

Legislative Assembly,

Thursday, 11th December, 1924.

	PAGE
Questions: Income Tax Assessment	2301
Police pay and conditions	2301
Water Supply, Totadjin	2301
Railways, Bunbury Yards	2302
Bills: Inspection of Machinery Act, Amend- ment, 1R.	2302
Permanent Reserves (No. 2), 1R.	2302
Main Roads, report	2302
Land Tax and Income Tax, 2R.	2302
Closer Settlement, returned	2323
Mining Development Act Amendment, re- turned	2323
Loan Estimates, 1924-25	2306

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

QUESTION—INCOME TAX ASSESSMENT.

Mr. NORTH asked the Premier: 1, Is it a fact that all the items in forms HC and HJ, which support the general income tax return, form H, are common to Federal and State assessments? 2, If the taxpayer's figures for purchases, sales, valuation of stock on hand, and deductions, as shown in forms HC and HJ, are accepted by the Federal Commissioner or by the State Commissioner in his capacity as Deputy Federal Commissioner for the Federal assessment, is it the practice of the State Commissioner to also accept such figures for the State assessment? 3, If any distinction is made, how is it arrived at?

The PREMIER replied: 1, Yes. 2, Yes. 3, No distinction.

QUESTION—POLICE PAY AND CONDITIONS.

Mr. MARSHALL asked the Minister for Justice: 1, Is he aware that the members of the police force in Western Australia are paid between 3s. and 4s. per diem less than the police in the other States? 2, Is he aware that there is a prevalent and growing feeling of discontent in the police force, owing to requests for increased pay not being acceded to? 3, Taking into consideration the fact that similar services are given here, is it the policy of the Government to pay the police lower rates of pay than those obtaining in other States? 4, Is it his intention to take immediate steps to increase the rates of pay, so that the rates will be similar to those obtaining in the other States? 5, Is it not a fact that the police have asked for a classification and appeal board to deal with questions of pay and conditions, and that the request has not been acceded to? 6, Is it his intention to appoint by Act of Parliament a classifica-

tion and appeal board with powers of administration as requested by the Police Association? 7, If not, does he purpose appointing by regulations a board with powers of recommendation only, which is opposed to the wishes of the Police Association? 8, Have the executive desired to interview him on any matters at all since interviewing him on the question of pay on the 4th August last?

The MINISTER FOR JUSTICE replied: 1, This was not so when information was last obtained from the Eastern States some months ago, but steps are being taken to bring our information up to date. 2, No. 3, No, but the rate of pay elsewhere is not the only determining factor in fixing rates of pay in Western Australia. 4, When the information sought is available the whole question can be gone into. 5, This question has been considered by the Government and it is intended that during recess the matter of legislation affecting the various Government departments, including the police, will be considered conjointly and a uniform system evolved. 6, Answered by No. 5. 7, Pending legislation, in order to give members of the force an opportunity of appeal in regard to promotions, dismissals, removals, discharges, or transfers for offences, the Police Association were recently offered an Appeal Board on which the men and the department would have one representative each, with a Police Magistrate as chairman, and the association have to-day declined the proposed Board of Appeal, and consider it advisable to wait until the Government have had an opportunity of introducing legislation. 8, Yes, and whenever interviews have been sought they have been granted.

QUESTION—WATER SUPPLY, TOTADJIN.

Mr. GRIFFITHS asked the Honorary Minister for Water Supply: 1, What acreage of land under the Totadjin water supply extension is assessed at 1s. per acre? 2, Seeing that the estimated cost was £33,000 based on a rate of 1s. per acre on the land reticulated, and as the actual cost has been only a little over £20,000, will he see that the rate per acre is reduced as promised?

Hon. J. CUNNINGHAM replied: 1, 39,865 acres after allowing for exemption for wodjil country equal to 6,619 acres. Applications for the exemption of a further acreage of 2,100 are under consideration. 2, If the 2,100 acres are exempted, the total revenue, assuming that everyone pays, will be £2,078 5s. per annum, whereas interest, sinking fund, and maintenance costs will total £1,930 15s. 4d., leaving an apparent surplus of £147 9s. 8d. Even if the rate were reduced by 1d. per acre the loss in

revenue would exceed the estimated surplus. In these circumstances, and because it is possible that further applications may be received for exemptions, no reduction will be made during this financial year.

QUESTION—RAILWAYS, BUNBURY YARDS.

Mr. WITHERS asked the Minister for Railways: 1, Is he aware that a serious accident occurred in the Bunbury railway yards on Monday last, owing to men having to repair wagons on an unprotected road? 2, If so, will he have inquiries made with a view to remedying these conditions, so as to allow men to work with some degree of safety?

The MINISTER FOR RAILWAYS replied: 1, An accident occurred in the Bunbury yard on the 8th instant, but it is not regarded as serious. 2, The information before the department is that the accident was due to a misunderstanding between the shunter and the examiner. The safe-working regulations lay down the procedure in all such cases, but obviously the carrying out of such regulations is dependent upon the human element. Further inquiries are being made departmentally.

BILLS (2)—FIRST READING.

1, Inspection of Machinery Act Amendment.

Introduced by Mr. Wilson.

2, Permanent Reserves (No. 2).

Introduced by the Minister for Lands.

BILL—MAIN ROADS.

Report of Committee adopted.

BILL—LAND TAX AND INCOME TAX.

Second Reading.

The PREMIER (Hon. P. Collier—Boulder) [4.40] in moving the second reading said: This is the usual taxing Bill—

Hon. Sir James Mitchell: No, it is unusual.

The PREMIER: —that is brought down each year for the purpose of raising the necessary revenue by way of land tax and income tax. I am sure the income tax side of the Bill requires no explanation whatever at my hands on this occasion. The whole Bill is precisely similar to that of last year and of preceding years, with the exception, of course, of the amount of the land tax. Apart from that, the Bill is word for word similar to the measure brought before the House last year. For that reason it will not be necessary for me to dwell at all upon the income tax side of it.

Hon. Sir James Mitchell: We will do that for you.

The PREMIER: I hope the Leader of the Opposition will be fair, and if he does claim that I should adopt the same attitude as I did last year with regard to the supertax, for instance, I shall retort that he should adopt the same attitude as he did on that occasion.

Hon. Sir James Mitchell: I have been telling you all the session what to do.

The PREMIER: If I am not to be permitted to adopt a different attitude, the Leader of the Opposition will not be allowed to do so either. If he votes with the Minister for Lands in support of the supertax, as I am sure he will, keeping before him the question of consistency, then all will be well.

Hon. Sir James Mitchell: The Minister for Lands is with me now.

The PREMIER: As I stated when delivering the Budget Speech, I wish that we were able to delete the supertax this year. I need not go into the figures that I gave on that occasion regarding the revenue and expenditure for the present year. It would not be possible to cut out the supertax unless we were to make further leeway than was done last year. As a matter of fact, the result of the five months of the financial year already expired has confirmed my estimate; indeed, I am behind my estimate.

Hon. Sir James Mitchell: No, you are not.

The PREMIER: The position will have to improve considerably during the next seven months in comparison with the corresponding period of last year, if I am to realise my estimate. There is no need for me to pursue that question further, because the House and the country know that for the present year it will not be possible to reduce taxation.

Hon. Sir James Mitchell: We don't know that. We will show you.

The PREMIER: Very well. As to the land tax, hon. members will see that the rate has been increased to 2d. in the pound. I am sure that the first thought that will occur to members of the Opposition, who have been apprehensive for weeks or months past as to what would happen when the Bill was introduced, will be one of surprise that the amount is so low.

Hon. Sir James Mitchell: Do not make any such mistake.

The PREMIER: In fact, the more I contemplate the subject, the more I am astonished at my own moderation.

Mr. Mann: Only 200 per cent.!

Mr. E. B. Johnston: I suppose this is the first instalment?

The PREMIER: No, this is the whole lot.

Mr. Mann: As the landlord said, "one rise only."

The PREMIER: I know that some members had in mind something in the region of 6d. in the pound, following on the statements I made during the elections. Those statements were brought prominently before the electors of Williams-Narrogin, where I was credited with having said that if our candidate were returned, I pledged myself to impose a good solid land tax.

Mr. E. B. Johnston: That was taken from the report of your speech.

The PREMIER: I am afraid I have not lived up to the pledge, or threat, made on that occasion.

Mr. E. B. Johnston: You left no misunderstandings.

The PREMIER: This is a most moderate tax that compares more than favourably with similar taxes in every one of the States of the Commonwealth. Land taxation has been in existence since 1906, and has not been increased. All other forms of taxation have been increased during the past eight or 10 years, but land tax alone of all our direct taxes—and I might also include indirect taxation—has remained stationary.

Mr. George: Taxing land will not make it produce any more.

The PREMIER: I am aware of that.

Mr. George: It will simply impoverish the holders of land.

The PREMIER: But the hon. member will not deny that the holders of land, whether rural or city, have enjoyed an annually increasing return from the land.

Hon. Sir James Mitchell: You get pro-bate duty.

The PREMIER: We cannot wait until people die in order to collect revenue.

Hon. Sir James Mitchell: They are dying all the time.

The PREMIER: The position of the landowner to-day is altogether different from what it was when the Act was passed 17 or 18 years ago. I venture to say the land tax was then introduced as a first instalment. As a matter of fact, it was passed by what might be described as a very conservative Government, a Government composed almost entirely of men representing the landed and farming interests of the time. When the Parliament of 18 years ago considered it was justified in passing the tax we have at present, surely, with the march of events and the necessity for increased revenue, we are justified in increasing the tax to the amount set out in the Bill! We would be justified, I think, in levying a much higher tax than that for which I am asking. It has been contended in some quarters that our tax is equal to that of the other States. I have endeavoured to obtain information on the point, and can say that, with the exception of Victoria, and perhaps New South Wales, our land tax is the lightest that obtains in the Commonwealth.

Mr. Mann: They are the two most prosperous States.

The PREMIER: Yes, but not due to this circumstance.

Mr. Mann: Due to money flowing in for investment.

The PREMIER: That may be because their income tax rate is light on the higher incomes. In comparing Victoria with Western Australia, I am speaking, not of taxation generally, but of land tax only. The Victorian income tax on the higher incomes is very much less than our own, and it may be that has the effect of attracting money to Victoria for investment.

Mr. Mann: Will you consider trying that here, in order to induce Eastern capital to come to this State?

The PREMIER: By reducing the income tax?

Mr. Mann: Yes.

The PREMIER: I think it will be some time before we can reduce it to the level of Victoria's income tax.

Mr. Mann: Not so far as Victoria's, but reduce it a little.

The PREMIER: I would be pleased to do so if the position of the finances permitted it. Western Australia and Victoria cannot be compared in that respect. Victoria was fortunate in having the major portion of its public works constructed years ago, when money could be borrowed at 3 per cent. For many years past, perhaps during the last generation or two, that State has been able to sit down and reap the benefits of public works constructed earlier in its history with money at a low rate of interest.

Mr. Mann: Would you consider it worth while inquiring to ascertain whether capital is not leaving the State to be invested in Victoria?

The PREMIER: Quite possibly it is.

The Minister for Agriculture: And capital from South Australia is coming here for investment.

The PREMIER: I am not affirming or denying the statement. I know only what one hears in a general way. I should not be surprised if it were so, and I should not be surprised if capital were being attracted to Victoria from other States as well as from Western Australia, if indeed it is being attracted from this State. That is a condition of affairs for which there is no help at present. Victoria is a small compact State, fairly rich, developed many years ago, and so is producing considerable wealth per acre and per head of the population. Because of its having no financial embarrassment, that State is able to carry on with a comparatively low rate of income tax. We in Western Australia are not in a position to do that during this year. I hope we shall be able to reduce, or cut out, the 15 per cent. super tax all round next year.

Hon. Sir James Mitchell: Do it this year.

The PREMIER: It is not possible to do it this year, unless we disorganise the general finances of the State. I believe

every member is anxious that we should at least balance the ledger before we begin to readjust or remit any of our present taxation. Let me set out the position of the land tax in some of the other States. In Queensland the tax starts at $\frac{1}{2}$ d. in the pound up to £500, and rises for every £500 by a halfpenny, a farthing and so on, until the maximum tax is 6d. in the pound, plus 2d. super tax. The super tax commences on land of a value of £2,500 and is levied right up to the amount of £75,000 unimproved value, at which the tax is 6d., plus 2d. super tax, a total of 8d. in the pound. That value, of course, is very high, but taking the lower and intermediate values we find that at £2,500 the tax is $2\frac{1}{4}$ d.; at £4,000 it is $2\frac{1}{4}$ d.; at £5,000 it is 3d.; at £10,000 it is $3\frac{1}{2}$ d.; at £20,000 it is 4d.; at £50,000 it is 5d.; and at £75,000 it is 6d. in the pound. That is what is known as a progressive land tax. It follows the same lines as does our income tax; as the value increases, so the rate of tax increases. In South Australia the tax up to a value of £5,000 is a halfpenny in the pound, the same as our own. Over £5,000 it is a penny in the pound, with an additional 20 per cent. for absentees. Tasmania, with the exception of one or two short intervals, has had conservative Parliaments, and it is well known that it has for generations possessed one of the most conservative Upper Houses in the whole of the Commonwealth.

Mr. George: There are not very large estates in Tasmania.

The PREMIER: It matters not whether the estate is large or small, the tax has to be paid. We have been told by the Leader of the Opposition himself that the real burden of this tax falls upon the small cottage holder.

Hon. Sir James Mitchell: No, your increase will fall on him. You are going for him well, but I am going to protect him.

The PREMIER: In Tasmania the rate up to £2,500 is 1d. in the pound. There the tax starts at 1d. as against our rate of $\frac{1}{2}$ d.

Mr. George: Our tax is 1d. on unimproved land.

The PREMIER: But in Tasmania it is without distinction, improved or unimproved. From £2,500 to £5,000 the rate is $1\frac{1}{4}$ d.; £5,000 to £15,000 it is $1\frac{1}{2}$ d.; £15,000 to £30,000 it is $1\frac{3}{4}$ d.; £30,000 to £50,000 it is 2d.; £50,000 to £80,000 it is $2\frac{1}{4}$ d.; and £80,000 and over it is $2\frac{1}{2}$ d. That, too, is a progressive tax and goes much higher than does the rate set out in this Bill. In New South Wales there is very little land taxation, so far as I can gather, except in a portion of the State known as the western district. There the rate is 1d. in the pound on the unimproved value. In Victoria the tax is $\frac{1}{4}$ d. in the pound on the unimproved value of all land exceeding £250 in value. Where the value exceeds £250, the exemption decreases by £1 for every £1 of the excess, and so ultimately disappears at £500. There is no exemption for land of a value

over £500 in Victoria, but the rate is a halfpenny in the pound. New Zealand was the first part of Australasia to adopt this form of land tax. I think it was passed in the days prior to the Government of Richard Seddon. In that Dominion where the unimproved value does not exceed £1,000 the tax is a penny in the pound. It then rises somewhat similarly to our income tax, by fractions. For every pound in excess of the £1,000 it goes up until it reaches 7d. and $\frac{17}{20}$ ths of a penny, which is almost 8d. in the pound. Where the value does not exceed £1,000 an exemption of £500 is allowed. These figures indicate that, should this Bill be passed, our land tax will still be the lightest of any State in the Commonwealth, with the exception of Victoria.

Mr. Sampson: What about Tasmania?

The PREMIER: It starts at a penny there, but goes up to $2\frac{1}{2}$ d. All of the States have a progressive tax as distinct from ours.

Mr. E. B. Johnston: Ours is the heaviest tax on the small man.

The PREMIER: It is not the small man who complains.

Hon. Sir James Mitchell: You wait.

The PREMIER: It is not the desire or the intention of the Government that the Consolidated Revenue shall benefit in any way from the money that would accrue from this higher rate. The Government intend to devote any surplus that is over and above the revenue that would be received under the present Act towards reducing railway fares and freights.

Hon. Sir James Mitchell: And towards main roads?

The PREMIER: To roads and railway freights. I want to make it clear that it is not intended to augment the general revenue of the State by this means. Portion of the money will be used for main road purposes.

Hon. Sir James Mitchell: How much for main roads?

The PREMIER: We discussed that last night.

Hon. Sir James Mitchell: Not the rate of tax.

The PREMIER: The Minister for Works, according to his figures when dealing with the Main Roads Bill, requires the revenue that would result from a tax of a halfpenny in the pound.

Hon. Sir James Mitchell: That is what we are doing, is it?

The PREMIER: That was his estimate. Any balance that will accrue as the result of the increased tax will be devoted towards the reduction of railway fares and charges.

Mr. George: Do you not anticipate a demand for higher wages from the railway-men?

The PREMIER: Why?

Mr. George: Because of the increased cost of living, the taxation, etc.

The PREMIER: This tax will not send up the cost of living.

Mr. George: Will it not? If not, it will send down the standard of living for many people.

The PREMIER: It will not send up the cost of living.

Mr. George: It will send down the standard of living if it does not send up the cost of living.

The PREMIER: Not a bit.

Mr. Sampson: What about bus proprietors?

The PREMIER: This Bill will not affect them. Members may calculate for themselves the total revenue that may be received under this tax, but may be misled because of the return that was placed on the Table of the House in response to the motion of the member for Toodyay (Mr. Lindsay). It is set out that the estimated unimproved value of the land of the State is £40,000,000. This was discussed last night on the Main Roads Bill. The member for Katanning (Mr. Thomson) quoted from figures obtained from the annual report of the Commissioner of Taxation, wherein it is stated that the total unimproved value of the land of the State was £27,000,000. I think I corrected him and stated it was £40,000,000. To that extent I was under a misapprehension.

Hon. Sir James Mitchell: You made the statement.

The PREMIER: That was the return, which showed that the estimated unimproved value of the land of the State was £40,000,000, not the assessed unimproved value as it stands at present.

Hon. Sir James Mitchell: We will take the £40,000,000.

The PREMIER: Not at all.

Hon. Sir James Mitchell: Yes. You gave us that figure. Will this tax be subject to reduction in the case of improved land?

The PREMIER: That is subject to the Assessment Act. The return, if taken as it is without being understood, is misleading. The revaluation of lands has been going on for some time. The motion of the member for Toodyay was that a return be laid on the Table of the House showing the estimated unimproved value of metropolitan land, agricultural land, and so on. The word "estimated" makes all the difference.

Hon. Sir James Mitchell: It does.

The PREMIER: The position is perfectly clear when explained. The figures given in the annual return of the Commissioner for Taxation are correct. They refer to the unimproved value as assessed at present.

Mr. E. B. Johnston: But the values are being increased all the time.

The PREMIER: That is so. This is the unimproved value as at present assessed, and upon which the tax will be assessed and levied this year. The revenue will be collected, not upon the unimproved value of

£40,000,000, but upon the unimproved value of £30,000,000. The estimated value of £40,000,000 refers to the time when the revaluations shall have been completed. Certain areas of the State have been revalued and as a result the valuation has been increased. The officer who has been doing the work, taking the areas that have been completed as the basis, considers that when the State has all been revalued the total unimproved value will be £40,000,000. This will not be completed for about five years, but the work is going on all the time.

Mr. E. B. Johnston: Will an increase be made every year?

The PREMIER: Yes. I am advised that it will be at least five years before we reach the £40,000,000. If we take Table "M" on page 11 of the annual report, as the basis and add £3,000,000, representing the increased values that have been made since last year, to the figures contained in the report, we get the total of £30,000,000. I ask members to bear that figure in mind when working out any results that may accrue from the passing of this Bill.

Hon. Sir James Mitchell: We will remember the £30,000,000, but will not forget the £40,000,000.

The PREMIER: The hon. member cannot take the £40,000,000, because that would be misleading. The hon. member asked for the estimated values, and the officer gave the values that he estimated would be arrived at when the revaluation had been completed. It is not intended that the general revenue shall benefit to the extent of £1, but that any increased revenue that will result from this higher rate of tax will be returned to the people in the way of a subsidy for roads in accordance with the Main Roads Bill, and in the reduction of freights and fares on the railways.

Mr. E. B. Johnston: The Bill does not say anything about freights and fares.

The PREMIER: It is not possible to put that into the Bill. If it were, I should do so. If I put it into the Bill it would amount to an appropriation of money, and we cannot appropriate money in a taxation measure. It would be out of order to do so. This is a taxing Bill only, and our constitution provides that we cannot appropriate money under such a measure. I should have no serious objection to embodying this in an Act if the hon. member had any doubt about my carrying out this promise with regard to the expenditure of the surplus revenue.

Mr. E. B. Johnston: It might be overlooked while you are in England.

The PREMIER: I will leave instructions as to this, should anything eventuate in that direction. I think it will be a good thing for the people of the country districts, since they will be more than compensated for any increased taxation that they may have to pay under this Bill, by a reduction in the charges that are made upon the railways.

Hon. Sir James Mitchell: They are to pay the money and then have it refunded.

The PREMIER: I think the farmers will get back far more than they will be called upon to pay under this Bill. Only a section of our people makes use of the railway system. A large proportion who will pay this increased tax will not benefit directly by any reduction in railway fares, because they have but little occasion to make use of the railways. The whole object of any of our taxation measures is to benefit the man on the land.

Hon. Sir James Mitchell: I quite understand that.

The PREMIER: Under the Main Roads Bill the money will be devoted to the country districts in making roads for those on the land.

Mr. Richardson: It looks like robbing Peter to pay Paul.

Hon. Sir James Mitchell: It looks like robbing Peter but not to pay Paul.

The PREMIER: It may seem like taking it from one to give it to another, but the money will go to the most deserving section of our citizens, the people who are engaged in the work of primary production, and upon whose work and wealth-production depends the prosperity of the State as a whole. If the Leader of the Opposition can claim to speak occasionally for the small householder, I can claim to speak occasionally for the farmer and the landlord. Any further information desired I hope to be able to furnish when the measure is in Committee. I move—

That the Bill be now read a second time.

On motion by Hon. Sir James Mitchell debate adjourned.

LOAN ESTIMATES, 1924-1925.

In Committee of Supply.

Resumed from the 9th December; Mr. Lutey in the Chair.

Votes—Departmental, £107,751:

Hon. Sir JAMES MITCHELL (Northam) [5.19]: I need hardly discuss the actual items of these Loan Estimates at any length. The Estimates are much the same as those of last year, in almost every line; and the total is much the same as it was last year. Moreover, the purposes for which the money is to be raised are much the same as they were last year, and practically in the same proportions. One item I do not greatly approve of is that which increases the amount for State trading.

The Premier: That is a very small item.

Hon. Sir JAMES MITCHELL: It is not a large item, and of course we can remove it when we come to deal with the items. I am sure the Committee are against State trading. The Premier has explained that

we must carry on works in hand. I trust the hon. gentleman will continue to carry on the policy of the last few years. It is a matter of regret to me that these Estimates contain nothing for workers' homes. I had hoped that an amount would be provided for that purpose.

The Premier: I regret it, too; but I think that when the rate of interest is so high building is not wise.

Hon. Sir JAMES MITCHELL: I hope that before closing I shall be able to show the Treasurer where he can do better than by borrowing in Australia. If the rate of interest becomes five per cent., I hope he will find money by some means for additional workers' homes. The Workers' Homes Board have done wonderful work. However, at present not only is the rate of interest very high, but building costs are very high.

The Premier: If the cost of materials should go down, I would be very glad to reconsider the matter.

Hon. Sir JAMES MITCHELL: I am pleased to hear that, because it is most desirable to provide the workers with homes of their own. In some cases, I understand, men are trying to pay as much as £15 per annum per room. That cannot go on. No industry can bear the burden of such rents as applied to workers. I hope, however, that before long both interest and costs will be reduced. By these Estimates the Premier endorses the policy of the previous Government for the past five years. Naturally I feel flattered at that.

The Premier: I could not do otherwise than I have done, unless I stopped all these works; and I have no desire to stop them.

Hon. Sir JAMES MITCHELL: It is true that the Premier cannot do otherwise just now; but I hope that when next year's Loan Estimates come down, we shall still find him supporting the same policy.

The Premier: When in Opposition I gave a general support to the Public Works policy of your Government.

Hon. Sir JAMES MITCHELL: That is correct; but there is now so much new blood in the House that one does not quite know where one is.

The Premier: We will train the new members up.

Hon. Sir JAMES MITCHELL: The Premier will have a tough job with some of them.

The Premier: They are coming on.

Hon. Sir JAMES MITCHELL: I have tried to influence them, but I cannot manage it. In 1919 there was urgent need for the creation of more wealth, to meet war taxation, and other taxation imposed largely because of war disadvantages, and in order that the work of developing this country might proceed and employment be found for the people. In those days the deficit was very large—as much as £650,000. There

was no room for increased taxation, and no chance of getting additional money. So the Government of the day determined upon a policy of agricultural development, with the results that we know. Sixty-four per cent. of the money borrowed during the past five years has been loaned to men on the land—soldier settlers and farmers generally; and we are reaping the rewards to-day. They were slow in coming, but there is still much to follow. That expenditure provided for an annual crop, and each year the wealth from that source will increase. This year there is a great deal more than last year, because of an additional area under cultivation; and next year there will be a very large additional area. These things are due to the expenditure of the past: it takes some time for land to be brought into use. Not only have we by this means provided wealth which has increased trade, but we have also arranged, I contend, for the squaring of the ledger this year. For last year the deficit, as shown by the Treasurer's figures, amounts to \$229,000, which compares with £730,000 two years previously. The reduction is due entirely to the increased trade resulting from the increased production of the man on the land. And there is more to follow this year. The money thus created is in circulation, and much of it remains in circulation, so that year by year from this source we get accumulated wealth, resulting in greater trade activity and more plentiful employment. If this country is to progress and prosper, we must have more wealth every year, firstly because of the difficulty of borrowing money, and secondly because of the amount of taxes we have to pay, the higher rate of interest, and our greater burdens generally, including the high cost of commodities. This high cost, which I will deal with more fully later, is due entirely to Federation. The policy of development must be followed up if the people of this country are to live with any comfort at all. There is still much work for the State to do. I think it was the Minister for Lands who said that we ought to get men with money to come here. I agree with that. If we could get men with money to come, it would be an excellent thing for Western Australia; but it has to be remembered that we waited for men with money for 80 years, and at the end of that time were importing our flour requirements from the Eastern States. Then a Government with which I was associated determined that money should be found for men without any means whatever to go on the land. The result is known. Six years after the initiation of that policy we were producing eight times as much wheat as we needed for our own requirements. To-day the result of placing on the land men without capital, but possessed of brains and energy, is an export of

20 million bushels of wheat. From 400,000 to 450,000 tons of wheat will be shipped from Fremantle this year. This work of development has to go on. Men without capital, but having energy and brains, must be helped to settle on the land. I suppose hon. members will smile when I say that my public life has been largely work for men on the lower rung of the ladder, but it is so. We can uplift humanity by providing opportunities for the men who are here, and greater opportunities for their children and the generations yet unborn. While I want men with money, all we can get, to come to this State to engage not only in farming, but also in other enterprises, I still say that it is essential the State should find money for the settlement on the land of men without capital. Let us stand by that policy. Let nothing turn us from it. The Premier knows—no one better—what high rates of interest mean to the State. It has to be borne in mind that the Government do something more than borrow money and lend it, pay interest and collect interest. They collect taxation from the men on the land, and they collect taxation from everybody else employed because of the work of the men on the land. That continues for all time. The money thus brought into the Treasury is the money that has squared the ledger. I have said that 64 per cent. of all the money borrowed during the past five years, while my Government was in office, has been loaned to the man on the land, with the result that the wheat belt has been carried very much further east, out to Southern Cross. In five years two million acres of land have been cleared by the people, largely with Government help, but of course to some extent without such help. Imagine a strip of land 20 miles wide running from here to Busselton and cleared in the last five years. There is still another strip 20 miles wide, reaching from here to Busselton, to be cleared within the next five years. We borrow money in order that that may be done. I want to see a strip 20 miles wide, from Albany to Busselton, cleared within the next few years. Then Western Australia will be a place worth living in. The wheat belt has had from the Government a very large amount of money, something over eight millions, loaned to farmers. That is a good investment. Now it is necessary to spend money in the South-West. We want money for the development of the land from the Moore River to Albany. There is a number of groups in the Albany district, and a great many more to be settled there. It will take money, but we need not fear. It will be a good investment. Then there is further land in the Busselton and Manjimup districts to be developed under the group system. This work has to be done if the country is to

progress. I am delighted that the Premier has placed this amount on the Estimates for agricultural development, almost as much as was provided by me last year. The groups in the South-West are nearing the time when they will have to be stocked. If the country is to be self-supporting in foodstuffs we must have another 60,000 cows milked in the South-West. Then there are required the pigs that go naturally with dairying. The time has come when these animals will have to be supplied. Even now we have a Royal Commission sitting. One wonders why, especially when he reads the evidence. I do not know if the Government expect anything from the Commission's report. I do not expect much myself, so I advise the Government to go ahead and stock those farms in the South-West. Let us get some results. The South-West is going to do for the State just what the wheat belt has done up to the present. I am constantly meeting people who know the South-West. Some have a good opinion of it. Others, travelling along the roads, see nothing of the cultivated country and so condemn the district. But it is worth while to develop land wherever we find it. There is land between Fremantle and Bunbury that we ought to develop. Inquiries have been made and drainage schemes started. Drainage is really a national work. Some members say, "Why go to Busselton, to Pemberton and to Albany for land, when we have miles of land between here and those places?" There is a good deal of land lying between here and there, and we can develop it while developing the other areas. The land near to Bunbury ought to be settled and developed. The scheme that was under way might well be gone on with. The Peel Estate is turning out wonderfully well, notwithstanding the report of the Royal Commission. I do not think the report of that Commission has been so much as looked at. No commission ever fell so flat, and none ever seemed so determined that nothing good should be discovered on the Peel Estate. Yet the results down there fully justify the work of development, and justify its continuance. There is plenty of land to the south still awaiting development. I have lately inspected land down there that will surely convince everybody of its wonderful value for the growing of pastures. So we need have no fear of borrowing money for the development of our lands. The Minister for Lands asked for men with capital. We all want them; we have tried in the past to get them, but without success, and notwithstanding that every Agent General and every Government have attempted it. We are not likely to get very many now. If we must go on with the work of settling men without money, it means Government help. The North-West, too, must receive attention, and that in a large way. When

we face the development of the North we shall have to send a good many people up there to produce cotton and other crops. As I say, such development must be tackled in a big way. I suppose I shall be accused of saying something that ought to be left to the member for Roebourne (Mr. Teesdale), who says the same thing so often. I am amused at the criticism of the men from the North. They require to pull together if they are to get the Government to assist the North, when the time comes, in the way we assisted the wheat belt and are assisting the South-West. No man has done more for the far North than has the member for Roebourne. In season and out has he advocated the growing of cotton. With conspicuous ability and with more energy than might be expected of a younger man, has he advocated the claims of the North. There are others who have done it too, but I say without hesitation that no man has done more to further the settlement of the North and urge the Government to spend money up there than has the member for Roebourne. He insisted upon a cotton expert being brought over here. He would listen to no objection to a scheme of Northern development.

Mr. Lamond: He was not very successful in getting you to spend much up there.

Hon. Sir JAMES MITCHELL: The hon. member is new to the House and does not know anything about it as yet. As the result of the advocacy of the member for Roebourne we spent in the North about £100,000 on the Beadon jetty, and we spent a good deal of money in other ways up there too. New members will not trouble to discuss these matters with older members, and so they are led into making observations a little wide of the mark.

The Minister for Mines: What merit is there in merely spending money?

Hon. Sir JAMES MITCHELL: In the Minister's opinion there is no merit in anything. If we spend money wisely it is the best we can do.

The Minister for Mines: I can tell you where you spent a lot unwisely.

Hon. Sir JAMES MITCHELL: In the opinion of the Minister, very likely.

The Minister for Mines: And my opinion is just as competent as yours.

Hon. Sir JAMES MITCHELL: Far more competent than mine or that of anybody else. It would be easy to show where we spent money and produced the expected returns. Take the four years and nine months of the Labour Government's earlier regime: It could be shown where many hundreds of thousands of pounds were spent to produce no return. That must always be so. At any rate we have got some results from the expenditure of money, in the return we are getting from our broad acres this year—

that is, if only the lumpers at Fremantle would put the stuff aboard the boats.

The Minister for Mines: We spent that money.

Hon. Sir JAMES MITCHELL: You spent none of it. The Minister can get up and tell us that he put all the people on the land, that he never opposed the settlement of the wheat belt, that he advanced money to farmers who were down and out, that the Industries Assistance Board was well managed, that there were no complaints anywhere, that everything in the garden was lovely, that the people were entirely satisfied, that in consequence of the treatment received from the Minister not one farmer left the land—he can say all that, and I will not object. I am not going to argue with him. He can say that nothing worth doing has been done in this State that he has not had a hand in; and I will not object. Yet his work is all ahead of him. As Speaker he did good work, and I hope he will now do good work as Minister; but so far his work as Minister is only eight months old. He need not bother about the past. Let him make his own record now. I hope he will succeed; no one will be better pleased than I if he does well. But he must remember that the result of the work of a Minister discloses that Minister's capacity. He will get nothing done that is beyond his own ability to do. That test is being applied to him now. The hon. gentleman has the Mines and Agricultural Departments under his control and consequently there are wonderful opportunities before him. I am sure he will do the best he can, but he will not get anywhere by asserting that everything that the previous Labour Government did was splendid, and that what was done by other Governments was of no value.

The Minister for Mines: I did not say that, but I do deny that you ever did anything.

Hon. Sir JAMES MITCHELL: I do not claim to have ever done anything, although I admit that I have taken a hand in the work of this Parliament during the last 18 years. The hon. member came here a little before that and therefore has had more time to do things in this House than I have. The ball is now at his feet. Let him not trouble about other people, and when the time arrives two years hence for him to give an account of his stewardship, he will be able to tell us everything that he has done. Anyway, I wish the Minister luck, and I hope the country will prosper with him. The Minister disturbed me and brought all this forward just as I was about to deal with the good work that had been done for the North-West by the member for Roebourne (Mr. Teesdale) who, by the way, has been so unfairly criticised by a member of another place. It is unfortunate that we are not allowed to criticise members of the Legislative Council, although apparently

they can criticise us and say the most dreadful things about us. Why is it that it can be done there and cannot be done here?

Mr. E. B. Johnston: I do not know that we are prevented here.

Hon. Sir JAMES MITCHELL: Yes, we are, and it is monstrously unfair.

The Premier: We shall have to alter our standing Orders.

Hon. Sir JAMES MITCHELL: The violent attack that was made on the member for Roebourne the other day is resented by every member of this House, and more especially as that hon. member is not able to reply. I am aware that there is only little provision made on these Estimates for the North-West, but I take it that ample funds will be provided when it is determined that the policy in connection with the North-West can be carried out in a satisfactory way. The mining vote has been increased this year and I hope we shall have some result. I remember the mining representatives in this House telling the previous Minister for Mines that there was a great deal to do, and in a weak moment they declared that they would advise him as to what they thought ought to be done. They did meet him several times but found that it was most difficult to determine what could be done to assist to increase the gold production. The present Government intend to appoint a Royal Commission to inquire into the matter. I do not know whether that is necessary; if it is I suppose the Commission will be appointed. However, Ministers have been in office for only eight months, and in that little time it is not expected that they would have been able to assist towards the discovery of new mines or new wealth in our goldfields.

The Minister for Mines: We cannot make the gold.

Hon. Sir JAMES MITCHELL: I hope fortune will favour the Minister and that somebody will come across gold in quantities. Considerable provision has been made on these Estimates for water supply in the metropolitan area. That is expenditure to which the Premier is committed. The metropolitan area must have a good water service and, having that, they must expect to pay for it as they pay for all services of a special character. There is to be expenditure on transport facilities. I am sorry that the railways authorised—Yarramongy eastward, Dale River, Pemberton South, and Denmark north—are not mentioned on the Estimates. I am glad to see that a line is to be constructed to Lake Grace, and I hope it will be built in time to permit of the carrying of the wheat this season.

Mr. A. Wansbrough: We cannot get everything.

Hon. Sir JAMES MITCHELL: The hon. member must not be too easily satisfied. We are committed to a number of railways and we must see that they are built. Money is also being provided for the purchase of

rolling stock. That is a healthy sign because it means that there is work for the railways to do. The railways have done magnificently in handling the traffic during the last year or two, and I am glad to know that everyone in the service, from the Commissioner down to the fettlers, is taking an interest in the work of that great department. Roads, too, are to be constructed, and I notice that there is an amount set down for drainage, though that is not as large as I would have wished. I would have been pleased to see the Bunbury scheme proceeded with. The development of this country is a responsibility of the Government, and everyone will benefit by production. If the country is as wonderful as we believe it to be, let us get to work and develop it. One lesson at least we have learned from the war, and it is the value of trade. All the countries of the world have discussed the question of trade since the war, and it is known now that if trade could have been restored to the condition it was in when war broke out, the nations of the world would have been better off to-day than will be the case when the indemnity is paid. The thoughtful people of America have agreed that trade activity is of greater value to them than the payment of loans made by them to the Allies. Of course you cannot maintain exports without maintaining imports. Trade, someone said, is really a swapping of goods, and if you do not import you cannot export. The trouble to-day with us is that our exports exceed our imports. I have already said that we must develop our country with money largely borrowed by the State. Money borrowed in Australia by the Government and by individuals is very costly. This is due to the loans raised principally by the Commonwealth Government. What transpires at the savings banks is evidence of that. Every time a loan is floated, a considerable sum is withdrawn from the savings banks and invested in the loan. We have to remember that continuous progress is necessary for all sections of our people. We are not yet sufficiently developed to maintain a steady flow of work for all workers in every trade. Quite apart from what is done, if we can maintain continuous work, we will have progress, but we must have money if we want to progress. I am going to show what it means to borrow money in Australia as against borrowing in London. The Premier's loan expenditure this year will be about £4,000,000. He has arranged with the Federal Government to borrow in Australia £1,200,000, and in England £2,300,000. This will cover his £4,000,000 of expenditure because he will get £500,000 restored to loan account by the farmers during this season.

The Premier: That does not include sales over the counter here.

Hon. Sir JAMES MITCHELL: The Premier will not get very much from sales over the counter. Some £500,000 will come

back from the Industries Assistance Board as a permanent return.

The Minister for Lands: If it did not, we would be in a bad way.

Hon. Sir JAMES MITCHELL: Farmers realise that they must pay up, and the Minister has made that clear. With the good season they are experiencing, and the price they are getting for their wheat, they will be able to pay, and surely will pay. The Minister must be patient.

The Minister for Lands: I am, very patient.

Hon. Sir JAMES MITCHELL: No, you are not. You are very unfortunate. I am afraid I was too lenient.

The Minister for Lands: I shall be lenient when I get the money in.

Hon. Sir JAMES MITCHELL: When speaking on the Estimates I referred to the banking position of the Government. Our real banking is done in London and not with the Commonwealth Bank. Many members are proud of the Commonwealth institution.

Mr. Panton: We used to be.

Mr. A. Wansbrough: Yes, when it was first established.

Hon. Sir JAMES MITCHELL: When it comes to a matter of financing the Commonwealth Bank is not much real use to the Government. We keep our accounts with that bank and we find it useful for drawing cheques against our account there. The Commonwealth Bank honours our cheques, but it is mighty little that the institution does for the State. In times of emergency it does not give the Government much real help. We must remember that it is a Commonwealth institution, but at the same time the States are treated fairly by the bank. The fact cannot be denied, however, that the institution is not of much real use as our bankers. If we wanted £500,000 for a few weeks the Commonwealth Bank would hesitate; if we wanted that sum for a few months, there would be trouble. The bank has not the capital.

The Minister for Lands: It has a machine for printing notes.

Hon. Sir JAMES MITCHELL: Even so, we will always be obliged to do our real banking business in London. When I went Home two years ago, and interviewed our bankers, it was of great advantage to the State. I was able to discuss our finances with the management and to tell them about Western Australia and what we were doing with our money. I had no trouble in arranging an overdraft. We could have had £3,000,000 at 3 per cent. interest. The rate is 4 per cent. now. It means a tremendous lot to the State to be able to work on an overdraft. That applies particularly to the construction of public works, because we can complete the operations before there is any necessity to borrow money. Apart from that we can

use the overdraft and go on the money market when it is favourable. By that means the State is not forced to float loans when the market is unfavourable. It has to be borne in mind that we cannot go on the market just when we please. We have to take our turn with other States or dominions or even with other parts of the world. We must meet the market arrangements of the financiers. Our bank has helped us in these matters. I am glad to know that the Premier will be leaving for London very soon. When he meets our bankers and discusses our financial position with them, he will find matters much easier than they are to-day. I am an Australian and I like to see goods manufactured in Australia bought by the Western Australian Government. I would like to see those goods manufactured in the State. I do not know whether hon. members realise what it is costing us to make our purchases with money borrowed in Australia. We have made a fuss about the payment of £21,000 as duty on locomotives. That payment of duty is as nothing compared with the disadvantages arising from the borrowing of money in Australia at a high rate. I do not know whether we shall ever persuade the people in the Eastern States who are making money and have funds available for lending out, that if they desire more trade they must be prepared to lend money cheaply to the States. Britain lends money to the dominions because she knows that we buy British goods. They adopt this policy in order that trade may follow. That is the custom of all great nations. If we go to London, borrow money, buy goods and pay for them there, it means that London secures an investment in Australia by the sale of those goods. Australia has not tried to do the same thing. Australian financiers make us pay the highest possible rate for money and charge the highest possible price for goods. The result is that under our system of borrowing and loan redemption, we are paying twice as much as we would have to do if we were to borrow in London and pay in Australia, since we cannot escape the payment of duty. The Premier intends to float a loan of four millions. He will not get the whole of that money in Australia. If he had to borrow that amount in Australia, he would have to pay £6 7s. per cent., which would represent a cost of £254,000 per annum as interest. If he borrowed that money in London, which he could do much more easily by simply sending a cablegram to the bank, he would have to pay 5 per cent. which would represent a cost of £200,000 per annum for interest. Our loans extend over periods of 40 years or more and have to be renewed. Our system is to provide for the redemption by way of sinking fund in 40 years' time or so. If we take the differ-

ence between the Australian and the London rates over a period of 40 years, it means an additional cost to Australia by way of added interest, of £2,260,000. Then if we take the interest on that additional amount that has to be paid in London, it represents another £2,260,000. Thus, at the end of 40 years the extra cost to us would be £4,520,000. That means to say we would pay the £4,000,000 twice over, once in London but twice in Australia if we borrowed here. We could never think of it. Some may say that we have an enormous Loan Bill. We do not worry much about the interest rates, whether they be 5 per cent. or 6 per cent. As we must borrow money over a long period of years, the result is as I have stated. It is easier to explain the effect if we take a figure like £100,000, because that amount is often spent. We intend to spend £250,000 on the East Perth power house. The cost of £100,000 borrowed in Australia under our method of repayment by way of sinking fund over a period of 40 years, at £6 7s. per cent. compared with the rate of £5 per cent. that would have to be paid in London, would represent £122,000 more than if we borrowed in London. I am keen on seeing the development of Western Australia pushed on at a far more rapid rate than we are inclined to go at present. I have no hesitation in saying that we should proceed more quickly and that we should borrow large sums of money at a cheap rate so that it may be spent wisely and for the benefit of everyone. The fact is outstanding, however, that we cannot borrow in Australia. That is clear. We cannot be killed by the price of money and interest charges in order that we may purchase our requirements under those conditions. It is impossible and it would be wrong. If we have regard to the big increases in prices caused by our high tariff and bear in mind the interest bill we would have to meet, we can see where such a course would land us. The high cost of money and of goods is due to the tariff, but the cost would not be so high if the money were transferred from London.

Mr. A. Wansbrough: That is why we are poor.

Hon. Sir JAMES MITCHELL: Yet we accept these high charges without any protest. I do not know how much longer it can go on, but future Treasurers will have a tough job confronting them when they try to meet their interest bills and meet the cost of government under such conditions. I believe the exchange problem will be righted. One result of increased exports over imports will be that Australian money will have to be invested in London to right the exchanges. Just imagine £50,000,000 of our money invested in the old land merely because we cannot import enough goods. That money is required for the develop-

ment of Australia and investment here with reduced rates of interest. But the money has to remain at the other end of the world because we cannot exchange commodities on an adequate basis. The Government have too much to export and too little to import. With our small population Australia must have some measure of protection. But our present system of protection is hitting Western Australia in particular, and the whole of Australia in general, very hard indeed in many ways. I am satisfied, however, that the exchange trouble will be overcome before very long but notwithstanding that, it is necessary for the Premier to go to London and interview our bankers if he is to do the best possible for this State. I know from experience what it meant to this country when I was able to go to London and to discuss our affairs with our bankers. The Premier will find the position much the same. Western Australia is undeveloped and it is more important to us that we should borrow where we can secure money cheapest, and buy our goods where they cost us least. Other States have money to lend and if they lend it to themselves they get it coming and going. They have their manufacturers, too. Thus it is that the whole advantage, if there be any advantage, goes to them. I can certainly say that the whole of the disadvantage lies with us. I am sure that the Premier will create a good impression when he meets our bankers, and I am also sure that when he talks about £4,000,000 of loan money he will have to save every penny for interest, and make use of his overdraft in London as long as he can get it for 4 per cent. or 3 per cent.

The Premier: I have a pretty substantial overdraft now.

Mr. George: Don't worry about that.

The Premier: It is good business.

Hon. Sir JAMES MITCHELL: Yes, get the accommodation as cheaply as you can and use your overdraft as long as you can. When the Premier goes to London and has discussions with our bankers, his task will be much easier. I am not so much concerned about the Premier, however, as I am about the State. I have gone into this financial question pretty closely and I realise how advisable it is that the Premier should proceed to the Old Land.

Sitting suspended from 6.15 to 7.30 p.m.

Hon. Sir JAMES MITCHELL: I have endeavoured to show how much better it is to borrow in London, and I hope my views have convinced the Premier, at any rate to some extent, that it is impossible to go on borrowing money in Australia at the Australian rate, even to the tune of a million a year. I have shown what it means to borrow four million pounds, and it is easy to calculate what it would cost to borrow one million. We buy goods at the highest

possible rates, and we borrow money at the highest possible rates, because we borrow in Australia to pay for the goods. The double disadvantage cannot be faced. I hope I have satisfied members that our banking should be done in London. It is necessary to face the banker sometimes if we are to get terms of advantage to the State. Sufficient banking accommodation granted at the right time and in the right place means a great deal in actual cash saved to the State. It is impossible to calculate just how much, because under the system of banking in London, we do not have to borrow the money before we do the work. We pay interest on the daily balance, and the work is well advanced before we need borrow, which is cheaper and better than the old system. I hope nothing will prevent the Premier from making a trip to London. When I say that, I am speaking in the interests of the people. Probably I should not have mentioned it without first telling the Premier that I intended to do so, but it is a public duty. We have before us the great work of developing this vast State, and its development is necessary in our own interests, and perhaps even more necessary in the interests of the Commonwealth and of the Empire. I hope the Premier will go to London to discuss these questions with the people who will benefit from the populating of Australia and the building up of a great customer for the Old Land. Mining revival will come from capital supplied largely from London. If Wiluna is developed, as we have very reason to believe it will be, it will mean the introduction of a lot of capital.

The Premier: I have received a letter to-day from the people interested in Wiluna.

Hon. Sir JAMES MITCHELL: I think they are doing their part. They are making a thorough test of the field, are they not?

The Premier: Yes. They say if the shaft sinking now going on bears out the results of the boring, they will raise a large amount of capital at Home.

Hon. Sir JAMES MITCHELL: That is good news. It seems that the Government could not do better than agree to submit a Bill for the construction of the railway if the company are prepared, after close examination, to put up sufficient money to develop the field. We want that done. It is all very well to talk about mining development. We can and do work the small shows, but if we are to have a mining revival, it will come from the expenditure of large sums of money supplied by people who can afford it. We in Western Australia are not very keen on shares, but people in the Old Country are. It would be of advantage to the State if the Premier were able to meet the men who influence mining. In

London everyone does not look into the question of investments for himself. He trusts someone to suggest an investment. When the Premier goes to London he will probably meet only one man, Lord Glendine, who will fix things up while he waits. If the price suits, he will arrange to fix things on a certain date. If the Premier wants a renewal loan he does not go to the people who hold the scrip; he goes to Lord Glendine, who arranges for it to be done at a certain price and at a certain time. The Premier will not meet hundreds of men who put up money for these ventures, he will meet one man who can say yea or nay. That is the strange part of about it, and it is the more important that we should not be misunderstood. It is important that the men who control money for investment should meet representatives of the State and discuss matters with them. We want a large sum of money for mining, and if we can get Wiluna going and it proves successful, I daresay it will result in a large amount of money being brought into the State. Some people in London seem to entertain great doubts regarding the future of Western Australia, but I think they are more concerned about labour difficulties than they need be. Such difficulties occur all the world over. The value of investments and the chances of success can best be explained to the London people by the head of the Government. There are other matters I could discuss, but I do not know that members are very interested in the subject of finance. It is a dry subject, and I am afraid they do not care much about it so long as the Premier has some money to give them for a road, a culvert, or a new bicycle track, or to help make a trotting track at Fremantle. I should like to assure members that the very life of this country depends upon Government activity. It is a pity it should be so, but the finances, private and public, are such that the very employment of our people depends upon the ability of the Government to finance satisfactorily. This is well worth the serious thought of members. It is not a bit of use saying, "Here are 500 men who want jobs," unless we know where we can get money to provide the work. Men will fall out of employment unless we are able to keep the work going. It is our duty to see that the progress of the country is such that there will be no shortage of work. God knows there is opportunity. We can create wealth, but before we get to that stage, we have to spend money in order that the spade work may be done. Let members realise that it is no good telling a man he ought to have work, or good pay or that he should live under improved conditions, unless we provide, as we must do, for increased development. Progress is all too slow everywhere. The Premier knows that if we had developed the wheat belt 40 years sooner, we would not be in the position in which we find ourselves to-day. Just as

we were late in developing the wheat belt, so we are late in developing the South-West and the North West. We are now faced with the difficulty of carrying on development at very much higher costs, and under disadvantages cast upon us by Federation, the high tariff and so on. So it is the more necessary that the Government should interest themselves closely and actively in this work. I congratulate the Premier upon having stuck so closely to the Estimates of his predecessor.

The Premier: Following a good example.

Hon. Sir JAMES MITCHELL: A very good example indeed. I cannot associate myself with one or two of the items, but apart from those exceptions, I could well adopt these Loan Estimates as my own.

Mr. A. Wansbrough: To which one do you object—the State Implement Works?

Hon. Sir JAMES MITCHELL: I do not mind saying that the speech delivered by the Premier might well have come from me when I had the pleasure of introducing Loan Estimates. Oh, yes, he is getting on.

Vote put and passed.

Vote—Railways and Tramways, etc., £868,078:

Item, Rails and Fastenings—Railways, £30,000.

Mr. GEORGE: Seeing that the Government have lately embarked on a policy of borrowing rails—they propose to take up the Lake Clifton line—they might cast around and consider a large number of railways laid to mining districts that have not fulfilled the hopes of the people. There is the Sandstone railway. Another is the Laver-ton railway, which is very little used. I think a train runs about once a month on some of the lines.

The Premier: No, once a week.

Mr. GEORGE: The question of borrowing rails from lines that are not of as much use as we would like them to be, should receive very careful thought. The price of rails is very high; £15 per ton has been paid for second-hand rails in the last two months and could be obtained to-day. The rails in some of the lines were obtained for probably £4 to £6 per ton, and if they were borrowed to assist the agricultural districts, they could be replaced when mining developed, as it is intended to replace the Lake Clifton line later on.

The Premier: That is your joke.

Item, Rolling Stock—Railways, £125,000.

Mr. GEORGE: I wish to refer to a few remarks attributed to the Minister at a meeting last night. It looks as if the £125,000 will be required principally for locomotives.

The Minister for Railways: No. That is for the next couple of years.

Mr. GEORGE: This business of extending our railways without providing an adequate supply of rolling stock for the extensions can only end in a worse state of

affairs than we have to-day. Already there is a shortage of trucks. I should like to see the vote for rolling stock placed in such a position that whenever a new line is being built the proportion of rolling stock necessary for it is at once put in hand. Our rolling stock never has kept pace with our increased mileage of railways. If the Midland Junction workshops cannot build the trucks, someone else will be prepared to do so. Our rolling stock requires a thorough overhauling. The coaching stock and freight wagons should also be added to. If the stock were increased the work of the railways would be facilitated, the accommodation for the public would be improved, and the working costs would come down.

The MINISTER FOR RAILWAYS: A considerable portion of the £125,000 will be used for the new locomotives. In the programme laid down for this year there is the construction of ten "L" class locomotives to cost £37,000; vacuum brakes on goods stock, £3,750; 500 additional tarpaulins; two bogey and two sheep wagons for the Port Hedland-Marble Bar railway; the conversion of 50 "I" wagons into "G C" wagons capable of carrying ten tons; one suburban coach of a new design, and 50 new "G C" wagons. These will cost about £48,000. In addition the ten new locomotives will cost about £90,000. If the duty of £21,000 is remitted by the Commonwealth Government we shall have still more money with which to build rolling stock. We have a considerable number of bodies of "G C" trucks which were converted into other trucks some years ago, but which can be utilised by adding other wheels and other under carriages. Some of the duty has already been paid on the material that has been landed. It is generally recognised that rush work is expensive. If we can so arrange our plans that we know what we are going to do, and have a steady system of development in the matter of rolling stock so that we may keep ahead of actual requirements and repair and paint the rolling stock that requires attention, we shall be in a better position than we are in to-day. With regard to the passenger traffic, for the next four weeks we shall not have a single carriage available in case of emergency. If anything goes wrong with our wagons we shall have to curtail the service. Practically every coach will be in use. Some of the carriages are in need of painting and repairing, but we cannot take them off the traffic to carry out this work.

Mr. George: You agree that if you had the money you would build more rolling stock?

The MINISTER FOR RAILWAYS: Yes. By reorganising and rearranging things we have been able to increase our daily mileage of rolling stock from 23 miles to 97 miles. But for this we would not have been able to get along with the rolling stock we have.

Under the present system it is proposed to add to the rolling stock each year. By this means we should be able to keep a certain number of men in regular employment. We should not have a hundred good men working to-day and be obliged to put them off after three months, and be faced with the difficulty of replacing them when work is brisk once more. We hope to have a steady working programme, and have on hand at all times good men to deal with the rolling stock. It will then not be necessary to import anything, for we shall have the shops, the machinery, and the men. Everything that has been done at the workshops during the past five years has been done better than if the stock had been imported. The men know they have to keep the rolling stock in reasonable repair, and have put their best work into it. According to the programme laid down for the next three years a certain amount of additional rolling stock will be under construction all the time. Unnecessary rush will thus be avoided and unnecessary expense that is usually associated with rush work.

Mr. J. H. SMITH: I want to deal with Item 22.

The CHAIRMAN: The hon. member cannot go back to that.

Item—Surveys, new lines, £1,000:

Mr. GRIFFITHS: How far is it proposed to extend the Yarramony Eastwards line? I understand that the survey has been completed from the Wyalcatchem-Bencubbin line. Is anything contemplated with regard to an extension from Bencubbin?

Mr. J. H. SMITH: Is it proposed to construct a new line from Jarnadup to Pemberton? I understand the Existing Lines are not prepared to take over that railway on account of its bad condition. Is it proposed to survey a new route?

The CHAIRMAN: This survey was made some time ago.

The Premier: The hon. member means the relaying of the line.

The CHAIRMAN: The hon. member is out of order. I understand the line is already built.

Mr. J. H. SMITH: Why has no provision been made for the survey of the line between Manjimup and Mt. Barker, as recommended by the advisory board? It is important that this tract of country should be opened up.

The CHAIRMAN: Has the survey been authorised?

Mr. J. H. SMITH: No.

The CHAIRMAN: Then the hon. member is out of order.

Mr. J. H. SMITH: I understand that when speaking on the Loan Estimates one can ask the reason why an item has not been provided.

The CHAIRMAN: The hon. member is out of order. This is a question of the survey of new lines.

Mr. J. H. SMITH: I shall move to dissent from your ruling, Mr. Chairman.

[Mr. Smith handed in his motion of dissent in writing.]

The CHAIRMAN: The hon. member's motion to dissent refers to the Bridgetown-Jarnadup railway item, which has been passed by.

The Premier: The item which the member for Nelson missed is No. 22.

The CHAIRMAN: I ruled the member for Nelson out of order in discussing on Item 31 a railway mentioned in Item 22.

Mr. J. H. SMITH: I am disagreeing with the Chairman's ruling that a proposed railway which is not mentioned on the Estimates cannot be discussed.

The CHAIRMAN: This is not a question of an item not being on the Estimates.

Mr. J. H. SMITH: I bowed to your ruling in that direction, Sir; and then you ruled against me for discussing a railway that is not on the Estimates.

The CHAIRMAN: Certainly not. The hon. member's motion of dissent is not in accordance with my ruling.

Hon. Sir JAMES MITCHELL: The member for Nelson first thought the item referred to the Jarnadup-Pemberton railway. Now he understands that the reference is to the 17-Mile Siding—something done without Parliamentary authority. The hon. member wants to discuss the extension of the Pemberton line to Northcliffe, which I think comes under this vote.

Mr. GEORGE: On page 13 there is an item, Bridgetown-Jarnadup extension deviation. In connection with that item the anticipated progress to the 30th June next is not mentioned. The hon. member's point is that the Bridgetown-Jarnadup extension is not completed, and that he is seeking information in the interests of his constituents.

The MINISTER FOR LANDS: I am one of the oldest members here, and during my time in this House it has always been the rule that if a member wanted to bring up anything with regard to a division, he must do it on the general discussion. When we are on items, a member can only deal with what an item refers to.

The PREMIER: On a point of order, I think we ought to know just where we are. Is the member for Nelson going on with his motion of dissent? If so, all this discussion is entirely out of order. If not, we should proceed with the items.

Mr. J. H. SMITH: It is only natural to suppose that if I hand in a notice of dissent, I desire to go on with it.

The CHAIRMAN: My ruling was that the member for Nelson could not refer to Item 22 on Item 31.

Mr. J. H. SMITH: I bowed to your ruling in that respect, Sir; but my brief experience is that one can inquire, in connection with railways or roads, why a sur-

vay has not been made for such and such a work, and why an item for it does not appear on the Estimates?

Mr. TAYLOR: I think there is a misapprehension. The member for Nelson rose to speak on Item 22, which he thought was Item 31. Being ruled out of order, the hon. member said, "I will discuss the matter on Item 31." When you ruled him out of order for the second time, Mr. Chairman, he was discussing surveys.

The CHAIRMAN: I am informed that the survey in question is not in the vote. If that is so, it cannot be discussed now. It should have been referred to in the general discussion. We are now dealing with Item 31.

Mr. J. H. SMITH: Once again, Sir—

The CHAIRMAN: I rule this motion to dissent out of order. It does not deal with my ruling.

Mr. J. H. SMITH: May I refer you to page 13, Mr. Chairman?

The CHAIRMAN: No. I cannot allow any further discussion on this.

Mr. J. H. SMITH: I regret, then, that I shall have to move to dissent from your ruling.

The CHAIRMAN: The hon. member will have to put up his dissent in a form different from that which he has submitted:

The Premier: The member for Nelson is making a farce of the proceedings.

The CHAIRMAN: The member for Nelson will have to send up his notice of dissent in writing, so that it may be understood. The notice of dissent which he has handed in is not in order.

Mr. J. H. SMITH: Well, I don't know what you did rule.

Mr. SAMPSON: I desire to draw attention to the need for a survey in the Upper Darling Range district.

The Premier: That is out of order.

The CHAIRMAN: The item refers to new surveys.

Mr. SAMPSON: Has any provision been made for a new survey in connection with the Upper Darling Range railway with the object of eliminating the dangerous and costly zig-zag railway? I hope that if it is not provided for, consideration will be given to it.

Mr. HOLMAN: Members are entitled to know the details of the item. The Minister for Works should be able to give information as to what surveys are provided under.

The Premier: That information will be found on page 13 of the Estimates.

Hon. Sir JAMES MITCHELL: The member for Nelson (Mr. J. H. Smith) wishes to know whether the item covers the Pemberton-Northcliffe survey. Surely the Minister can tell us that!

The MINISTER FOR WORKS: The surveys provided for are Lake Grace-Newdegate, Norseman-Salmon Gums, Pemberton-Northcliffe, Pithara-eastwards, and

Yarramony eastwards. Those surveys will be finished before June.

Item—Water supply, new lines, £50,000:

Mr. LATHAM: Some reference has been made to the Naremben-Merredin extension. There is a stretch of line from Merredin to Dandin, where there is no water supply at all. Also at Wadderin Rock, on the Naremben-Merredin line, there is great need for a supply.

The MINISTER FOR WORKS: I have not all the details as to where the supplies will be actually put in, but I am confident that one is to be furnished at Wadderin Rock.

Item—Wyalloatchem-Mt. Marshall extension to Dowerin-Merredin, £600:

Mr. GRIFFITHS: It has been asked that this line should be extended another 10 miles. Certainly something should be done for those people in that district, a number of whom have been there for 12 years.

The MINISTER FOR WORKS: No money is provided in this item for that extension. This is only to complete the authorised work.

Item—Tramways, Perth electric and extensions, £30,000:

Mr. GEORGE: When, the other night, the Minister complained of the competition of the charabancs with the trams, my reply was that the charabancs must be filling a public need or they would not be patronised so well as they are. Why he loses passengers on the Claremont to Perth route is because the tram takes 50 minutes, whereas the charabanc does the journey in 17 minutes. The Minister might improve the tramway service by extending the Claremont line, and joining up with the Mount's Bay line at Crawley.

The Premier: The Claremont line should never have been built on its present route.

Mr. GEORGE: If that were done the time for the journey would be reduced to a little over 30 minutes, and so the Minister would capture a lot of the traffic now going to the charabancs.

The Minister for Lands: Why didn't you adopt the Royal Commission's recommendations?

Mr. GEORGE: I know nothing about that. I am merely trying to help the Minister.

Item—Electric power station, East Perth:

Mr. GEORGE: When, the other evening, the Premier was speaking of the East Perth station, and the money expended on it. I interjected that it would not be wasted. But one newspaper reported me as merely having said "wasted," as if I meant the money spent on the East Perth station had been wasted. I never said anything of the sort, and nothing but a wilful perversion of words could have attributed it to me.

Mr. NORTH: The Premier, while in England, should look into the question of

power stations, and see whether it would not be wise to embark immediately on the larger Collie power scheme thrown over by the select committee in favour of a local Collie power scheme. Owing to the water difficulty there is at East Perth only a limited possible extension to meet requirements.

The Minister for Railways: Oh no, we can get over that difficulty.

Mr. NORTH: Obvious advantages would accrue by the introduction of the main Collie power scheme, which would serve not only Perth, but all the country between Perth and Collie, and on to Bunbury. That scheme is of the utmost importance. In that opinion I am backed up by the General Power Conference that sat in London.

The Premier: Our electrical engineer attended that conference.

Mr. NORTH: Let me read a couple of statements made by experts and politicians at that conference. Sir Philip Lloyd Green, M.P., said:—

Few things would do more to assist immigration than the development of the Dominion's power resources. Power development would be an important factor in decreasing the cost of living, and would increase the prospects of Empire settlement.

On another day at the same conference, this was said:—

As the result of war wastage, there was insufficient wealth in the world to maintain the pre-war standard of living. The only practical aid was development of electrical power. As compared with the United States in respect of such development, Great Britain was a bad second.

Following upon that power conference the "West Australian" newspaper advocated the importance of power development in Western Australia. I will not read what was written, because I realise that Mr. Taylor is visiting England and America looking into the question. I do, however, urge on the Government the advisability of holding back, if it is possible to do so, any tenders that may have been received in connection with increasing the plant at the East Perth station, because, whichever way we look at it, it is only a matter of time before we shall have to embark upon an economic scheme to suit all conditions. I am sure that the present Government are in favour of labour-saving devices. They are called the Labour Party, but I am convinced that in their hearts they are in these days a labour-saving party, trying to get the best results in every possible way. The question of conveying power from the pit's mouth over a copper wire will have to be faced at no distant date. This has been done in Victoria, as we are aware. I think that 1½ millions has been spent there already.

The Minister for Lands: We sell current here cheaper than they do there.

Mr. NORTH: I know, but that does not alter the fact that we are dealing with a department that handles the coal traffic. We do not know what is the real cost of handling the coal. There are such things as book entries. Sooner or later it will be found essential to embark on the scheme of generating at the pit's mouth. I have had intimations from various engineers to the effect that we should embark upon such a scheme at once.

The Minister for Lands: We have to find the money first.

Mr. NORTH: We can find money for land settlement which is problematical. For months I have listened in this Chamber to complaints by members that we have no imports to balance our exports. That to a great extent accounts for the money difficulty in London. It is due largely to the fact that we have no secondary industries in this State to purchase the wheat and wool that we produce. That question will be solved very quickly if we turn our attention to the generation of electricity at the pit's mouth at Collie. We shall thus have cheap power, not only for the metropolitan area, but for the districts between Perth and Collie. The Premier told us a few days ago that he was astounded at the enormous strides made in the last five or six years in the development of electrical power in Perth and the consequent development of industries. The Estimates submitted by the committee that investigated this question of the local production of current were erroneous, that is, taking into consideration the influx of trade if the scheme was started in the proper way and in the proper time. We must remember that every additional million units consumed in Perth means extra haulage of coal over hundreds of miles. How much more economical would it be to convey the current over a copper wire which would do all the work for us just as the wires do in this Chamber when we ring a bell. I would not care if it cost a couple of millions to instal the scheme. The matter will have to be faced before we go much further. We cannot always depend upon primary production. No country ever became great through primary production; it had to have secondary industries to act as feeders and to utilise the products obtained. Here we have no secondary industries to speak of so that the trouble cannot be cured. It can, however, be cured if this House decides to instal the scheme to which I have referred. I urge upon the Premier, while he is in England, to make a close investigation of the Trade Facilities Act which is in force there for the purpose of assisting the Dominions in erecting plants free of cost, on lines similar to those that I have suggested. If he makes the necessary inquiries he will find that he can obtain a plant on reasonable

terms and so begin to cure some of the troubles from which we are suffering.

Item, Electric Power, East Perth, £70,000:

Mr. SAMPSON: I understand that the power station at East Perth has almost reached the limit of its power of production, and because of this there is some anxiety in respect of the extension of cables into new districts. I know that the value of current cannot be over-estimated and that in regard to small centres such as Canning Vale, Kelmscott, Maddington and other places to which cables have been carried, there has been added prosperity because the power provided has enabled owners of orchards to instal pumps. I had the opportunity last Saturday of going over an orchard where an electric pump had been put in beside the Canning River. That orchard had been turned from a non-paying into a reasonably paying proposition. I am anxious to know whether the amount provided on the Estimates, £70,000, will permit of additional extensions being made to East Cannington, Maida Vale, Mundaring, Sawyers' Valley, Parkerville, Mt. Helena and other places. The people in those centres are anxious to secure these facilities and are prepared to pay. In many instances they have put up guarantees. I know that regarding Mundaring the proposition will be payable. Again, the pumping stations have to rely upon firewood, and that means the construction of roads. Carrying the current to those places will also make gardening possible in many instances, where at the present time it is quite impossible.

The MINISTER FOR RAILWAYS: The previous Government called tenders for extensions to the power house and these have been received but not yet dealt with. When the work is carried out we shall be able to make extensions all over the metropolitan area. Like everything else, it is just a matter of money. When the additional plant has been installed we shall be able to augment our services in many directions. I know that the extensions will pay, but we have not the means with which to carry them out. We are unlike other capitals where they do not have to look to the Government to supply everything for public utilities. In some of the other cities there are boards controlling these institutions, and they raise their own capital and work can be carried out quickly and cheaply.

Hon. Sir James Mitchell: If we had something similar our loan expenditure would not look so big.

The MINISTER FOR RAILWAYS: That is so. We can only raise sufficient money each year to enable us to do a certain amount of work. We could do three times as much if we could increase our loan expenditure, but that is out of the question just now when the price of money is so

high. That is one of the items we have in mind for the future. When the plant is extended we shall practically double our output.

Mr. Sampson: The people residing in the hills appreciate what has been done, and they hope the scheme will be extended.

The MINISTER FOR RAILWAYS: We shall not be able to extend those facilities until we have sufficient plant.

Item—Lakeside-Celebration railway purchase, £18,600:

Mr. E. B. JOHNSTON: I believe the line was an old timber railway. Has it been purchased and handed over to the Working Railways?

The PREMIER: The railway was purchased for the amount specified in the Estimates. It was a timber line no longer required by the company. Seeing that it served the Hampton Plains mines, it was considered unwise to allow the rails to be pulled up. People had to convey all their supplies from Boulder to Celebration.

Hon. Sir James Mitchell: Particularly water.

The PREMIER: Yes. Consequently it was decided to purchase the line and it has been operated for some months now.

Mr. George: It is a very reasonable price.

The PREMIER: It is slightly more than the hon. member suggested when in charge of the department. The line is of great benefit to the people it serves.

Hon. Sir James Mitchell: We are all agreed that the line should have been purchased.

Vote put and passed.

Vote—Harbours and Rivers, £201,600:

Item—Fremantle Harbour Works, £65,000:

Mr. SLEEMAN: Portion of the Fremantle district has been neglected. I refer to the jetty and harbour facilities at Thompson's Bay, Rottnest Island. The jetty is in a dangerous condition. The last time I was there, it was one moving mass and a boat of any size would probably carry it away. We are endeavouring to popularise Rottnest Island as a tourist resort and in fairness to the people who go to the island, their lives should not be endangered when they are landing. I hope something will be done very soon.

The CHAIRMAN: The hon. member cannot discuss that matter on this item. Item 42 refers to improvements to harbours and rivers, and he can discuss the question on that item.

Mr. SLEEMAN: Only recently the Minister for Works, when discussing union matters, said that Rottnest came within the home port of Fremantle. That being so, any works must come within the scope of the item relating to the Fremantle harbour works.

The CHAIRMAN: No, you must deal with the point under the later item.

Mr. SLEEMAN: Dealing with the Fremantle harbour itself, some provision should be made for a dock there. Fremantle will never be an up-to-date port until those facilities are provided. When it was found necessary to terminate the negotiations for the purchase of one dock recently, the Government should have made inquiries with a view to securing another dock. Fremantle is the first and last port of call in Australia, and yet there is hardly adequate provision for the docking of a fishing boat! Something should be done in this matter as soon as possible. While the Premier is in England, he should look into this question.

Mr. Taylor: And bring back a dock with him.

Mr. NORTH: I support the remarks of the member for Fremantle. It is rather a commentary on the value of a trust in control of such a big undertaking as the Fremantle harbour that they have not been able to provide a dock there.

The Minister for Lands: It is not within the province of the trust to purchase a dock.

Mr. NORTH: That is unfortunate because neither the Government nor private enterprise can deal with the matter. The Government are overloaded with liabilities and private enterprise cannot step in because of the existence of the trust. A year ago I noticed in a report furnished by the P. & O. Company, reference to the fact that owing to the absence of docking facilities at Fremantle, they had decided to make Sydney their terminal port. The suggestion at the time was that had docking facilities been available at Fremantle, the company would have probably made that place the terminal port. I made this question one of the planks of my platform during the election, and I set out to take advantage of the first opportunity to stress the importance of a dock at Fremantle.

The MINISTER FOR LANDS: Parliament agreed to the construction of a dock at Fremantle some years ago.

Mr. North: It was very unfortunate.

The MINISTER FOR LANDS: As a result of that we have one berth there that cost us not less than £200,000. Seeing that one additional berth was provided as a result of the excavation, it was not all wasted. We are limited in regard to our expenditure. Some years back we could have got a floating dock for £50,000, but the people of Fremantle would not have it. Then later on there was the attempt to construct a dock. No less than £2,265,000 is required for land settlement purposes. I want another £500,000. If members desire land settlement and want works to go on as well, they cannot have both. Provision is made in the Estimates for £1,500 for a slipway at Arthur's Head.

Mr. Sleeman: That will not take a decent sized boat.

The MINISTER FOR LANDS: I give way to no man in advocating the provision of facilities for Fremantle. As the member for Mt. Margaret (Mr. Taylor) knows, if Parliament had taken notice of my objection years ago, £200,000 would not have been wasted there. The Government will not put a dock at Fremantle unless it is one that will meet all the requirements of the port. No matter what agitation may be started, we shall not buy a dock that is useless. When the time arrives and money is cheaper, the question will be considered. It would be unwise to think of paying 6½ per cent. for money.

Mr. Sleeman: You would not suggest waiting until money is cheaper?

The MINISTER FOR LANDS: Out interest bill at present is very high, but we hope in a few years money will be cheaper and then we shall be able to do more work. No one to-day would undertake works, merely for the sake of doing them, with money at 6½ per cent. Members will find that the Treasurer has provided for nearly a million more than the amount he is allowed to borrow, and he will have considerable worry to carry out all the works set down for the current year. We want the country to progress; we want to carry out works; we want our harbours and railways up-to-date, but the money is not available at present, and we must cut our coat according to our cloth. The member for Northam last year found himself in a precisely similar position.

Item—Improvement to harbours and rivers, £15,600.

Mr. HUGHES: I congratulate the Government on having taken into consideration the important work of reclaiming the Swan River foreshore above the Causeway. For many years we have waited for something of the kind to be done. For a mile above the Causeway the low-lying flats and swamps have been a breeding place for mosquitoes. To minimise the mosquito nuisance, the municipality of Perth has been spending upwards of £700 a year for kerosene. If the municipal authorities continue spraying stagnant water till doomsday they will not succeed in eradicating the pest. They can only hope to keep it in check. It is recognised that the only way to eradicate the pest is to reclaim the marshes and do away with the stagnant pools. When the river is high, the water runs over the marshes, but in the summer it does not drain back to the main channel, and there is something like 400 acres of swamp land carrying stagnant water. These pools must be drained into the main channel.

Mr. North: What about getting mosquito-eating fish?

Mr. HUGHES: I am afraid they would not reign 10 minutes; I would wager on the mosquitoes to eat the fish in no time.

The Premier: They are some mosquitoes down there.

Mr. Taylor: I believe they rear up on their hind legs and drink out of a bucket.

Mr. HUGHES: From a health point of view the mosquito pest is bad, and it is an annoyance to the people. Since the septic tanks

and filter beds have been there, the refuse has been filtering into the river, and this has been responsible for stimulating the growth of algae. The expert, Longley, pointed out that there was more fertiliser going into the river per acre than many farmers used on their land.

Mr. Sampson: He pointed out that the filter beds had nothing to do with the presence of the algae.

Mr. HUGHES: He said the nitrogenous matter that filtered into the river was stimulating the algae. At East Perth and Como, the algae is a nuisance and a menace to public health.

Mr. Sampson: Algae exists in all similar waters.

Mr. HUGHES: The expert recommended the dredging of the river above the Causeway to a depth of 5ft. and the filling up of the swamps with the spoil taken from the channel. A large quantity of ashes from the power house could be used for the reclamation work. The member for Canning (Mr. Clydesdale) has been responsible for reclamation work on the eastern side of the river, and it has proved highly successful. Experts point out that if a 5ft. channel were dredged and the marshes drained, 320 acres of land on both sides of the river could be reclaimed. If the river be given a decent scour, it will carry away the algae, and thus minimise the effect of the filter beds on the river.

Mr. Griffiths: And take the algae to Nedlands.

Mr. HUGHES: No.

Mr. Sleeman: It would take the algae to Fremantle.

Mr. HUGHES: Then it would be Fremantle's job to pass it on. If the member for Fremantle can persuade the Premier to extend the harbour to Rottnest—

The Premier: The algae may be held up at the salubrious suburb of Claremont.

Mr. HUGHES: I think it would have more respect for that suburb than to lodge there. I understand the placing of the item on the Estimates is a tentative arrangement. The City Council are spending £700 to minimise the mosquito pest, and the revenue of the city will benefit largely if the reclamation work is undertaken. I agree with the Premier that the council should stand in and bear a share of the cost of this work, or else pay a percentage of the interest and sinking fund year by year. I am dealing with this question because the member for Canning is absent in the Eastern States. With the 320 acres reclaimed, the municipality would have land for a first-class esplanade on the eastern shore of the river. Victoria Park is growing at such a rate that I should not be surprised if 20 years hence we have a city east of the river.

Mr. Griffiths: The reclamation would be the making of Victoria Park.

Mr. HUGHES: It certainly would stimulate the development of the district for residential purposes. The City Council should be prepared to pay if they can obtain a strip of land along the river for an esplanade. The suggestion is to dredge at Park Harrison island, and turn the remaining part into botanical gardens

The land will increase in value and the rates will go up, so that it should be a sound proposition for the city of Perth to bear its share of the cost. It is claimed for the mosquitoes in East Perth that they have carried more men into Parliament than anything else.

Mr. Panton: What will you do if we get rid of them?

Mr. HUGHES: They will be unable to carry any new member in. The work I mention will beautify the river.

The Premier: The City Council must come in.

Mr. HUGHES: The Government have shown their willingness to play their part, and I believe the City Council will do theirs. I understand the intention is that the Minister for Works will have a conference with the members of the City Council. This is the first time this matter has been placed on the Estimates and I hope that some lasting good will result.

Vote put and passed.

Vote—*Water Supply and Sewerage, £669,100:*

Item—*Sewerage, Perth and Fremantle, etc., £96,000:*

Mr. TAYLOR: Will the Premier explain whether any portion of this money will be devoted to the sewerage of Leederville?

The PREMIER: This is mainly made up of work now in progress at Subiaco. The main outfall for sewerage is under construction. There will also be money for house connections in any areas already reticulated.

Mr. NORTH: The select committee appointed by the Legislative Council to inquire into the metropolitan water supply recommended that the storm water drainage for Subiaco should be stopped pending the arrival of the new engineer-in-chief. I understand it is intended to construct separate concrete drains for sewerage and storm water. The people along the coast between North Beach and Fremantle are very much concerned about the disposal of sewage into the sea and fear a repetition of the trouble that has arisen in the river. I hope that every care will be taken to render the sewage harmless. It should be possible to use the sewage matter for the establishment of a farm on the sandy areas between Subiaco and the coast.

Item—*Metropolitan Water Supply, £437,000:*

Mr. E. B. JOHNSTON: In to-night's paper the report of the select committee appointed by the Legislative Council is published. This committee went exhaustively into this question.

Mr. Panton: What does it say?

Mr. E. B. JOHNSTON: I have not yet had an opportunity of going into it, but I hope the Premier will see that the report is carefully weighed by the officers of the Department and that something is done to reduce this expenditure.

The PREMIER: The report will be carefully considered by the Government, and by the expert officers of the department.

Mr. Taylor: They will give it a good shaking up.

The PREMIER: The report is the result of a thorough and exhaustive inquiry on the part of the committee, and is entitled to every consideration. Although the interim report recommended that the Churchman's Brook scheme should be stopped, the final report recommends that the work should be proceeded with as it is too late to alter the scheme. We have been unfortunate in our efforts to secure the services of an engineer-in-chief. No doubt the work that is in hand will be carried on safely by the engineers now in the department.

Item—*Water Supply in Agricultural districts (including drainage and irrigation and loans and grants to local authorities and drainage boards), £40,000:*

Mr. E. B. JOHNSTON: Have the Government made provision to proceed with key dams? The engineers have surveyed some of the rock catchments in agricultural districts, and I understand that schemes have been drawn up that could be carried into effect. The people concerned are anxious to know whether the Government are in a position to proceed with the construction of these works in time for next summer.

Hon. J. CUNNINGHAM (Honorary Minister): The agricultural water supplies have been under consideration for some time past. Investigations are now in progress. I hope in a short time to have a full report from the engineer for goldfields and water supplies, indicating what can be done to satisfy the wants of the people in the agricultural areas.

Mr. BROWN: Has any provision been made for Kondinin? This is an important centre and produces nearly 200,000 bags of wheat. Last year farmers carted water from the railway station at a cost of 4s. 6d. per 100 gallons. Wheat grown in Kalgarin has also to pass through Kondinin. There is a dam belonging to the Railway Department with a capacity of 7,000,000 gallons. However, during the last few years it has been dry. Some engineers say there is not sufficient rainfall to fill the dam, others that the dam leaks. Old residents contend that the dam should be cemented, and, that if it were, Kondinin would have an adequate supply of water once the dam was full. If another dam were put down five chains from the present site, it would certainly hold water. Again, a weir put across Rock Gorge would provide a storage of several million gallons. Some Kondinin residents are asking for an extension of the goldfields water supply to the district. I believe the previous Government promised an amount for investigation of the possibilities of water supply in the Kondinin district. The water position there is worse than ever this year, simply because of the growth of population. If anything is done, it should be done quickly, because thunderstorms will fall within the next few months, and one heavy thunderstorm would fill the dams in an hour.

Hon. J. CUNNINGHAM (Honorary Minister): Upon representations made by the hon. member some time ago, an investigation into water supplies at Kondinin is now in progress. Unfortunately Kondinin has not good holding

ground, and as a result there is leakage. It is not necessary for me to point out to the hon. member what is being done, since, as I have mentioned, the present departmental action is being taken at his instance. However, I should like the hon. member to realise that there are other districts besides his.

Item—Water Supply in Agricultural Districts, £40,000 :

Mr. GRIFFITHS: I presume this item refers to further extensions of works recently constructed. The Premier, in introducing the Loan Estimates, mentioned extensions to Belka and Walgoolan; but I should like to know what is proposed with reference to Goomarin, Talgamine, Yarramony, and North Boddalin. I recently introduced a deputation to the Honorary Minister in connection with these last mentioned districts, the residents in which are in even a worse position with regard to water supply than are the Kondinin people. Some of them are carting wheat and also water over a distance of 27 miles. I wonder whether the Government propose to do anything to facilitate the transport of the coming harvest.

Vote put and passed.

Vote—Development of Goldfields and Mineral Resources, £105,000—agreed to.

Vote—Development of Agriculture, etc., £2,228,442 :

Mr. SAMPSON: I know that consideration has been given by the Government to the establishment of a pre-cooling shed on the Fremantle wharf for the benefit of fruit exporters.

The CHAIRMAN: That is a work which does not appear on these Estimates. The hon. member is not in order.

Mr. SAMPSON: Do I understand that references to a pre-cooling shed would be out of order?

The CHAIRMAN: Yes.

Mr. GRIFFITHS: In connection with the establishment of the College of Agriculture I would draw attention to the need for doing something as regards the Avon River.

The Premier: The college has nothing to do with the river.

Vote put and passed.

Vote—Roads and Bridges, Public Buildings, etc., £221,450 :

Item—New Roads and Bridges in Country and Goldfields Districts, £85,000 :

Mr. SLEEMAN: How is the money going to be allocated between the country and goldfields districts? Other districts should be treated in the same way as country and goldfields districts. Bridges not coming under this vote are absolutely dangerous to the public. The Fremantle railway bridge and road bridge both require looking after. Being a new chum, I was debarred from referring to those two bridges during the general discussion.

Mr. HUGHES: Surely it is not intended to construct any new roads on the goldfields?

The Premier: One never knows.

Mr. HUGHES: In the metropolitan area people are being killed daily for the want of railway bridges. The only place on the goldfields where a road is wanted is between Kalgoorlie and Boulder, and a first-class road has been there for 25 years.

The Premier: Southern Cross is now an agricultural centre.

Mr. HUGHES: In the Brown Hill-Ivanhoe district there is no one to use a road if it were built. Some of the money in this item might well be spent in preparing plans for doing away with level crossings in the metropolitan area. With the hard soil on the goldfields, a pick and shovel to scrape away the salt-bush suffice for road construction, and therefore public funds are not needed. The goldfields are going down, and the chances are they will never recover; so why spend money on roads up there when it is required for level crossings in the metropolitan area? I do not think the goldfields will have three representatives in this House after the next redistribution of seats. I regret it, but there is no closing one's eyes to the facts.

Mr. MARSHALL: It comes as a surprise to hear the hon. member condemning the mining industry, for it was that industry that gave him his first lift in life, and to the goldfields he owes his position here to-day. Roads and bridges are essential in the goldfields areas, and I am glad the Government propose to meet the position, at least to a certain extent. Much of the undeniable need for level crossings in the metropolitan area arises from the recklessness of motor hogs.

Mr. J. H. SMITH: According to the member for East Perth, the goldfields have no further need for roads and bridges. Certainly we in the country districts want all the money we can get for the purpose. In Balingup two men worked 119 days on a new feeder road, but did not receive a penny of Government assistance. We hope that this item will provide assistance for people who are so earnestly assisting themselves.

Item—Perth Causeway reinstatement, £2,000 :

Mr. HUGHES: This amount will not by any means be sufficient for the purpose. If the reclamation scheme were proceeded with, a much shorter causeway would suffice. The Government might reasonably take into consideration the reconstruction of the causeway. Only by good fortune have we escaped serious accident there.

Item—Public buildings (including sewerage and equipment of new buildings), £87,000 :

Mr. BARNARD: I should like to know whether the words "Other buildings as authorised" include the isolation ward for the Busseton hospital.

The MINISTER FOR LANDS: I cannot say, for I have not the complete list of items here.

Mr. SAMPSON: For a long time past a hot water service has been seriously required at the Wooloolo Sanatorium. The work of installing the service has not yet been completed. Can the Minister tell us something about this?

Mr. NORTH: I congratulate the Government on the proposed additions to the Hospital for the Insane, and also on the renovations of the Old Men's Home. I trust those several works will be completed and will give the necessary services.

Mr. GRIFFITHS: I should like to know whether the item covers the X-ray plant requested for the Kellerberrin Hospital.

Hon. S. W. MUNSIE (Honorary Minister): The item does not include anything for the X-ray plant at Kellerberrin. The hot water service at the Wooroloo Sanatorium is not yet completed. I am not satisfied with the manner in which the Wooroloo Sanatorium hot water service is being installed; in fact I am very disappointed to find that a trial was not given to the electric heating apparatus, at all events in one block. This was suggested by certain engineers in the department.

Mr. Corboy: It should have been done, too.

Hon. S. W. MUNSIE: Reading the file carefully, and the reports submitted, I consider that one block should have been given a trial before a start was made with the work of putting in copper pipes for the steam process.

Mr. Sampson: The East Perth current does not go that far.

Hon. S. W. MUNSIE: No, but they generate their own current at Wooroloo and there is enough for supplying one block. I cannot understand why the department insisted on copper pipes when the other system would have involved a third of the expenditure and perhaps would have been more satisfactory.

Item—Loans and grants to local authorities, etc., £24,450.

Mr. GRIFFITHS: Can the Minister say whether anything has been done in connection with the request made for accommodation being provided for the police at Katanning and at Meckering?

The MINISTER FOR LANDS: I have not the details here. A lot of these small buildings and minor improvements have been provided for on the General Estimates.

Mr. GRIFFITHS: What is intended in connection with the Kellerberrin hospital?

The PREMIER: Some small additions were promised when I was up there recently.

Item—Purchase of site at Pt. Heathcote for mental home:

Mr. SAMPSON: Can the Minister supply any information regarding this item?

The MINISTER FOR LANDS: The amount provided is merely for the purchase of the site. The work of building cannot be started until next year.

Vote put and passed.

Vote—Other undertakings, £12,000:

Item—State hotels and tourist resorts, £1,400:

Mr. E. B. JOHNSTON: What provision has been made for increasing the accommodation at the Corrigin State hotel? On the last Loan

Estimates £5,000 was provided for additions but nothing was spent.

The PREMIER: Unfortunately that £5,000 has disappeared. I was not able to get hold of it for this year. I realise that there is need for additions to that hotel although a coffee palace is being erected which will, to some extent, relieve the pressure regarding accommodation.

Hon. Sir JAMES MITCHELL: We did better than you; we put the amount on the Estimates.

Item—State Brickworks, £8,500:

Hon. Sir JAMES MITCHELL: What is this item all about?

The PREMIER: A new kiln.

Hon. Sir JAMES MITCHELL: But it is built now. What do the Government mean by increasing State trading concerns without coming to the House for authority?

The PREMIER: This is only an addition to meet the demand for bricks.

Hon. Sir JAMES MITCHELL: Bricks are £4 10s. a thousand.

The PREMIER: We are bringing them down next week.

Hon. Sir JAMES MITCHELL: Where, from Armadale?

The PREMIER: No, in price.

Hon. J. Cunningham: We have 1½ million bricks on order now that we cannot supply.

The CHAIRMAN: I will not allow a general discussion on State trading.

Mr. SAMPSON: I oppose this extension of State Trading Concerns. This policy is having a bad effect upon private enterprise and upon the general development of the State.

Mr. MARSHALL: Building contractors have been hampered by the shortage of bricks for years past, and if it had not been for the State Brickworks, it is impossible to suggest what the price of bricks would have risen to. There is plenty of scope for private enterprise in the industry, but as it is recognised that the existence of the State kilns limits profits, there is not much indication of private enterprise taking advantage of the position.

Hon. J. CUNNINGHAM (Honorary Minister): When Labour took office there was such a demand for pressed bricks that we could not cope with the orders and it was found necessary to make provision for an additional kiln. We have now on hand orders for 1,500,000 bricks. If private enterprise could cope with the demand there would be no necessity or desire on the part of the State to incur the additional cost involved in the extra kiln. When the kiln is erected we shall be able to turn out at least 12,000,000 bricks per annum, as against the present capacity of the works of 7,000,000 per annum. It is generally recognised that the State bricks are the finest to be had in the State and are sought by contractors. Good progress is being made with the work and we hope to have it completed within nine months.

Vote put and passed.

Lands Improvement Loan Fund:

Votes—Departmental, Salaries, Agriculture, £1,700; Contingencies, Development of Agriculture, £6,700; Development of Agriculture, North-West, £2,000; Development of Agricultural Lands, £13,300—agreed to.

Resolutions reported and the report adopted.

BILLS (2)—RETURNED.

1. Closer Settlement.

With amendments.

2. Mining Development Act Amendment.

Without amendment.

House adjourned at 10.30 p.m.

Legislative Council.

Friday, 12th December, 1924.

	PAGE
Bills: Industries Assistance Act Amendment, 2a.	2323
Forests Act Amendment, report	2323
Norseman-Salmon Gums Railway, 2a., Com., report	2323
Workers' Compensation Act Amendment, Com.	2329

The PRESIDENT took the Chair at 3 p.m., and read prayers.

BILL—INDUSTRIES ASSISTANCE ACT AMENDMENT.

Read a third time and passed.

BILL—FORESTS ACT AMENDMENT.

Report of Committee adopted.

BILL—NORSEMAN-SALMON GUMS RAILWAY.

Second Reading.

The COLONIAL SECRETARY (Hon. J. M. Drew—Central) [3.6] in moving the second reading said: It was my privilege 10 years ago to pilot through this House a Bill for the construction of a railway 60 miles northwards from Esperance. Since then a further extension of six miles has been authorised. The present Bill is submitted with the object of authorising the line to be carried on 59 miles to Norse-

man, thus connecting with the railway system of the State. The estimated cost of the line with water supplies, etc., is £221,300. At the time the original survey was made in 1904, Dundas was an active mining centre and it was thought advisable that the railway should pass through it. For that reason a detour from the direct route was provided for. At present Dundas is deserted, and there does not appear to be any likelihood of an early revival of mining in that part of the State. The Mines Department officials consider that although the mining area of Dundas has some rather promising lodes and is not altogether negligible, its present importance should not be allowed to stand in the way of a more direct and useful route being adopted. The amended position of the line, shown in the plan laid upon the Table, has important advantages. It is more than a mile shorter than the original route surveyed, it avoids all the lake country and granite outcrops, and it will better serve the good agricultural land to the west of Dundas. Members will naturally desire some information as to the quality of the country to be served. It is considered that at least 400,000 acres is wheat land, which would provide holdings for no fewer than 350 settlers. The balance of the country is good grazing land and third-class land. The Lands Department officers state that the forest country comprises principally good red soil, the timber being morrell, giant mallee and salmon gum, with open jam flats. Clearing is inexpensive, and water can be conserved in tanks. The country eastward for many miles is good agricultural land, and the construction of the railway would enable settlers distant even more than 12½ miles from the line to carry on, as there are splendid opportunities for mixed farming and especially for sheep raising. The Surveyor General has written a minute on the subject, from which I quote the following—

The country between Salmon Gums and Norseman is entirely undeveloped and has never been made available for settlement. Therefore no particulars can be given regarding yields or other development work. During my recent visit to the district, however, I found that the whole of the country is of uniformly good nature and that it will be possible to design a subdivision providing for 350 settlers, there being 400,000 acres of first-class land within the 630,000 acres classified. Good rains had fallen prior to my visit, and I was very pleased to find that all the dams in the district were full and that there was every prospect of the water supplies being assured during the coming summer.

Apart from the necessity for serving the agricultural and pastoral lands along the