if the land were not sown with wheat when wheat was at a bad price, it could produce oats which would provide food for stock and work for the railways in carting it. The improvement of the land would make it saleable, whereas to-day people will not consider taking it over. Money spent in this way would provide more productive employment than money which is being spent in many other directions. Moreover, it would be of great assistance to people who are now being eaten out by grasshoppers because neither the Government nor anyone else will do anything to clean up the infested areas adjoining their properties. People who are still financial are being eaten out, and their chances of reward taken from them. I support the second reading.

HON. E. H. H. HALL (Central) [6.4]: I want to express thanks to Mr. Thomson and Mr. Cornell for drawing attention to the sad state of affairs existing in many parts of the wheatbelt. I want to follow the suggestion of Mr. Cornell that those of us who occupy seats in Parliament should not hesitate to express ourselves in regard to indus-

trial matters, which are causing the Government and very many people of the State considerable concern. I have listened to Mr. Cornell on many occasions. Sometimes I have been in agreement with him, and at other times I have not, but I want to congratulate him on the speech he made this afternoon. We know he is entitled to speak on industrial questions. He has been closely connected with them for a long period, and whatever opinion we may have about him, I think there must be unanimity in the opinion that we always know just where he stands. It was heartening to hear him express his view on a matter which is so very vital to the industrial life of this State. The Arbitration Court stands as a monument to the efforts put forth by the Labour unions. Admittedly it is not perfect, but it has been devised as a means of settling disputes much preferable to the old-time strike. Yet we have with us to-day people who refuse to follow the decisions of the court, a court which has been constituted in an endeavour to give effect to the reasonable desires of contending parties. I do not think there is any harm in referring to the gentleman who occupies the position of president of the court. We all remember his political affiliations before he was appointed to that position. In addition to him there is in the court a representative of the employers and one of the employees. Their work is to listen to the evidence of both sides and, after giving it their consideration, to deliver their decision. Yet we have in our midst to-day men who will not give the Government, which they call their Government, the assistance to which I think that Government is entitled, by obeying the awards of the court. They would still be at liberty, even while obeying those awards, to express their dissatisfaction by constitutional means. I think we should accept the invitation of Mr. Cornell to stand behind the President of the Arbitration Court and appeal to these men. Mr. Thomson and Mr. Cornell have directed our attention to men who are governed by no Arbitration Court awards, but who invested their capital and worked long hours, and have lost their all. There is a big body of primary producers who have toiled for years on the land without reaping any reward. That leads me to the subject as to what is to be done for the farmers who find themselves in the position of having no return for their labour again this year. Mr.

Thomson mentioned it was time some declaration was made as to what the Government intended to do. In another place as recently as last Thursday the Premier of this State gave an assurance that the wants of these men would be attended to. He said—

If necessity arises for the State to advance yet more money, the State will advance it, not on an ultra-generous scale, but on a scale sufficient to maintain the standard of last year, enabling the farmers to carry on.

He continued—

The whole of the population of Western Australia will have to contribute towards the support of farmers who are in absolute distress. The Government intend to go on. We are getting weekly reports with respect to the position . . . . I hope that as a result of the close investigation that is being carried out, within the next fortnight we shall be able to forecast fairly accurately what the ultimate position will be . . . . When that information is completely to hand, we as a Government will endeavour to relieve the situation by providing reasonable assistance.

That is a very heartening statement. Last Saturday at the Chapman State Farm annual field day I met many farmers who told me that the rains the Premier referred to in his speech were a godsend, and in many instances made a big difference to many of the farms. The position however is still serious. A big meeting is to be held at Dalwallinu to bring before the Government the needs of these people. It cannot be said that the Government are not aware of the seriousness of the position. The Premier has to go East. That has been the custom since the Financial Agreement was entered into. I was not in favour of it. I see Mr. Holmes looking at me. I remember how he voted on that occasion, and I voted on the other side. We have been told by men who have made a study of the subject that finance is government, and government is finance.

Hon. J. J. Holmes: I did not vote for it.

Hon. E. H. H. HALL: I am glad to hear that. I was always under the impression that the hon. member did so. When financial control was taken away from the State, I think we suffered a serious disability. I support the second reading of the Bill, and feel sure the Government will realise the need for assistance to farmers who have been through not one or two, but three or four years of depression.

**THE CHIEF SECRETARY** (Hon. W. H. Kitson—West—in reply) [6.13]: I am sure members will not expect that I shall follow them through the various subjects they have dealt with, but I feel called upon to say a few words in reply to one or two matters.

*Sitting suspended from 6.15 to 7.30 p.m.*

The **CHIEF SECRETARY**: One would imagine from the remarks of some members that the Government are not aware of the very serious times with which the State is faced. The exact opposite is the fact; the Government are aware of the very serious problem confronting the country districts. The drought position is exceedingly serious not only for the wheat farmers and producers in the southern parts of the State, but also for the pastoralists. When members say they would like an indication of the policy of the Government, I can only repeat what the Premier said on Thursday last. Surely members do not desire the Government to say more than that. I should like to ask whether the actions of the Government in the interests of the pastoralists and the wheatgrowers are not a sufficient indication of their sympathy and desire to assist wherever possible. One member reminded the House that everything depends on the amount of money at the disposal of the Government. That is quite true. The Government are embarrassed because the Commonwealth grant has been reduced by £300,000. When moving the second reading of the Bill, I pointed out how that reduction would affect the finances. Nevertheless, the Government are facing the position. They have a complete understanding of the position, and have caused inquiries to be made in districts where the people are, perhaps, feeling the effects of the drought most of all. The policy outlined by the Premier last week is one with which every member of this House, I believe, will agree. Much will depend upon what eventuates at the next meeting of the Loan Council. Members are aware that at the last meeting of the Loan Council the amount of money desired was not raised, and it is questionable whether the full amount will be raised. To the extent that the amount raised falls short of the amount asked for in the first place, every State will suffer a disability, and we, with the rest, will have to find ways and means to overcome the difficulty created by that reduction. Reference has been made to water supplies and to

the necessity for the Government to provide water in the various places mentioned. I ask members what they expect of the Government. Are the Government to be expected to produce water schemes for those places within the next few weeks or months?

Hon. A. Thomson: I do not think anyone suggested it.

The **CHIEF SECRETARY**: Judging by some of the remarks, one would imagine that it was possible for the Government to do it. No Government have attempted to do as much as Labour Government have done in providing country water supplies.

Hon. J. Nicholson: Unless you get a fairy wand.

The **CHIEF SECRETARY**: Fairy wands are not available in these days. History shows that Labour Governments have been as anxious as other Governments to provide water supplies and, indeed, have provided more water supplies for the country than other Governments have done. Consider the water supplies established in country districts during the last few years. No other Governments have attempted to do as much as the Labour Governments have actually accomplished. Unfortunately, from the point of view of the Government, in almost every instance the people served by those schemes do not meet their obligations. I realise that many of those people have been experiencing very hard times and have not been able to meet all their obligations as they perhaps would have liked to do, but the Government must have some regard for the finances of the State. Any member who reads the report in this morning's paper of the remarks of the Minister for Lands last night, when introducing his Estimates, must appreciate the seriousness of the position with which we are faced as a result of the considerate actions of the Government even this year. The statement of the Minister for Lands showed that £3,000,000 has been written off, and that £1,000,000 is outstanding for land rents and interest. He also mentioned other figures illustrating the consideration extended to primary producers. It seems to me that members who ask for a statement of the policy of the Government have only to refer to our actions in recent months. That should be a sufficient answer, and should make them realise that the Government are as anxious as anyone could be to ease the position for those people suffering from the effects of drought.

Hon. J. Cornell: The writing-off has given no immediate relief.

The CHIEF SECRETARY: I mentioned that only as being incidental. The Minister for Lands pointed out that we in Western Australia had done more than had been attempted in any other State. Earlier in the session I supplied the House with figures, which to some members were astounding, showing that the present Government are following the policy of previous Labour Governments and doing whatever is possible to ease the burden of primary producers who are suffering from drought and other disabilities. There is no need for me to indulge in a lot of detail at this stage. Members would not expect me to do so at such short notice. Those members who are, shall I say, critical of the attitude of the Government, are overlooking the fact that the Premier has already made a public pronouncement, and that it is impossible for him to say any more until the Loan Council have decided what amount of money will be available to the Government. The mere fact that we shall be £300,000 short in the Commonwealth grant this year as compared with last year is a severe handicap. It is embarrassing to the Government, but we propose to carry on as in the past, conserving our resources and endeavouring to deal equitably with all sections of the community.

Hon. A. Thomson: Do not you think that this discussion will help the Premier when he goes to the Eastern States?

The CHIEF SECRETARY: I do not know.

Hon. A. Thomson: I think it will.

The CHIEF SECRETARY: Some members like to speak to their electors, and that is about the only good the discussion does. I say that in quite a kindly way. Because one member makes a speech, it does not follow that every member should rise and say the same thing.

Hon. E. H. H. Hall: Every member did not rise.

The CHIEF SECRETARY: I wish to assure members that the Government realise the seriousness of the position and are doing their utmost to meet it.

Question put and passed.

Bill read a second time.

*In Committee, etc.*

Bill passed through Committee without debate, reported without amendment and the report adopted.

Read a third time and passed.

## BILL—WESTERN AUSTRALIAN BUSH NURSING TRUST.

*Second Reading.*

**THE CHIEF SECRETARY** (Hon. W. H. Kitson—West) [7.44] in moving the second reading said: I feel that this measure will meet with the approval of every member. It provides that the Western Australian Bush Nursing Trust shall be incorporated. The trust came into existence in 1920 as a result of a very generous donation made by the British Red Cross Society and that other organisation in England known as the Order of St. John of Jerusalem. The amount of the donation was £15,000, and this was made through the then Governor General, the Right Hon. Sir Ronald Cranford Munro-Ferguson, afterwards Lord Novar. The source and purpose of the gift are set forth in the recital contained in the deed of trust, dated the 5th October, 1920, a copy of which is attached to the Bill. The trustees as originally appointed were, and are still, five in number, and include three permanent trustees comprising the late Sir Walter Kingsmill, Mr. A. J. Monger, and Mr. Alfred Carson. The remaining two trustees are the Minister for Health and the Leader of the Opposition for the time being. With the alterations that have taken place in those positions, changes have had to be taken notice of; and whenever a change has taken place there has been a good deal of trouble and expense occasioned by the fact that transfers have had to be made to the new trustees. Naturally, when a death takes place difficulties also arise in connection with the transfer of land. So it is considered necessary to incorporate the trust, thereby overcoming some of the difficulties and rendering the position much easier for those concerned. By one of the terms of the trust deed, the capital of the trust fund is required to be invested, and the trustees can apply only the income towards the objects of the trust. The trustees, I am informed, commenced their duties by first appointing nurses throughout various country districts, in the hope that this would meet many of the difficulties experienced by country pro-

ple; but after some lengthy trial of work in this direction it was found that it did not supply the want which existed. Take, for example, the case of expectant mothers in the homes of struggling settlers. Their homes were in most cases unsuited for adequately and properly dealing with the position; in addition to which the system involved the bringing of doctors over long distances from centres of population to the settlers' homes. All this added enormously to the expense, and at the same time facilities were not available for treating the patient. What applied to instances of this sort applied with equal force to the cases of sick persons, because the houses in which many of them lived were not suited for the treatment necessary. As a result of the experience gained by the Trust and of discussion with those concerned, it was ascertained that what persons in the bush or in country districts wanted was some accommodation to be provided under a capable matron close to a hospital, where, for example, expectant mothers with their younger children could be housed and looked after by some capable and trained person. As a result of this the trustees took the necessary steps to bring the scheme into operation. I believe they have done most valuable and useful work in many of our country districts. The trustees got into communication with the persons in various country districts to secure their services to act as committees for seeing that the work was adequately and properly carried out. With the assistance of Government grants of land made at various times to the trustees, hostels or homes have been erected, through the Trust, at various centres, including the Lady Novar Hostel at Wyalatchem, the Lady Champion Hostel at Busseton, the Muriel Chase Hostel at Kununoppin, and the Alfred and Eva Carson Hostel at Denmark. In addition, the trustees have been co-operating with the Country Women's Association and assisting that association in various directions within the purposes of the Trust; and the trustees have also been co-operating with various country road boards which have become interested in nursing schemes and so on. Assistance is also being rendered in other directions. I believe that the work which has been carried on will extend as the years progress, and the need for the present Bill has become increasingly apparent. The Lands Department have, I understand, been experiencing difficulty with grants of land made

in past years to individual trustees. The department some time ago established a practice that no Crown grants shall be issued to individual trustees unless the body concerned becomes incorporated. There is great necessity for the Bill. The measure really speaks for itself. The present trustees are Messrs. A. J. Monger, Alfred Carson, S. W. Munsie, C. G. Latham, and John Nicholson. I am very pleased indeed that Mr. Nicholson, who has been associated with the work of the Trust since its inception, has been appointed as a trustee. He succeeded the late Sir Walter Kingsmill. I do not know what the work in connection with the Trust is, but being aware of Mr. Nicholson's interest in matters of this kind I feel that the Trust will gain as the result of his appointment. Certainly the people in the country districts will benefit from it. The deed of trust, which is incorporated with the Bill, is fairly lengthy. I do not think there is need for me to read it. Presumably hon. members will have an opportunity of reading it for themselves. I am sure this is one of the Bills to which we can give our unqualified support, and I sincerely hope the House will carry the measure. I move—

That the Bill be now read a second time.

**HON. J. NICHOLSON** (Metropolitan)  
[7.54]: The introduction which has been given by the Chief Secretary to the Bill leaves no room really for further comment. The hon. gentleman has dealt with the various phases of the Trust. May I take this opportunity to thank him most cordially for the kind remarks he has been good enough to make concerning me. In that connection I can only say that I consider it an honour to be connected with the work of the Trust. That body, I feel sure, will in the future do even greater work than it has done in the past. The fund, which was created as mentioned in the recital to the trust deed, is interesting. It is a very good thing indeed that there is embodied within the Bill a copy of the original trust deed, because the Trust is one which should continue for many years to come. Very wisely indeed the then Governor General said, "No part of the capital of this fund shall be used, but only the interest." The result is that the Trust has already been able to do excellent work in building hostels and other accommodation for the reception of expectant moth-



ers and other purposes. Expectant mothers can be brought in from their homes and can be rested in the hostels controlled by a qualified matron. Their young children can be looked after in the hostels.

Hon. A. Thomson: That is a very important thing.

Hon. J. NICHOLSON: Yes, a most important phase of the work. The younger children are looked after while the husband remains on the farm. As mentioned by the Chief Secretary, it was first decided to appoint nurses to carry out the work of nursing at the homes of settlers. It was quite a good idea in the first instance to send out nurses to the homes; but we all know what many of those homes are, how unsuited they are for the work, especially in a serious case or in a confinement case. There is only one place where those cases can be satisfactorily treated, and that is the hospital. Whilst waiting for the event to come, there must be some rest home where the mother and her young children can be attended to in the meantime. That is the position at the present time. When asked to take a position on the Trust, I found it necessary to make an investigation into the question of title deeds. I think that so far only one deed has been issued. Upon inquiry at the Lands Department I learnt exactly what has been related by the Chief Secretary, namely that in the Lands Department they have discovered, as the result of their years of experience, that great difficulties occur in connection with Crown grants issued to individual members who may be trustees of literary institutes and similar institutions, that many of these individuals have died, that some of them have left the State, and that it has been impossible to discover exactly where the registered owners are; that the successors have been put to great expense in getting vesting orders and taking other proceedings to get a proper title to the land. I am informed in the Lands Department that these things have already caused a great deal of confusion. Even now the department have a number of cases which they are trying to clean up. Consequently where land is given by the Government, they have established a rule that in future they will issue only Crown grants to incorporated bodies. A title, of course, can be issued to any individ-

ual trustee by the Titles office. The Lands Department, however, want to try to do away with the system which has caused so much confusion to arise. The Bill will obviate all that trouble, and put the Trust in the position in which it really should be, namely that of an established public trust. The trustees appointed to manage the fund afford representation to every section. In the first place the trustees were the late Sir Walter Kingsmill, Mr. A. J. Monger and Mr. Alfred Carson, who are still trustees. Mr. Carson is a man who has been most active in work of that kind. We all know the wonderful work he has done in connection with the Silver Chain organisation. Then in order that Parliament should not be left out, it was decided that the member of the Government holding the position of Minister for Health for the time being should also be on the Trust, and in addition the member of the Assembly filling the position of Leader of the Opposition should likewise be on the Trust. So from time to time there are changes taking place, and it may be said that in every way everything has been done to protect all interests concerned, and give representation in the broadest sense. I have pleasure in endorsing all that has been said by the Chief Secretary, and I commend the Bill to hon. members.

HON. W. J. MANN (South-West) [8.1]: I hope the Bill will quickly become law, because it will make for the smoother working of an institution that, I am sure, very few people in the metropolitan area have any real knowledge of. Those who live in districts served by these homes know well the wonderful advantage the homes have been to the wives of settlers who, by reason of their distance from medical men, have turned to the homes where they have been received with a reasonable degree of comfort which otherwise would have been denied them. In the early days of the Lady Campion Hospital, it was not unusual for that building to be packed to its utmost. Had that hospital not been in existence, quite a lot of pain and suffering would have been inflicted on patients being brought in over bad roads in order to get medical attention. In appreciation of those responsible for the bush nursing scheme, I say it has been a wonderful conception splendidly carried out. I am sure that anything this House can do to assist the trustees will be gladly done.

**HON. A. THOMSON** (South-East) [8.3]: First of all I should like to congratulate Mr. Nicholson on his having been appointed a trustee. I wish to endorse the remarks by Mr. Mann regarding the excellent work this bush nursing scheme has done. I have taken part in the negotiations for the establishment of the home near Denmark. Unfortunately in the bush the womenfolk, thinking of their young children to be left at home, have taken risks that they otherwise would not have accepted. Moreover it is on record that babies have been born on the way to the home, the mothers having hesitated too long about leaving their young children. It is a great boon which this institution has provided in districts where its homes have been erected. I offer my congratulations to the trustees on the excellent work they have done.

Question put and passed.

Bill read a second time.

*In Committee.*

Bill passed through Committee without debate, reported without amendment, and the report adopted.

**BILL—PETROLEUM.**

*Second Reading.*

**THE CHIEF SECRETARY** (Hon. W. H. Kitson—West) [8.10] in moving the second reading said: The principal purpose of the Bill is to liberalise the provisions of our legislation governing oil prospecting and to encourage the investment of outside capital. At present our legislation on this subject is contained in the Mining Act. If the Bill becomes law it will be taken out of the Mining Act, and so become an Act dealing with one subject only. It is because of that we have in the Bill quite a large number of clauses, mainly machinery clauses, which otherwise would not be there. From time to time since the proclamation in 1921 of the Mining Act Amendment Act, numerous applications have been received for licenses to prospect for oil. So far, despite all efforts made to interest overseas investors, the capital obtained has been subscribed wholly from within the Commonwealth. It has been incontestably demonstrated that unless the State is prepared to deal more generously with those who put up the money for this purpose, adequate funds to advance the search for oil will possibly never be forth-

coming. There is no need for me to stress the importance of this question to Western Australia and to the Commonwealth as well. Owing to the rapid development and widespread utilisation of the internal combustion engine, both in commerce and for defence, it is essential that every encouragement be given to efforts directed to the discovery of a local supply. In Queensland a certain amount of power alcohol has been produced, but so far what is known as flow oil has proved the cheapest and most efficient of these fuels. Oil has not yet been discovered in the Commonwealth. Dr. Wade, who, I think, will be recognised as a leading authority on this subject, has reported to the Minister for Mines in a very satisfactory way. It is impossible for any geologist to state definitely that an oil basin does exist at any given locality without exhaustive test, but Dr. Wade does state that, unquestionably, he discovered an oil dome in the Kimberleys. He arrived at this conclusion by the discovery of certain indications that showed that oil was present at one time. The next step is to ascertain whether the oil is still held in the strata, and whether the rock can be penetrated by boring. The Bill is divided into six parts—preliminary; administration, general, permits, licenses and leases, caveats, and administration of justice. Part IV., dealing with permits, licenses and leases, will provide the administrator of the proposed legislation with a measure of control over licensees not enjoyed under the provisions of the present Act. Under the Mining Act Amendment Act, an individual company or syndicate makes application for a license to prospect certain areas for oil. Customarily, the area leased upon issue of the license has been very large, although, in recent years, the Minister for Mines has, so far as possible, limited them by regulation to 10,000 square miles. Unfortunately, in many instances, the applicant having been granted a license has done nothing further. It is felt that the time has come to put a stop to this practice, and there is a provision in the present Bill that the 16 licenses still in existence in Western Australia shall be brought under the proposed legislation. Provision is made in the Bill for dividing the State into five oil provinces, identical with the five land divisions set forth in the Land Act. Any number of "permits to explore" may be granted in any one province. The applicant for a "permit to explore" is required to lodge £50 with his application. A

refund of £45 will be made to permit holders who carry out, or attempt to carry out, the conditions laid down in the Bill. The currency of a permit is for one year, carrying with it the right of renewal at the expiry of that term. No permit, however, may be held for more than three years. If, at the expiration of three years, the permit holder wishes to continue his search, he will be required to apply for a license to prospect over a certain area. These provisions seek to prevent the mistakes of the past. Much of the money expended in searching for oil in Western Australia was spent without expert advice, and so was wasted. The permit to explore is designed to ensure that the holder shall employ a qualified geologist for the purpose of advising where oil is likely to be struck by boring. Having carried out a preliminary exploration to the satisfaction of the Minister administering the proposed Act, the permit holder may wish to obtain exclusive prospecting rights, namely, a license to prospect, in respect of certain areas in a province. The Minister may grant such a license for an area of 15 miles square, but only five licenses may be held in the same province by one person, and not more than two such licenses shall adjoin one with the other. A bond of £1,000 will be required from applicants for a license as a guarantee that they will carry out the obligations laid down in the Bill. In some oil-bearing countries this bond is as high as £5,000. The Bill proposes that license holders shall pay rent at the rate of £1 per square mile per annum. Here, again, holders are entitled to a refund of 90 per cent., provided they carry out the conditions laid down in the Bill. Petroleum leases, except in the case of reward leases, shall not be more than 160 acres, and no person shall hold more than five such leases in any one oil field. The rent shall be at the rate of 6d. per acre per annum.

In respect of reward leases it is provided that the first discoverer of payable petroleum in any oil province shall be entitled to a reward claim four miles square. Again the second man discovering oil in a basin altogether separate from one in which oil has already been found although in the same province shall be entitled to a reward claim of four square miles. The area granted to the first discoverer of payable oil within the State, however, may include the whole of the individual oil bear-

ing structure so far as it can be defined, but subject to a limitation of 225 square miles, with the proviso that the length of such a lease shall not exceed twice its breadth. Reward leases will be free of rent for any period not exceeding five years.

An important section of the measure are the powers vested in the Minister to limit the number of bores that shall be put down in close proximity one to another. In the event of flow oil being discovered in Western Australia, these clauses seek to prevent a repetition of the losses that have occurred in other countries, as a result of forests of derricks springing up on the oil fields. In recent years, some of the more important oil producing States of the United States of America have enacted legislation to prohibit this practice, as it has been found that a multiplicity of bores only liberates gases, leaving the oil in the ground.

A further provision, designed to ensure that the best results shall be obtained from each oil field, limits to five the number of leases in which a person shall be interested in any one field. The Bill also provides that the Governor shall have the right of pre-empting all petroleum. It is expedient that the State should have this power to safeguard its own interests in times of war. Provision is made for compensating the owners of oil confiscated under the foregoing condition. Another interesting and important condition—found in the legislation of oil-producing countries throughout the world—provides that all helium gas discovered by any lessee shall be automatically the property of the Crown. It is used to provide lifting power in balloons and airships, and has many advantages not possessed by any other gas that can be utilised for this purpose. Unlike hydrogen, helium gas is non-inflammable and non-combustible, and, further, it is the lightest of all known gases. The main difference between the Commonwealth oil legislation, our present Act, and the Bill before the House is in respect of the conditions relating to permits to explore. No provision is made for these permits in the Western Australian Act, and I have already pointed out that this omission has led to a good deal of haphazard prospecting, with a consequential waste of money. Under the Commonwealth Act, a permit to explore covers 20,000 square miles, while the Bill before the House provides that a man may take out a permit to explore anywhere within a province.

Hon. H. Seddon: Would they overlap? The CHIEF SECRETARY: I do not think so; but it will be necessary for the permits to be defined. At any rate, I will make inquiries. The fee in Papua for the

right to explore is £110, subject to a refund of £100, as against a fee and refund of £50 and £45, respectively, under the Bill. The following is a comparison of the conditions for licenses to prospect:—

	Papua.	Western Australian Act.	Present Bill.
Area	250 sq. miles	10,000 sq. miles	15 miles square = 225 sq. miles
Term	5 years	10 years	5 years
No. of Licenses	Five	Unlimited	5 per person
Fee	£20	£5 per annum	£1 per sq. mile
Bond	£5,000	Maximum £500	£1,000

A comparison of the conditions of leases is as follows:—

	Papua.	Western Australian Act.	Present Bill.
Area	8 sq. miles	48 acres Reward: 640 acres	160 acres Reward: First discovery in State—whole of individual oil-bearing structure up to 225 square miles. First discovery in a province—4 miles square. Second discovery in same province—4 square miles.
Bond	Not less than £10,000	None	None

Honourable members will note that it is not proposed to ask for any bond in respect of leases. Similarly, rents are merely nominal. We must give every encouragement and opportunity to those interested in searching for oil. To date, the Freney Kimberley Oil Company and the Oakes-Duraek Company—which was absorbed in the original Freney Company—have spent £171,000 in oil prospecting. The Freney Company has carried out considerable geological work. However, it is apparent that we must liberalise the existing legislation if we are to ensure the attraction of sufficient capital necessary for the work of discovery. To this end the Bill provides, as I have stated, that pioneer discoverers shall be amply rewarded. Thus, the first man to discover oil, irrespective of the province in which the oil was located, will receive greater consideration than a later discoverer. Again, a discovery made in a basin altogether separate from one in which oil had already been found, although in the same province, will also entitle the successful prospector to a reward claim. The same rewards will apply to each of the five provinces. These conditions will provide encouragement, not only to the first man who finds oil, but to others making new discoveries. Reward claims may be free of rent for the first five years. After that they will be liable

to a charge of 6d. per acre. Under Part I. of the Schedule of the Bill provision is made for the generous treatment of holders of reward petroleum leases.

Hon. G. W. Miles: How do they compare with other parts of the world?

The CHIEF SECRETARY: I think the conditions vary. There is more variation with respect to royalties than there is with respect to the other conditions. For the first five years of the term of the lease the royalty shall be either 5 per cent. of the petroleum produced, or of the gross proceeds of production, and 10 per cent. after the expiry of this period. Details in respect to royalty on leases other than reward claims are set forth in Part II. of the Schedule. The rates on these leases vary according to the specific gravity and the quantity of petroleum yielded by the wells. I feel that the State is offering very liberal terms in this Bill to encourage the introduction of outside capital in the discovery of oil, and I think it is in the best interests of Western Australia. It is certain that if oil were found in large quantities, even if the royalties were perhaps small compared with what they are in other parts, they would represent a substantial addition to the State's income. Quite a number of efforts have been made to discover oil in Australia, and large sums of money have been spent up to date without success. According to reports which have

reached the Minister for Mines, particularly those of Dr. Wade, there is a distinct possibility that this State may be the first in Australia where flow oil is discovered. In the circumstances we should do all we can to encourage those people who are prepared to spend their money on the advice of experts who should know what they are talking about on this important matter. I move—

That the Bill be now read a second time.

**HON. H. SEDDON** (North-East) [8.33]: The dominant note struck by the Minister is that it is the intention of the Government to do all in their power to encourage the search for oil in this State, with a view to the discovery of payable flow oil. When we compare this Bill with the Act itself, we realise they have gone a good deal further than the earlier legislation went. Certain factors come into operation which should be taken into consideration by any Government dealing with the question of oil and the first discoveries of oil. One must be impressed by the fact that apparently very little interest is being taken in this measure. That may be due to the experience of the public in the efforts that have been made in the past to discover oil in this State. Whilst a good deal of money was expended, the results from that expenditure were largely negligible. Those who undertook the search for oil undoubtedly used the best technical advice that was available at the time, but it has since been shown that it would have been far better if they had gone further afield and obtained the advice and experience of men who had been associated with the discovery and search for oil in a practical way in other parts of the world. In the past the Government have shown their earnestness in encouraging the search for oil. Led by the Federal Government a little while ago, they devoted £2,500 to assisting the Freney Oil Company to complete their work in the Kimberleys. I am pleased to say from the attitude of the Minister and the sentiments he expressed that they are prepared to go a great deal further in that matter. Many important considerations have to be taken into account. We must consider whether we are going to approach this question purely from the standpoint of the best interests of the State with regard to the scientific development of the normal structure, which

is very important as I hope to show; or whether we are going to consider the point of view stressed by the Minister, that on account of the expense involved in the search for oil, unless we can offer a company sufficient practical inducement from a commercial point of view, they will not face the heavy expenditure involved in bringing to a flow a profitable oil field. Unfortunately, there has been a good deal of popular prejudice against the search for oil. This is largely due to scandals which have originated, and to the severe international conflict which has recently taken place between bulk organisations which have endeavoured to control the oil reserves. We must get away from that, and approach the problem from the standpoint of what is best for the State, and what will constitute a sufficiently attractive proposition from the commercial standpoint. There is also the further handicap that our people in this State are subject to. Our experience in mining in the past has been associated with metalliferous conditions. The conditions appertaining to the exploitation of oil are entirely different. If one takes out a gold mining lease and procures a sound title to that lease, one gets a title to all the minerals with that area. If one takes out an oil lease, one establishes a right to the ground itself, but a man may be in the position that he has not secured the area where the main supply of oil actually is. A man may sink a well and start the oil flowing, but another person not far away may sink a later well and may drain the first well of any oil that is in it. We must approach this question from a different angle. It is a new one to us, and is surrounded by different conditions from those appertaining to metalliferous mining. Oil is a fluid. It exists underground under certain conditions of temperature and is controlled by certain conditions of pressure. These conditions are entirely different from the conditions on the surface. Oil men very soon found that oil underground was quite a different substance from the oil that is obtained on the surface. The fact that oil underground is under constant pressure means that many fractions which become volatile when the oil is exposed to the air are, as a result of temperature and pressure, contained in the oil underground in liquid form. When the pressure is reduced the fractions in the oil are liberated, as

gas, and the consistency of the fluid is completely altered. This materially affects the difficulties of extracting the liquid from the earth. The boundaries of an oil field are not determined by the boundaries of a lease. Because of that fact, and because the conditions are different, it may place a lessee in a very unfortunate position. In the existing legislation provision is made that any person who finds payable flow oil in this State receives a grant of one square mile. He also has the right to take up two leases of 48 acres each. After that he has to take his change of pegging out areas of 48 acres with anyone who likes to peg alongside him. In this Bill the number of leases that are made available to one man is five. An oil dome is very extensive. Although a man may have done all the prospecting in the area, and provided all the pioneer work that has been done, he may not get the best position on the dome itself. The conditions governing royalties should be carefully considered. It takes quite a considerable flow of oil to make a profitable well, especially under these conditions and in the kind of country in which oil is found. To fix a limit such as has been fixed in the Bill, may mean the fixing of limits which, under commercial conditions, will prove entirely impracticable. We have to remember that payable oil, if found in the areas under consideration in this State, would be far removed from a seaport. This would involve the construction of a pipe line from the Kimberleys. In one case the pipe line might have to be 65 miles long, and in another case 130 miles long. In another part of the State, where there have been equally promising indications of oil, a pipe line would also have to be laid down. When the port was reached, it would be necessary to convey the oil to market. All the expense of refining would have to be gone through and there would be the various by-products to be got out, because they, too, are marketable. The expense of drilling, especially to such depths as are contemplated in the Kimberleys, might amount to £15,000 to £20,000 per well. It will thus be seen that a great deal of capital would be required and preliminary expense incurred by any company which set out to search for oil. In the circumstances, we must guard against laying down harsh conditions which may be the subject of critical scrutiny and cause unfavourable decisions on the part of those to whom they

may subsequently be applied. Although the Government have gone a long way further than the existing legislation, I am inclined to think that the areas it is proposed to grant will be insufficiently extensive to induce companies to spend money upon them. This is not a game for the small prospector or the weak company. I can see from the excitement which arose a few years ago, when there were indications of an oil discovery, that we shall have the same conditions of booming and exploitation of the public associated with the industry in Western Australia that we had before, unless we take great care to see that only adequately equipped people take possession of our areas, and that they are in a position to exploit them. The financial outlay involved in the search for oil is very considerable. Oil is only an asset when it is developed. Drilling, too, is very costly, especially at the depth it is proposed to go in the Kimberleys. A well would cost from £15,000 to £20,000 to put down, while the cost of a drill itself is in the vicinity of £20,000. I refer to the latest type of drill, which will be needed to go to these depths. We know what happened previously when an out-of-date drill was used in the Kimberleys. It is possible that with more modern equipment the same people might have had different results from what were actually obtained. Just to give members an indication of what is involved: Drilling experience in other parts of the world indicates that 50 per cent. of the wells bored were dry. In other words, £20,000 of capital was entirely lost. With the advent of scientific geological survey work the proportion of failures dropped to something in the vicinity of 20 per cent. The Anglo-Persian Oil Company, when they started operations in Persia, spent over £300,000 before they discovered a payable flow of oil. After ten years of work and the expenditure of £2,000,000 the Dutch Shell group reached a profit-producing stage in the Caribbean petroleum area. American speculators are prepared to bore four dry wells so long as they can get a profitable well with the fifth boring. I mention these facts in order to indicate to members the enormous amount of capital that will be involved in these operations. To show the inducements offered in other parts of the world, I may mention that in the United States of America a group of farmers offered 60,000 acres entirely free of rent to an oil company if the latter would explore the oil possibilities of the area over

which they had control, and they arranged that royalty would be charged only if the company were successful in their operations. For the reasons I have indicated, companies will not embark upon a search for oil unless the areas available are large enough, not only to give profitable returns, but to ensure that companies will not have to undertake expensive boring only to find, when successful, that competitors can take up large areas in close proximity. As an indication of the areas granted in other parts of the world, the Anglo-Persian Company's holding in Persia covers 500,000 square miles. In Costa Rica one company has been granted 7,000,000 acres. In Ecuador the area granted was 8,000,000 acres. In Peru areas of 1,000,000 and 1,500,000 acres were given to one concern and in Venezuela the concession granted covered 150,000 square miles. Those areas were not provided from the standpoint of establishing a monopoly; they were made available because of the enormous expense involved in the search for oil. The Minister has already made a comparison between the conditions laid down by the Federal Government in Papua and those outlined in the Bill. I asked him if any limit were laid down regarding the permits to be issued in any province. I understand there may be a number of permits granted in a province and I indicated it would be desirable that the areas under those permits should be definitely laid down. I suggested that if a person obtained a permit for a given period, he should be granted the exclusive right to explore for oil in that particular area. My reason for submitting that suggestion is that after a considerable amount of survey, it has been found that there is a large area of Western Australia that is covered by overburden so that it is impossible to gain any surface indication whatever of the nature of the rocks underneath. The rock formation is an indication to geologists as to whether oil is likely to be obtained. In consequence of that, a series of test wells will have to be put down for the purpose of determining the strata. I shall refer to what has been done in the Kimberley district, and I mention that point to show that the holding of a permit may involve a company in considerable expenditure in view of the structure of the country, which will have to be undertaken in order to secure an indication as to the desirability or otherwise of further proceeding with the exploratory work. The Minister has touched

upon the value of oil to a civilised community. May I make reference to one or two things that happened in the course of the Great War to show how important oil was then? Members will realise how much more important oil has become to-day. In 1917 the German submarines were sinking tankers at the rate of one per day. The British fleet was severely handicapped in its ordinary exercises because of the oil shortage. So serious had the position become at one stage that the British Government were almost in despair of the position that was being created. Fortunately the difficulty was overcome. When war broke out, England found herself not only short of oil, but faced with the fact that the sources of oil supply were not within her control. So seriously was the matter viewed, that, on the expiration of the war, the Anglo-Persian Company was formed and the British Government provided £2,000,000 in order to assist the company to undertake operations. Shortly after the war, a Minister of the Crown, speaking in London, said:—

When the war came the position was that the British Empire with its vast interests only controlled two per cent. of the world's petroleum supply. Now when adjustments are completed, we will not be far short of controlling one half of the world's supplies.

To that statement I would like to add that those sources are still outside the British Empire. Statistics show that only about six per cent. of the available oil supplies are within the British Empire. Apart from the value to Australia of an internal supply, there is also the additional advantage that would accrue to the Empire with the discovery of oil in Western Australia. During the course of my reading on this question, I came across a very significant statement, which was that when the Seaddan Bill was finally passed and was placed on the statute-book, an offer had been received from a powerful oil company to endeavour to find oil in Western Australia. Owing to the conditions laid down in the Act, the company decided they could not secure a large enough area to make the project worth while. I shall give members a few statistics regarding the oil industry in the United States. Unfortunately they are rather old but they should abundantly afford members an idea of the magnitude of the trade in that country. In 1922 1,510,129 barrels of oil were produced; the capacity of the oil re-

fineries was 1,880,000 gallons and 45,500 miles of piping had been laid down, while there were 137,000 tank cars. The money invested in the industry in ten years rose from 27,000,000 dollars to 8,000,000,000 dollars. The financial factors affecting oil prospecting are very great. The oilfields of the world, apart from those in the United States of America, lie in very inaccessible positions. In the Middle East oil has to be piped for hundreds of miles to the coast. From the Caspian Sea, oil is piped to Batum; from Persia to the Persian Gulf and thence by tankers to all parts of the world; from Asia Minor to the Mediterranean or Black Sea. In Western Australia we shall have to contemplate the construction of a pipe line extending from 65 to 130 miles to the coast. The financial value to Persia arising from the operations of the Anglo-Persian Oil Company is shown in the fact that revenue from royalties in 1922 amounted to £500,000, and in 15 years to £8,000,000. With regard to the population value of oil to a country, prior to the discovery of oil in Persia the country was occupied by a few wandering nomads who had small flocks and herds, but in the oil area to-day some 30,000 people are employed and secure a living in connection with the Anglo-Persian oilfields. In addition, at the ports from which the oil is shipped, a further 50,000 men are engaged in refining and handling the oil. Hon. members will realise from these facts the results that accrue from the discovery of oil. I wish to refer briefly to the possibilities regarding the discovery of oil in Western Australia. The position in this State is attracting attention in the oil world. I have already indicated to hon. members that there are two areas that are considered promising with regard to oil production in this State and both are in the Northern Provinces. Those two areas are 1,000 miles apart. That will indicate to the House something of the possibilities of oil research in Western Australia. The potential oil areas have only been partially explored. I have referred to the difficulties regarding surface indications, the inaccessible nature of the areas and the difficulties of operating in view of the water supply problem. Then again at certain periods of the year it is almost impossible for operations to be continued.

Hon. E. H. Angelo: Is the second area at Wooramel?

Hon. H. SEDDON: I understand it is in the vicinity of North-West Cape, where geologists have been engaged upon exploratory work, and are now reporting to their principals. When we come to consider the position in the Commonwealth, it must be realised that there have been very promising indications in Papua, and companies are boring there. Indications there are regarded as more favourable than those in Western Australia, and the areas offered by the Commonwealth are much larger than we propose. I do not want conditions in Western Australia so circumscribed that oil companies will prefer to go to other parts of the country rather than give us the assistance we require. I certainly do not want a repetition of what occurred a few years ago when oil companies passed us by. Had they embarked upon the industry in this State we would probably have been producing oil to-day. May I next refer to some of the history of oil exploration in the Kimberley area? In 1911 a man named Price, when boring for water on Margaret Downs Station, noticed some black seum and a petroliferous odour. In 1913 he found further indications of a similar nature, and in 1920 he bored at Mt. Wynne, and at Price's Creek, securing samples of oil. In 1928 the Freney Oil Company when boring at Poole Range got oil at 2,085 feet. Further boring at a later date produced a lot of gas and a little oil at 3,138 feet. Further borings in the same bore gave small gas showings at 3,228 feet, 3,236 feet, 3,249 feet, and at 3,262 feet. A sample of the oil that was procured at a depth of 3,138 feet was sent to the Government Analyst for investigation. Unfortunately it was a very small sample. Although the fact was established that it was crude oil, the sample was so small that it was not possible to secure an indication of the constituents, and thus its commercial value could not be determined. The fact remains that it proved to be crude oil. When I inform hon. members that these borings were in country that was badly folded in structure—that is to say, the strata was broken and the oil was able to escape—it will be realised that the remarkable part of it was not that so small a percentage of oil was procured but that any oil at all had been secured. As



a result of this, Dr. Wade came to Western Australia to conduct an investigation, and in consequence of what had been discovered his search had to cover a much wider stretch of country than would have been necessary had the structural conditions been different. Dr. Wade's conclusions were embodied in two reports. Brief summaries of these reports were published in the "West Australian," the first in January, 1935, and the second in June of this year. Summarised, his 1935 conclusions are embodied in the following questions:—

The first question the investigator has to ask is: Could any of the sediments have been productive of oil? The answer is, Yes. The second question is: Is there any proof that that oil was ever formed in them? Again the answer is, Yes. The third question is: Granting that oil was formed, is it likely that it has been preserved to the present day? That is still to be answered.

In his final report Dr. Wade said—

The work done indicates that in five areas of low doming and terracing such conditions may exist. The evidence calls for neither undue pessimism nor undue optimism.

We have already been given the figures expended by the Freney Oil Company. The total amount spent to date is in the vicinity of £172,000. The amount they will have to spend in boring areas already proved will involve at least £100,000. If they prove oil the whole of the Commonwealth will be able to benefit by their work, and the Government will have a new source of wealth production. From that standpoint they are entitled to the full benefit of their work, and I am glad the Minister is recognising that in granting to the first discoverer of oil an area equivalent to the size of the dome. That brings me to the most important point associated with the granting of areas in oil fields. May I give a very brief summary of oil history? Most members know that the origin of oil is really the decomposition or chemical alteration of marine deposits, both animal and plant. They are formed largely in the shallow seas or estuaries around the coast. In the course of time—some millions of years—the country has been covered by sedimentary deposits. These are buried and under the weight of the strata imposed upon them and the temperature created, chemical changes occur. The oil forms on the surface of the water with which it is associated, and it naturally gravitates to the higher point in the structure. Gases also form in considerable quantities, and the gas is usually

found in the highest part of the structure. Members will visualise a very irregular chamber underground in which the higher part contains gas, below which is oil, and below that water. The oil is contained either in (1) what are called oil sands, or (2) the crevices of the rocks in limestone country. It occurs in the minute spaces between the grains of sand, and that involves certain physical characteristics which are affected by allowing water to enter the oil sands. Members may remember the serious concern which has been expressed lest water should be allowed to enter oil sands. The effect is to render the oil much more difficult to extract. Pressures obtaining underground are very high, ranging from 1,600 lbs. to the square inch. As a result of that pressure and the temperature the oil is rendered very fluid on account of the number of volatile elements contained in it. If the pressure within the structure is reduced certain of these elements pass out of the oil and take the form of gas. The effect of that is that these fractions are thereby rendered more difficult to secure. The oil itself alters in consistency. It becomes denser and more difficult to remove. There are three factors associated with an oil dome. There is reservoir energy: That is to say gas pressure, there is gas, and there is oil, and a good deal of work has taken place within recent years in educating people in oil countries on the absolute necessity of preserving the gas pressure. When one is working against a pressure of 1,600 lbs. to the square inch, it will be realised that it is much easier to release the gas than to pump it back against that pressure. That leads up to the question of oil boring. Experience has shown that 50 per cent. of the wells bored may be dry. It has also shown that a well may be bored and, after getting down to the oil structure, the gas dome may be entered and instead of oil, gas be obtained. That is harmful to the dome, and not of much use to the man who gets it. He may be fortunate to strike a layer of sand containing oil. Then he has to find out by further prospecting what the limits of oil sand are, and where the water comes in, and the problem is to preserve balance within the structure by means of the pressure to ensure keeping the water out as far as possible, recovering the oil and not allowing the gas to escape. The result has been to lead to the opinion that the only satisfactory way to work an oil structure is to give control of that structure to one party.

At the London World Petroleum Congress in 1933 it was stated that—

The individual oil pool is the one and only economic unit established by nature in the oil industry. Division of this unit into competitive parts results in waste, wild price fluctuations through glut of oil that must be extracted immediately, expensive storage at the surface of oil that should be held in its natural reservoir underground. It results in the most important loss of gas pressure which once lost can never be replaced. Co-operative control cannot be effected with competing units drawing from the same pool.

I have indicated the three factors associated with oil. Reservoir energy is a thing apart from ownership. I want to quote further from the report of the World Petroleum Congress held in London. It was stated there as follows:—

Oil practice has advanced enormously during the past 20 years, even during the last five, and the methods of developing and recovering oil from a field have changed accordingly. Methods used in the past have been proved to be both wasteful and unsound, and the idea to-day is to attempt to control gas pressures and extraction by scientifically placed wells.

To quote from a report recently issued in the United States—

America has in 60 years run through a legacy that should have lasted her 150 years.

Again from a report in Germany—

Petroleum mining at Weitzte and Pechelbronn show that after half a century of production when wells had almost ceased to pay a profit approximately 85 per cent. of the original oil remained in the sands.

Quoting again from the address given at the World Petroleum Congress—

A new field which is being delimited before production presents an ideal condition for reservoir control, and therefore opportunity should be taken before equilibrium is disturbed.

There follow certain technical data, instructions as to procedure and practice to ensure that the dome is properly managed. Let me give another quotation concerning the legal aspect of the situation in the United States. The governing legal maximum there is known as the law of capture; that is, the oil belongs to the man who gets it through his well. The report from which I am quoting states—

Under this idea, offset drilling becomes mandatory. A wild rush for early completion of wells is the operator's only means of protecting his property. Where a pool is divided the development of reserves is practically impossible. No protection is afforded against the waste of national asset through over-produc-

tion. The owner of a valuable property must exhaust it as rapidly as possible regardless of market conditions and his own needs. Vast quantities of crude oil subject to evaporation losses, deterioration and heavy carrying charges must be stored at the surface instead of being held in its natural reservoir. Tremendous acreages must be held by companies against the probability that a new discovery will give a competitor a cheaper crude supply. Hence recent legislative decisions have been sought to establish the right of the State to regulate the taking of oil and gas so as to avoid waste and protect the several owners. These, however, are difficult of enforcement. Evasion is practised, and offset requirements limit application. Nor can it provide for production from selected wells against others. The requirements of the situation point to unit operation of pools as the logical solution. Experience shows that unit operation is impossible in competitively producing fields. In one case agreement was reached on the limits of the producing structure, the rock pressure in various parts of the field, and many other vital factors. It fell through on the value to be given to position on the structure. Present-day efforts rely on acreage content and reservoir energy, but with indifferent results. What is wanted is prohibition by law to grant drilling permits except on unitised blocks.

That is the scientific standpoint of oil exploitation. The Minister referred to what was discovered by the Minister for Mines when he was passing through California. May I refer to an illustration which occurred there? There was a man who held a block of land on an oil structure. He sank a well and obtained oil. Another company came along and was granted an area. They constructed pipe lines. He wanted to get his oil to market, and they refused to allow it to go through their pipe, and although the man had a paying well, he had no means of disposing of his oil. Eventually they drew all the oil from his ground through their well and the man was ruined. Another man had a flowing well producing some millions of gallons of oil near his boundary close to the edge-water, and he was fearful of the water entering the well. A neighbour started to put down a well and was approached by the geologist in charge, who pointed out that he continued to sink the well, all he could strike was gas, and that not only would he do no good for himself but he would ruin the well of his neighbour. The man persisted in sinking his well. The gas rushed out and went to waste, and the whole of the oil in the adjoining well was lost. Though that man's well was destroyed, he had no remedy. Similar conditions may be created by this Bill if we fix areas that are too small.

The competition in one of the chessboard oil-fields in the United States of America caused a severe slump in the world's market. Where oil is produced under natural pressure, the sudden rise in output can be imagined. The Signal Hill oilfield was an example of this type. Oil was found in an area which had been surveyed for town lots. Each lot became a drilling company, and a wild frenzy of drilling set in. The result was roaring gas and wasted oil all over the countryside, and the price slumped. That was the origin of one of the most severe slumps in the history of the oil market. I have given this elaborate explanation in order to stress the important question of control of an oil structure and the necessity for providing adequate areas for a company so that the exploitation may be carried on in a scientific manner. As an illustration of scientific control, let me mention the operations of the Anglo-Persian Oil Co., in Persia where the scientific development of an oil-field has not been equalled in any other part of the world. The whole of the wells have been laid down on a definite plan. When oil is struck, it is immediately brought under control. There is no waste of gas. Under the methods employed, the oil is controlled immediately there is a flow, and there is a very important correlation between the pressures obtaining in different wells. In one instance there were two wells ten miles apart, and yet the pressure in one affected the pressure in the other. It would have been impossible to get the scientific work carried out and this method of exploitation continued had there been more than one company operating on that structure. Therefore I urge the Government to give serious consideration to the question of making the areas adequate to protect the structures and give control over the oil. There is one other point to which I should like to refer, and that is the question of royalties. Certainly the royalties proposed in the Bill have been materially reduced as compared with those in the measure as introduced in another place, but I contend that the royalties now proposed are very high. When compared with those obtaining in other parts of the world, members will realise that we shall be imposing a pretty severe penalty on anyone fortunate enough to discover payable oil in this State. The following are the royalties in the countries mentioned:—

United Kingdom: The royalty may be between a minimum of 3s. and a maximum of 6s. per ton of oil obtained.

#### Canada:

New Brunswick—5 per cent. of the output or its equivalent value at the well's mouth.

Quebec, Ontario, Manitoba—3 per cent. upwards on profits exceeding 10,000 dollars per annum, less deductions.

Alberta and Saskatchewan—2½ to 5 per cent. of sales value during the first five years of production, increasing later to a maximum of 10 per cent.

British Columbia—2½ cents per barrel (35 Imperial gallons).

North-West Territories—10 per cent. of the value.

Yukon—2½ to 5 per cent. of the sales value of 5 per cent. of the output during the first five years of production, increasing later to a maximum of 10 per cent.

British Guiana: 72 per cents per ton, plus 1½ per cent. ad val. export duty.

British Honduras: 50 cents. per ton, with a reduction to 38 cents per ton when the output exceeds 100,000 tons per annum.

Leeward Islands: 5s. per 40 gallons or 5 per cent. ad val.

Trinidad: 4d. per barrel (35 Imperial gallons) until the end of 1936; thereafter 4d. to 9d. per barrel according to the ascertained value.

#### Asia:

Palestine and Trans-Jordan—5 per cent. on annual output of 10,000 tons, increasing by 2½ per cent. for each 40,000 tons up to 130,000 tons, above which the duty is 15 per cent.

India (British)—5 per cent. ad val., with a minimum of 8 annas per 40 gallons.

India (Native States)—8 annas per 40 gallons.

#### Australasia:

Queensland—7½ to 12½ per cent. of the gross value, according to the depth from which the oil is obtained. On petroleum obtained from natural gas, 5 to 10 per cent. of the gross value.

Western Australia—5 per cent. of the output for the first five years and 10 per cent. thereafter.

Tasmania—3d. to 6d. per gallon if on private land. If won from an oil lease on Crown land, 5 per cent. ad val after the first 50,000 gallons.

Northern Territory—5 per cent. ad val. on crude oil, but only 2½ per cent. for the first five years from the first discovery of oil in payable quantity.

New Guinea—5 per cent. of the gross value on crude oil obtained from a mineral oil lease, but only 2½ per cent. is payable for the first five years from the first discovery of oil in payable amounts.

Papua—5 to 12½ per cent. ad val., according to the depth of well from which the oil is obtained. No royalty is payable on wells giving two barrels or under per well per day.

Members will see that those royalties, taken right through, are very much lower than

those proposed in the Bill. I suggest that it might be desirable to amend the conditions whereby the second discoverer of oil may be given a preferential right, and that the area of leases should be increased from 160 acres to the area stipulated by the Commonwealth, namely eight square miles. In support of that contention I point out that some time ago it was suggested that the return from oil sands could be estimated at something like 1,000 barrels per acre foot. Seeing that companies would have to raise the oil, get it to the seaboard and then transport it to market, I question whether 160 acres would be a sufficient area to warrant operations, especially if the company were open to the risk of some rival pegging alongside and occupying the dome discovered by them. They will also have to pay all existing Federal and State taxes in addition to the proposed royalty on gross output. I ask the Minister whether the Government will consider the question of revising drastically the area proposed to be granted, and also the royalties proposed in the Bill. The Government, in my opinion, have been handicapped by the fact that payable oil has so far not been discovered in Australia, and there is no experience to guide them. No indications exist as to the actual cost of production, or the cost that would be involved in marketing the oil. Although the areas in question have been known for so long, no one has so far been induced to undertake boring for oil. The search has been more in the nature of a geological survey. The time has arrived when we should endeavour to take advantage of that survey and offer inducements to companies to develop this natural source of wealth.

On motion by the Chief Secretary, debate adjourned.

#### **BILL—STATE TRANSPORT CO-ORDINATION ACT AMENDMENT (No. 3).**

##### *Second Reading.*

Debate resumed from the previous day.

**HON. V. HAMERSLEY** (East) [9.28]: Evidently Mr. Thomson has introduced this Bill mainly in the hope of securing an extension of the radius over which motor transport may operate for the benefit of settlers. When the transport legislation

was originally before us, some of us endeavoured to secure a greater range for settlers who had been operating and who had a certain expectancy that the system had come to stay. My impression was that those who had been operating with motor trucks in various areas would receive consideration from the board. They had built homes, acquired motor trucks, and established services for the benefit of the people, and they were certainly entitled to consideration. I regarded the measure as a warning that no new services could be inaugurated. However, we found that that was not so. The board immediately cancelled the licenses granted to those people, who in many cases were, as a result, practically ruined, having to sell up their homes and transfer to other districts. It was a loss to the centre immediately concerned, and also a direct loss to people who had found that they could go into several lines of business during the period of depression. The same opportunity is there now, and the same trouble exists with some of the settlers. They cannot use the railways to any advantage and they see motor transport being used within the 15-mile radius, while they themselves, being just outside that radius, are debarred from taking advantage of the motor service. In my opinion the competition of motor transport has done an immense amount of good. Undoubtedly it woke up the Railway Department. The department had got into the habit of saying, like many Government departments, "You must use what we offer, or go without; and you must not embark upon certain avenues of trade." This had a tendency to close down the businesses of many people. Even to-day motor transport is doing great service to the community in many directions. Numbers of motor trucks carry timber into Perth. That is a large trade upon which people could not embark at all if they had to rely on the Railway Department, whose freights are altogether too heavy to make the carriage of timber a business proposition. As I come through by car every few days, I see truck after truck carrying into Perth vast logs from the jarrah and wandoo forests. For the life of me I cannot see why we should not extend the radius as proposed in the Bill. By building up traffic conveniences we improve the prospects of the community and help other businesses to expand, with advantage to the railways. Mr. Holmes, a former Commis-

sioner of Railways, blames the farmer for the construction of wild-cat railways. In view of the position he has held, the hon. member should know better than to blame the farmer.

Hon. J. J. Holmes: I did not say, the farmer; I said, the Country Party.

Hon. V. HAMERSLEY: The blame does not lie on the Country Party at all. The settler goes out into the bush to establish himself, breaks the virgin country—

Hon. G. W. Miles: And breaks himself in the process.

Hon. V. HAMERSLEY: No. He gets broken by the lords of finance. After a settler has developed an area into a fine proposition, a railway is authorised to help him and other settlers. Then, for some reason or other behind the scenes, the railway does not reach those settlers; but the line is deviously made to help other men, who come in later. Many of the original settlers find themselves 20 miles or more from a railway the construction of which was originally advocated to serve them. Moreover, many of those settlers would to-day be able to take advantage of motor transport were it not for the 15-mile radius. It is reasonable that those settlers should be granted a wider radius than that of 15 miles laid down in the existing Act.

Hon. J. J. Holmes: The farmers should patronise the railways that have been built for their benefit.

Hon. V. HAMERSLEY: Motor traffic gave the Railway Department the competition that made them sit up. Thereupon the department came to Parliament for relief. It is well known that competition is not liked by the department. They cannot compete against motor traffic, although that traffic operates on the dearest petrol in the world and with the most costly trucks in the world, owing to the high protective tariff of the Commonwealth. Then there are the license fees as well. And yet the Railway Department cannot compete with motor traffic. It was refreshing to hear Mr. Wood last evening on the alleged low freights quoted by the Minister. The hon. member informed the House that quotations for motor transport are such as to enable that transport to compete against the Railway Department in the carriage of barley and super. I ask the House not to be misled by statements made sometimes regarding low freight on super in particular. Two

weeks ago I was requiring 2½ tons of super. Although the distance was only about 70 miles, I found that the railway freight was over £1 per ton. There is nothing low about such a freight. For a few months of the year the Railway Department quote what they call low freights on super, but during all the rest of the year these so-called low freights are not operative. They operate only when wheat is being sent down. Farmers who have super carried at reduced rates get the reduction because of the full loads of super carried in wheat trucks which would otherwise be running empty. Railway men say with regard to the wheat freight, "Do not take that business from us. It is the most payable freight we have. Our only trouble is that we do not get enough of it." On timber the freight is very high indeed. I see Mr. Mann chuckling to himself. I will agree that the timber freight is atrocious, but it is only for short distances. In view of the fact that harbour facilities have been constructed for timber export, that freight is only a fair thing.

Hon. A. M. Clydesdale: How do freights here compare with freights in the other States?

Hon. V. HAMERSLEY: Where motor competition exists, wonderful service is being rendered. The Minister says it is only the special-freight lines that are carried by motor trucks. On the other hand, settlers say that when the motors were running they could rely upon goods being delivered unbroken, whereas on the railways they unfortunately lost a good deal and had difficulty in tracing the goods. Moreover, they say that the Railway Department would not accept responsibility for delivering goods in sound condition. Those were some of the considerations which cropped up and caused the railway traffic to suffer considerably. In passing the Act we extended too much consideration to the Railway Department, and certainly we handicapped the settlers in causing them to lose a helpful and growing service. This prevented many settlers from carrying good developmental propositions to fruition. Why should the settler within the 15-mile radius get a special benefit? Is it to the interests of the community that there should be centralisation to that extent? We would do much better to increase the radius and thus give people the opportunity of building up businesses for

themselves. The 30-mile radius suggested in the Bill is quite a reasonable concession.

Hon. A. M. Clydesdale: Why not close up the railways altogether?

Hon. V. HAMERSLEY: It would not serve to close up the railways. The Transport Board would give everything to the railways, crushing the motor transport out of existence. Presently they will have us going back to horses—and we might be happier so. As to the right of appeal provided in the Bill, I know of instances where it would have been of advantage to settlers if they had been able to appeal against decisions of the board. When the board was created it was claimed that the man on the land had his representative on the board. But I know that when certain matters came before the board the representative of the man on the land was strongest in favour of cutting down everything else to help the railways, on the principle that the railways must be supported. I am satisfied that the railways required this competition of motor transport to make them carry out their job more reasonably. They had been putting it over the community very roughly and were actually killing their own trade. As I have said, the proposed appeal would have helped some of those settlers who were being adversely affected. In view of some of the cases mentioned by Mr. Thomson, I think it is only fair that we should provide for an appeal against decisions of the board. I know of several localities where it would be of great advantage to have that right of appeal. As to the question of freight, it might be interesting to some members to know that I have particulars of the case of a farmer who found it paid him to get his ploughshares sent up by post. The railways, of course, still carried them, but that farmer found that by sending them through the post office he could get them delivered more cheaply than by having them conveyed by the railways.

Hon. J. Cornell: That applies to a good many lines.

Hon. V. HAMERSLEY: Yes, it does. In some instances I have found the railway freight to be greater than the actual cost of the goods. I will support the Bill.

**HON. C. H. WITTENOOM** (South-East) [9.50]: I intend to support the second reading. I am glad that Mr. Thomson has brought down the Bill again very much in the same form as before, and I hope that this time it will receive better treatment in

another place. I have always seen good points in the Transport Act, although I have waited rather impatiently for some of the things the board promised us, such as improved railway time tables, reduced freights and better speed in the trains. We have not yet got any of those things, but I hope they will eventuate before long. However, the Act has done a great deal of good by reducing the losses previously suffered by the railways. Still, as Mr. Thomson has said, the Act has been in force for two years now; quite long enough for us to have a good idea of what to expect from its operations. But, as in the case of other legislation, certain anomalies have arisen and this Bill, I take it, is an attempt to rectify some of the disabilities from which the farmers are suffering at present. In my province a good many cases have come under my notice of farmers suffering financial loss, which has definitely debarred their progress in these difficult times. I do hope the proposed amendments in the Bill will receive serious consideration. I have in mind more particularly Kojonup and the surrounding district.

Hon. T. Moore: Is that the only place? Kojonup is being constantly referred to.

Hon. L. B. Bolton: It has a live representative here.

Hon. C. H. WITTENOOM: Kojonup probably suffers more disabilities than any other locality I know of. Surely there is something wrong when a man has to have his wool conveyed by railway, via Katanning, 258 miles. That is the distance he has to send his wool by railway, whereas by road from Kojonup to Perth or Fremantle the distance is only 170 miles, or 88 miles less than the route by railway. Wool is a first-class freight, almost the most expensive taken on the railways, so it means a very big load indeed on the wool producer. In the Kojonup district are many farmers whose farms are five or ten or more miles nearer to the market at Fremantle or Perth, than they are to the siding.

Hon. A. Thomson: Some of them over 20 miles nearer.

Hon. C. H. WITTENOOM: They have to send their wool back to Kojonup, put it on the train, take it to Katanning and then send it by a roundabout railway journey to Fremantle. The Bill proposes—and it is a very good proposal—that wool should be added to the Third Schedule. That is a most

reasonable thing. The farmers should be able to carry their own wool to market, which in many cases would mean a considerable difference in the amount received by the farmer for his wool. Mr. Thomson explained the big difference between the price of wool being conveyed by road as against by railway. I will certainly support the clause that alters the 15-mile radius to a 30-mile radius. That would obviate the trouble taken in connection with permits, and also the expense. I agree, too, that this should apply, not only to the district round about the metropolitan area, but also to the country. I am in accordance with the proposal that an appeal should lie to a magistrate by individual carriers or by the local authorities. I will support the second reading.

On motion by Hon. L. B. Bolton, debate adjourned.

### ADJOURNMENT—SPECIAL.

**THE CHIEF SECRETARY** (Hon. W. H. Kitson—West) [9.57]: I move—

That the House at its rising adjourn till Tuesday next.

Question put and passed.

*House adjourned at 9.58 p.m.*

## Legislative Assembly,

Wednesday, 21st October, 1936.

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

### QUESTION—MOTOR VEHICLES PURCHASED BY GOVERNMENT.

Mr. RODOREDA asked the Premier: 1, Are all motor vehicles for Government departments, including Main Roads Board, purchased through the Tender Board? 2, How many of each cars and trucks have been purchased during the two years immediately preceding the 30th June, 1936, by all Government departments, including the Main Roads Board? 3, How many of each cars and trucks were of American manufacture? 4, Is it not considered advisable that preference should be given to vehicles of English manufacture?

The PREMIER replied: 1, Yes. 2, This information, covering a period of nearly three years past, from August, 1933, to June, 1936, was prepared recently and is now laid on the Table of the House. 3, Answered by No. 2. 4, This is always considered and given where possible. In the past, considerable difficulty has been experienced in inducing English manufacturers to provide motor vehicles suitable to our requirements, but this difficulty is gradually being overcome.

### QUESTION—YAMPI SOUND, KOOLAN ISLAND LEASES.

Hon. C. G. LATHAM asked the Minister for Mines: 1, When did Mr. H. Buckley first make application for Koolan Island leases Nos. 2 to 8 inclusive? 2, On what date were