

liberality with which agricultural research is supported by State funds and the readiness with which they are prepared to map out policies for steady continuous development over long periods.

When we come to think of what the chemists and biologists have done for agriculture we remember that it was in 1901 the late William Farrer produced his famous Federation wheat. It has been calculated that this has meant a gain to Victoria alone of £500,000 per annum for the past 15 years. Mr. Farrer during his 20 years work produced no fewer than 33 varieties of wheat. There is a long list of chemists who have done much for agriculture, and a very interesting story could be made out of it. However, I will not go into details, more than to say that Mr. William Farrer—we have a pupil of his in Mr. G. L. Sutton of this State—was a great Australian, whose influence can be seen in every ripening field of wheat in Victoria and New South Wales. There is one more subject. It concerns my own electorate. I have left it till the last because, whilst I will not deal fully with it to-night. I want the House when the motion, of which I gave notice this afternoon, comes up for discussion, to be in a position to say whether the claim I shall make is not a proper one. Under the heading of "Western Australian Activities" there appeared in a newspaper the announcement that work has been started on the Ejanding-Northwards railway with a spur of 77 miles. I asked the Premier to-night on what date the Ejanding-Northwards line was authorised and also when the Yarramony-Eastwards line was authorised. Of course the Premier knew that I already knew, but I wanted the statement from him just to show that the Ejanding-Northwards line was authorised seven or eight months ago, whereas the Yarramony-Eastwards line was authorised 3½ years ago. The people living along that stretch of country have been there for 19 years. We have nothing to indicate that that line is not to be built out of loan funds. Possibly some people may have knowledge that money obtained under the migration agreement is to be utilised. If so, of course we cannot complain, but if the line is to be built out of ordinary loan funds, I say the delay is a distinct breach of faith. I think it will be a most unfair thing if the Ejanding line is to be started before the Yarramony line. However, I

shall not dwell further upon that at present. All that I wish to say in conclusion is that whilst the Premier may take exception to some of the remarks I have made to-night—

The Premier: Not at all.

Mr. GRIFFITHS: At all events if there be anything that I and my colleagues on this side can do to assist the progress of the country, we shall unhesitatingly do it.

On motion by the Premier, debate adjourned.

BILL—SUPPLY (NO. 1)—£1,913,500.

Returned from the Council without amendment.

House adjourned at 7.42 p.m.

Legislative Council,

Thursday, 4th August, 1927.

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

QUESTION—GROUP SETTLEMENT.

Hon. W. J. MANN asked the Chief Secretary: 1, How many locations were there on the group settlement books at 30th June, 1927? 2, How many settlers were on those locations (a) at 30th June, 1926; (b) at 31st December, 1926; (c) at 30th June, 1927? 3, How many settlers have been placed on locations left by previous holders in the periods (a) 1st July, 1926, to 31st December, 1926; (b) 1st January, 1927, to 30th June, 1927? 4, How many locations are to be (a) abandoned; (b) linked up with other holdings? 5, How many locations are

to be abandoned or linked up respectively, in the following areas:—(a) Peel and Bateman Estates; (b) Busselton-Margaret-Augusta; (c) Manjimup-Pemberton-Northcliffe; (d) Denmark?

The CHIEF SECRETARY replied: (1) 2,382. 2, (a) 2,241, (b) 2,290, (c) 2,078. 3, (a) 241, (b) 71. 4, Holdings to be abandoned or linked up cannot be stated until completion of the reclassification now in progress. The estimated reductions in numbers of holdings based on progress reports are—(a) Peel and Bateman Estates, 246; (b) Busselton-Augusta, 110; (c) Manjimup-Northcliffe, 160; (d) Denmark, nil; total, 516. 5, Answered by 4.

QUESTION—STATE GRANTS, PAYMENT.

Hon. E. H. HARRIS asked the Chief Secretary: What (a) roads boards, (b) hospitals, (c) parks and reserves in receipt of monthly grants from the State Government failed to receive their payment in full for the year ended 30th June, 1927?

The CHIEF SECRETARY replied: All received their subsidies in full except the Greenmount Road Board, from whose grant an indebtedness of £100 was deducted.

MINISTERIAL STATEMENT.

Electoral Enrolments.

The CHIEF SECRETARY: Last night Mr. Harris courteously approached me and informed me that the replies I had given on Tuesday to his questions dealing with electoral matters were not complete. On examination I found that Mr. Harris was right. This morning I communicated with the Under Secretary for Law, who is in control of the Chief Electoral Registrar's Office, and informed him to that effect. From him I have received the following reply:—

It is apparent, on further consideration, that the question asked was misconstrued in the Electoral Office. What Mr. Harris desired to know was, What was the total number of electors enrolled at the close of the rolls prior to the recent Legislative Assembly elections—(a) for the whole State; (b) for the following 27 Assembly electoral districts, etc. The answer is—(a) Total number of electors

enrolled for the State 210,949; (b) total number of electors enrolled for the combined districts referred to, 104,592.

MOTION—TRAFFIC ACT.

To Disallow Regulations.

Debate resumed from the previous day on the following motion by the Hon. G. Potter:

That the regulations prescribing omnibus routes Nos. 7, 16, 20, 42, 48, 54 and 55, under the Traffic Act, 1919-1926, published in the "Government Gazette" on the 22nd July, 1927, and laid upon the Table on the 2nd August, 1927, be and are hereby disallowed.

HON. E. H. GRAY (West) [4.36] : I desire warmly to support the motion moved by Mr. Potter and to express my concurrence with everything that has been said by previous speakers. I am pleased with the reception given to the motion. With other Parliamentary members from Fremantle, I have been connected with this agitation for some time, but I think this is the first occasion on which, if I may so express it, the pot has begun to boil over. The Routes Advisory Committee last year endeavoured to put the hoodoo on the taxi service and there was such a storm of indignation right from Fremantle to Perth that we were able, after a deputation to the advisory committee, to persuade the authorities that it was not right to put such a regulation into operation. That regulation would have meant the abolition of the motor transport service. I cannot conceive why such an attitude should be adopted by the advisory committee unless they are appointed by the Government in the capacity of watchdogs of public utilities. If that is so, one can understand it, but nevertheless the fact that a majority of the committee represent the Railway and Tramways Department does not justify them in their strenuous opposition to motor transport. I regard the question particularly from the viewpoint of the working men. It would be a distinct and disastrous injury to working men and women if the advisory committee were successful in stifling the motor transport service. I say emphatically that, provided the motor vehicles do not unduly compete with the trams, that is, provided they are not run side by side with them, the motor service should be encouraged. It is much better for a working man, his wife and family to take a motor trip on Sunday than to sit in the stifling atmosphere of a moving

picture theatre, and there is little difference in the cost of the two. I look forward to the time when we shall have a grand route leading from the seaport to the capital by the Perth-Fremantle-road and returning along the Canning-road. The attitude of the advisory committee is on all-fours with the opposition offered in the olden days when the railway service was being introduced. Those who are acquainted with the early history of the railways know that the landed interests put the promoters of railway companies to enormous expense and were even backed by the local authorities. It is on record that when the Great Western Railway Company were endeavouring to get authority from Parliament for the construction of their line, the Marquis of Aylesbury was successful in blocking the Bill in the House of Lords. The company had spent in the vicinity of £90,000 in preliminaries, and in consequence of the strenuous opposition, they were compelled to alter the route and practically adopt a new route for the line from London to Bristol. I imagine that the Routes Advisory Committee must be the reincarnation of the old landed proprietors. The chairman of the advisory committee reminds me of a lord of the manor in the olden days.

Hon. A. J. H. Saw: You do not know of any landed proprietors here who are not anxious to get a railway near to their holdings?

Hon. E. H. GRAY: No; that shows how public opinion has changed. The attitude of the advisory committee is as senseless as that which was adopted in the olden days in opposition to the railways.

Hon. J. Cornell: Have not the recommendations of the advisory committee to be approved by the Government?

Hon. E. H. GRAY: As the advisory committee seem to be so much out of touch with public opinion, I think that body should be reconstituted and the local authorities given substantial representation upon it. While I recognise that we cannot permit motor vehicles to ply alongside tram lines, I hope the Government in their wisdom will realise that motor transport has come to stay and should receive all possible encouragement in the interests of the State and its people.

On motion by the Chief Secretary, debate adjourned.

ADDRESS-IN-REPLY.

Fourth Day.

Debate resumed from the previous day.

HON. V. HAMERSLEY (East) [4.43]: Mr. Ewing has kindly given me an opportunity to speak this afternoon. I am sure the whole of the people could unanimously endorse the references in the Speech to the visit of their Royal Highnesses the Duke and Duchess of York. Their visit has undoubtedly done an immense amount of good. I regret that on that occasion the Government did not make a point of inviting all the mayors of municipalities and chairmen of road boards throughout the State to some function to meet the Royal visitors. The men who are holding those public positions are doing valuable work for the State and doing it whole-heartedly, and it is work that forms an essential part of the government of the country. It would have been fitting to bring the visitors into touch with the leading officials of the Government, particularly on such an occasion as that.

Hon. J. R. Brown: Do not you think they were bored enough whilst here?

Hon. V. HAMERSLEY: The course I suggest would undoubtedly give greater encouragement to people who are devoting an immense amount of service to their districts and surrendering a great deal of their time to promote the welfare of the country. They would, I believe, appreciate any opportunity of coming into more direct touch with the functions accompanying a visit of that nature. I was also astonished, and I greatly regretted, that on the occasion in question Parliament House was not decorated in connection with that system of lighting which the Government specially asked all the business people to carry out.

Hon. A. J. H. Saw: The railway station was decorated.

Hon. V. HAMERSLEY: But these buildings were not decorated. Personally I felt that the opportunity was a fitting one for crowning a splendid celebration throughout the city by the illumination of Parliament House. Certainly the business firms went to a great deal of expense, and are to be congratulated by the State as a whole on the manner in which they carried out their part of the decorations. The Government themselves, however, failed to do what I, as a member of this Chamber, feel ought to have been done by the Legislature. In brief, we should have done what we asked other people

to do. I agree with hon. members, who, following Mr. Lovekin, congratulated him upon his observations as to the proposed financial agreement between the Commonwealth and the States. The agreement itself will come before us later. The question is fraught with the utmost importance to the welfare of Western Australia as well as that of the other States. When the matter comes up for consideration, we shall undoubtedly have to go into it far more carefully than there is opportunity for doing on the Address-in-reply. In losing the 25s. per capita payment, undoubtedly we find ourselves under a great strain as regards sources of revenue. Indeed, we are placed in the unfortunate position of practically becoming mendicants to the Federal Parliament. It is fitting, therefore, that some such arrangement as has been proposed should be accepted by the States. Assuredly the arrangement in question will place us in a much happier position than that which we occupy at the present moment. Just now we have no rights whatever in respect of Commonwealth revenue, and for that reason I am indeed glad that the Bruce-Page Government have made an effort to put the States in a position which will mean that they will not entirely lose their share of the revenue to which all Australian taxpayers contribute. Many people claim that there is no reason why the Commonwealth should return the States any revenue, but unless we can get some relief we shall find ourselves in a most unfortunate position. Under such conditions the position of the Western Australian Government would be comparable to that of an ordinary municipality or road board; that is, as regards persuading and assisting our people to carry on the development of the country. The strain thus ensuing would, in fact, be altogether beyond our resources. Therefore it would be a very good thing if the State can agree to ratify the proposed arrangement. As has been hinted by Mr. Lovekin, we certainly want something in black and white with reference to the final arrangement. We do not want to be left in the position in which we have found ourselves since 1910, when the 25s. per capita basis was agreed upon. It was thought at the time Federation was consummated that the substitution of one borrower for half a dozen borrowers would be of great advantage to the various Australian States, but we have heard good reasons put forward for thinking that the system of one borrower is

not the best. It appears probable that we shall lose considerably if we have to rely upon the Commonwealth Government for all our loan moneys. If we are obliged to accept the dictum that future borrowings shall be based upon the borrowings of the past five years, we may find ourselves unable to obtain the funds required for the development of this State, whereas other States, which have been large borrowers, would be enabled to command larger shares of loan money on that account. Indeed, those loan moneys in some instances have not been judiciously expended, but rather have been squandered. Western Australia, on the other hand, can show excellent results from the expenditure of borrowed moneys, so large a proportion of them having gone towards the development of the primary resources of this country. As time goes on we shall require to approach the money market for very large sums. Mr. Lovekin stated that the loan requirements of the Australian Government as a whole are in the vicinity of 40 millions sterling annually, and such a scale of borrowing seems to me extravagant. If a small community such as that in Australia requires 40 millions of loans annually to finance it, it is living in a fool's paradise. Yet that seems to be the basis on which the Australian Governments expect to carry on the country. While we borrow at the rate of 40 millions annually, it is easy to understand that there should be a high standard of living here. We may well have a high standard of living while borrowed money is scattered so freely. But we must bear in mind that every year, as we go on the money market, we have to pay higher and higher rates. Rates are, and will be, much higher than was the case even a few years ago, and thus our borrowing is becoming much more expensive. Indeed, our mounting interest bill is likely to make our conditions much worse, and the strain upon our industries may become more than they can bear. Within the last week or two some of those industries have been feeling the pinch. In spite of our need for greater output and better results from the expenditure of moneys in the secondary industries, there seems to be a tendency to reduce the hours of work in those industries and thus probably to curtail output. One or two secondary industries are talking of closing down unless they are given still higher protective duties to bolster them up. This points to a possibility of our having to adopt the truly terrible scheme of borrowing money to

pay interest on our debts, owing to the secondary industries not making sufficient profits to carry the debts created for their benefit. A State like Western Australia will not be able to carry on if it cannot borrow independently and control its own purse strings. We are likely to be strangled in trying to keep the secondary industries of the Eastern States going, whereas we are in a position to contribute largely towards the wealth required by Australia through the development of our natural resources. The Governor's Speech teems with references to the wonderful progress being made by Western Australia. We know that if the necessary funds can be borrowed for the development of our primary industries, which are all clamouring for capital, this country can continue to put up records. There is no reason why within a few years we should not double our present wheat yield. The Governor's Speech refers to the large increase in the number of sheep in Western Australia, and mentions that our wool production for last year was a very fine one indeed, worth something like £2,500,000. We have to bear in mind that a great many people able to embark on sheep have not yet done so. In that direction there are immense possibilities ahead of this country. Anyone travelling throughout the wheatbelt will notice that rabbit-proof fencing is being constructed in every direction to safeguard the areas from the inroads of the pest. Many of those on the land who, a few years ago were not able to get sheep, permitted portion of their areas to remain in the natural state with timber and scrub. To-day those areas are growing fine herbage, and the settlers are putting sheep upon them. Rapid expansion is taking place now in the wheat areas, and in many centres the farmers are utilising to advantage a good deal of the second-class country which, up to a few years ago, was thought to be useless. In many instances it is being discovered that that class of country is giving just as good results as the forest country. My opinion is that the State cannot go wrong in borrowing extensively for further development in that direction, and if our operations are to be curtailed or controlled from outside we shall be very seriously handicapped in our progress, and we shall regret having entered into any arrangement with the Commonwealth, just as much as we regretted having joined the Federation in the first place. I always felt, when we joined the Federation, that we were doing so, many years before the proper time. If, under the

scheme that is now proposed, we are to have the purse-strings controlled or interfered with from outside, the probability is that development will get a set back. While in the country recently I was struck with the development that was going on at the hands of a number of young men, fine earnest fellows who were throwing themselves wholeheartedly into the work of cultivating the soil. I cannot help contrasting what I saw with the reports we read in the Press, and accounts we hear from time to time of the unemployed around our streets. It is marvellous to me that those unemployed do not take a leaf out of the book of the young fellows who are out in the backblocks, one might say throughout the length and breadth of the State, earnestly at work in developing their holdings and creating an asset for themselves. I should like to refer to the case of one man in particular, and in the facts that I am about to relate I think I can be supported by Mr. Kitson. The instance in question is that of a one-armed returned soldier who has a magnificent crop of 450 acres, the result of two years' work. If this can be done by a man disabled to the extent of the loss of an arm, there is no reason in the world why his example should not be followed by others without such a disability. It only proves that there must be a great many of young fellows to be found about town who lack the spirit of enterprise.

Hon. J. Cornell: There are unemployed prepared to go on the land, but there is no land available.

Hon. V. HAMERSLEY: I have heard a great many say that land is not available, but my opinion is that where there is a will there is a way. The one-armed man to whom I have referred went on his holding which is not adjacent to a railway, and I am assured that there is any amount of land just beyond where he is located. The Government, I understand from the Speech, are opening up other tracts of country, and so there should be any number of areas available. The difficulty is to get men with stout hearts to go out to those places.

Hon. J. Cornell: Returned soldiers with qualifications cannot get land.

Hon. V. HAMERSLEY: I suppose they all want a particular block that is close handy, and they are not prepared to take any risks at all. They want areas not a great distance from centres where they can see the

latest picture shows and other entertainments. The pioneers who have gone out in the past have taken a chance of success; they did not worry about picture shows. As a matter of fact, if they succeed, the picture shows will follow them.

Hon. H. A. Stephenson: A crop of wheat is the best picture show they can have.

Hon. V. HAMERSLEY: Exactly. Very speedily the crop of wheat is followed by sheep, and sheep are the main asset. That reminds me that on many of the areas on which sheep are being placed, the holders of the properties are experiencing a difficulty as the result of the Act which we passed two years ago. A great many of those men have erected fences around their holdings, and in doing so thought, as I thought when the measure was being discussed in this House, that what they had to do was to erect a 6-foot rabbit-netted fence with barbed wire at the top. They thought, just as we thought, that by erecting such a fence they would be able to get exemption from the dingo tax. We find now that in the Act we passed we left it to the discretion of the chief inspector to say what was a dog-proof fence. There is consternation throughout the country now, because it is found that the decision of the chief inspector is that the fences that have been constructed do not entitle the owners of the properties to exemption. As a matter of fact, there is only one fence in the State that can claim the exemption. In my opinion, the administration is acting in an arbitrary manner; it is not giving consideration to those people who have incurred heavy expenditure in fencing their places in a manner that they think, and I think, too, is sufficiently dog-proof, sufficient to the extent to entitle them to the exemption.

Hon. H. A. Stephenson: The inspector will not pass a fence unless it has a top, rail as a verandah.

Hon. V. HAMERSLEY: The rule laid down is that the fence must be 6-feet high with a 2ft. verandah-lean on the top. Wherever a man fences along a main road, this means that the fence, if constructed in the manner directed, must encroach 2 feet on the road, and, as that is not permitted by law, he will have to build the fence 2 feet inside his own boundary. How the difficulty will be got over as between neighbours, I

am not prepared to say. In any case, the decision is working a great hardship, and I appeal to the Government to relax it. As the position stands, it means that no exemption whatever is given to the settlers who are incurring considerable expenditure on their holdings. It must be remembered also that the mere fact of erecting the fence provides employment for a large number of people, to say nothing of the cost incurred in the purchase of netting. This in itself is a considerable tax already on these people and it is the right thing to do to encourage settlers to enclose their properties with a good class of fence. If they find that they cannot get any redress from the Government or from Parliament, the tendency will be to give up the idea of fencing the properties. Undoubtedly those fences are a great safeguard against the inroad of the pests. I certainly think the department has acted drastically in giving effect to the decision, and I sincerely hope it will be relaxed. It is satisfactory to note that the railway traffic is increasing, largely as the result of the production of wheat, and it is pleasing to learn more engines and trucks are to be made available for the next harvest. One of the great difficulties settlers experience is in connection with getting their super. The Commissioner of Railways considers that the farmers should get their supplies in December and January, a period of the year when the farming community have no time to cart the super. At that period they require to devote the whole of their attention to the harvest. The great desideratum is a good supply of trucks, so that when the farmers require their superphosphates, the commodity can be sent to them freely. There is no doubt that the shortage of trucks last season and the season before delayed the operations of many settlers. There would have been a larger area under crop had the farmers been able to get their super. just when they were able to handle it. It has been said that the companies were not able to supply super., but the truth is that when the farmers were anxiously awaiting supplies the railways could not make available the necessary trucks. Therefore, it is very necessary there should be an increase in the rolling stock and it is satisfactory to know that this is likely to be brought about. It should have the effect of assisting to expedite the conveyance of wheat to the ports, and it is anticipated that

next year there will be considerable increase in the traffic in this direction. With regard to railways in and around the metropolitan and outer-suburban areas, many of the residents in those localities are still crying out that their train service is not what it should be. Many of them have settled in the hills at Darlington, Kalamunda, and other places. For many years they have been assured that the service would be improved, and that the trains would reach town in time for them to attend their offices or their other employment at the proper hour, but very often the trains do not run according to schedule. These people deserve something better than the oldest type of carriage in the service. Some of the trains coming from the hills are still lighted with kerosene lamps. People should be encouraged to live a few miles out of the city and to rear their families away from the crowded centres. It is expensive for them to travel backwards and forwards, far more so than it is for others living nearer the city, but as their families have larger areas in which to grow up, they are likely to be more useful citizens than are those who live closer to the town. It is a good thing to encourage people to live in the hills. When they are hampered by a train service that does not run according to time table, and that cannot be relied upon, it makes it increasingly difficult for them to remain in the hills. It causes them to turn their attention to localities nearer the city, whereas everything should be done to encourage them to improve the centres they have already so well established. For the year ended the 31st December last the population of the State increased by 6,563 persons. Of this number 4,835 are in the metropolitan area, which leaves only 1,728 people for the rest of the State. This means that almost the whole of the increase in population is resident in the metropolitan area. Probably, too, many of the 1,728 people have gone into town centres away from the city. There is always a tendency for people to flock around the larger towns, apart from the metropolitan area. Probably the population around Geraldton, Bunbury, Albany and other centres will be found to have increased. We shall have before us directly a Bill dealing with closer settlement. It has been said that the Legis-

lative Council has thrown out Bills of this nature whenever they have come before it.

Hon. J. CORNELL: Is it not true?

Hon. V. HAMERSLEY: I take exception to that statement. The object of this House has been to pass measures of that kind, not that they are necessary, but because Governments have from time to time asked to be armed with this further opportunity to have the country settled in smaller areas. The only thing we have asked is that whatever closer settlement is brought about, and whatever is done in the matter, we should preserve to those people who hold large areas, the people it is desired to control by Act of Parliament, the right of appeal to some other body than that which takes over their land. I hope when the measure comes before us again provision will be made for the holders of the land to have their claims dealt with by an independent tribunal, rather than that they should have to appeal to those who have decided that the land should be subdivided. The tendency on the part of people on the land is to increase the size of their properties. Several estates which have been cut up in the past into smaller areas have gradually reverted to the hands of half-a-dozen holders. This is brought about by the fact that with more powerful machinery larger areas of land can be worked. Many farmers who now work larger areas were able to make progress on a smaller area, but they now find that the capital involved in their machinery makes it necessary to crop a greater amount of land if they are to derive the full value from the capital they invest and from the labour that is available to them. To people with a large plant, small farming is not as profitable as more extensive farming is. In some cases the people are prepared to sell their small farms in order to go to other localities where they can take up more land, and in such cases the small farm is probably purchased by a neighbour who wishes to increase the size of his own holding. There are not many large holders of sheep properties. Within the Commonwealth there are about 80,000 flock masters, and 95 per cent. of these own less than 5,000 sheep. Only 3,000 sheep owners possess flocks exceeding 5,000, so that there are not many big holdings. Most of the big holdings are in country that is not suitable for closer settlement. We must

learn from the other States and appreciate the fact that, in cases where large holdings have been broken up into smaller areas, any drought that has occurred has proved more detrimental to the small holders than to the others.

Hon. J. Cornell: That arises through overstocking.

Hon. V. HAMERSLEY: Whatever the cause may be, that is the effect. I regret that the Government have not been able to construct the Yarramony railway, running through the Yorkkraine country. There are several railways in that district, and, if another were constructed between those that are about 40 miles apart, it would perhaps amount to intensifying the mileage of railways in that centre to the detriment of newer centres. We must remember, however, that the people who went into the Yorkkraine country in the early days were the founders of the wheat belt and blazed the trail for those who came after. They made good there. They proved the country, and in doing so encouraged many others to follow their example. The railway that was promised to them was not constructed along the route arranged, but was taken over a wider circle, with the result that a grave wrong was done to them. Many of them have been on deputation after deputation to the Government. Various promises have been given them from time to time, but they have seen new railways constructed in the newer parts of the country without receiving any assistance themselves. It has been a heart-breaking experience for them. They are still hanging on without any chance of getting the railway that was promised them so long ago. They have not abandoned all hope, and I trust the Government will stretch a point and do something for them. With regard to the opening up of new land and the surveys that are being made, I would suggest to the Government that the roads should be constructed much wider than is laid down in the specifications. Many centres that were used for growing wheat are now being used for sheep. An enormous amount of traffic passes over some of those roads. They are only a chain wide, and are not wide enough to enable a motor vehicle comfortably to pass by a flock of sheep. We must make provision for the future in these matters. When a motorist travels on these roads and comes across a flock of sheep, it

makes it very difficult for the person who is driving the sheep. The motorist may feel that he is the only one that is obliged to pull up, but the unfortunate fellow who is driving the sheep slowly may be pulled up 20 times in the course of a mile by other motors following. Wherever this traffic is increasing, people who have to drive sheep along the roads are confronted with ever greater difficulties. It is worth while giving consideration to the question whether chain roads are sufficiently wide to meet requirements in years to come throughout the country areas. If we had three-chain roads, that arrangement would enable timber to be left growing along the roadside. That would have the effect of making the country much more picturesque and at the same time the roads would be better for travelling stock because they would be so much cooler. I do not know whether hon. members realise that Western Australia is being denuded rapidly of the whole of her timber. Metropolitan members realise the necessity for beautifying cities and towns by the provision of wide streets and improved surroundings. Therefore they should be prepared to give a little consideration to the people living in the country areas. With a chain road, it must be realised that when provision is made for telephone and telegraph lines, the thoroughfare is completely denuded from side to side. With a bare road stretching across the country, a bleak aspect is given to the surroundings and under such conditions travelling in the summer months is much hotter and more unpleasant than it would be if trees were left to afford shade along the roads. I am satisfied that it will be necessary in years to come to plant trees alongside existing roads just as it is necessary for that to be done now in the suburban areas. There are several other matters that I wish to deal with, but I will reserve my comments on those subjects for later occasions.

HON. J. NICHOLSON (Metropolitan) [5.34]: The motion under discussion, couched as it is in the most formal and dignified terms possible, will receive the hearty endorsement of all hon. members. The Leader of the House need have no apprehension of the result of the voting, nor need he fear the likelihood of any hon. member moving an amendment. One point occurred to me at the initiation of the debate and probably it was in the minds of other

hon. members as well. At the opening ceremony we had the pleasure of hearing, for the second or third time, Mr. Kitson move the motion for the adoption of the Address-in-reply, and of hearing Mr. Gray second that motion. When listening to them I was reminded that we pride ourselves on being a non-party House.

Hon. E. H. Gray: Hear, hear!

Hon. J. NICHOLSON: I am supported in my view by Mr. Gray's interjection, and also by the non-party views expressed and the attitude adopted by both Mr. Kitson and Mr. Gray on the debate on the motion to disallow certain traffic regulations. Their attitude showed that they, obviously, are imbued with the non-party ideals of this House. It is creditable indeed that that impression should go abroad as the attitude of hon. members here.

Hon. J. Ewing: Whether true or not!

Hon. J. NICHOLSON: Outside of any political leanings we may have noticed in Mr. Kitson and Mr. Gray, I hold them both in the highest possible esteem. I am not speaking along those lines because I may object sometimes to views expressed by them, but I hope the Leader of the House will acquit me of any suggestion that he was unfair or partisan-like in the selections he made of the mover and the seconder of the motion. I take second place to no man in my admiration of the Leader of the House and of his uniformly fair attitude.

Hon. G. W. Miles: What are you after?

Hon. J. NICHOLSON: I will endeavour to explain. I realise that the selection of the mover and the seconder of the motion for the adoption of the Address-in-reply is quite rightly in the hands of the Leader of the House. I believe that he made what he regarded as the best possible selection.

Hon. E. H. Harris: That shows his keen judgment.

Hon. J. NICHOLSON: I agree that he made fair and proper selections. I suggest, however, with all humility, that there are other hon. members in this Chamber who have never had any opportunity of shining in a position of either the proposer or seconder of such a motion. There are younger members than myself, men who have more recently entered this Chamber, who have never had any such opportunity. I realise the difficulties confronting any Leader of the House in making such selections. On the other hand, we all recognise

that the motion is couched in formal and dignified terms and the Governor's Speech is full of promise for the State and its future prosperity. In these circumstances, there would be no difficulty confronting any hon. member of this Chamber in the task of moving or seconding the motion now under discussion, despite any party views he may have expressed at one time or another.

Hon. G. W. Miles: Do you agree with every word in the Governor's Speech?

Hon. J. NICHOLSON: I am not speaking about that.

Hon. G. W. Miles: But you want a man who does do so to move such a motion!

Hon. J. NICHOLSON: I am merely dealing with the loyal motion that is usually presented subsequently to the Governor, thanking him for the Speech he has been pleased to deliver to Parliament. The moving and seconding of such a motion does not mean that any hon. member subscribes to every word that is included in the Speech or that his views must be indicated on any particular subject in the Governor's Speech. There can be no question about the fate of the motion before us, for every hon. member can support it heartily, irrespective of what political leanings he may possess. It is open to every hon. member to offer what criticism he may deem proper, provided only that his references are relevant. While I recognise that in certain circumstances there might possibly be difficulties confronting the Leader of the House in asking hon. members, whose political views are opposed to the party in power for the time being, to move or second such a motion, those difficulties would not apply unless matters of a distinctly party character were dealt with in the Speech. Before us, however, we have a Speech, despite a few points upon which some little criticism may be offered, that cannot give rise to any very serious adverse comments.

Hon. J. Ewing: Then you will be a supporter of State Insurance this time?

Hon. J. NICHOLSON: I except, perhaps, some of the measures suggested as legislation for the session. Mr. Ewing has reminded me of one important item that appears in the Governor's Speech, but apart from that aspect it occurs to me that no man would have been more pleased than the Leader of the House if, instead of the

hardy veterans, Mr. Kitson and Mr. Gray, undertaking the task I have referred to, two of our most recently elected members had undertaken the duty of moving and seconding the motion before the House. As to the Speech itself, I join with Mr. Kitson and other hon. members who have spoken in their references to the visits of their Royal Highnesses the Duke and Duchess of York and of the Empire Parliamentary Delegation. There is one item referred to in the second paragraph of the Speech that deserves some mention on this occasion. It is that part of the Speech dealing with the appointment of Hon. W. C. Angwin as Agent General and the retirement of Sir Hal Colebatch from that position. I was very pleased to see the reference that the retiring Agent General's term of office was marked by the most faithful and efficient service to the State. It is very gratifying for the people of this State to know that our representative in the Homeland gained the esteem he did amongst the people where he worked as our representative. We certainly welcome him back again. We feel that his services in the public life of the State will be enriched by the experience he gained as Agent General, and I have no doubt an opportunity will be afforded to one who has rendered such distinguished services to once more give the help that is essential to the development of the State. I also feel assured that his successor, Mr. Angwin, will seek to follow in the footsteps of his predecessor and that he will strive to attain the same high position, in which I am sure he will succeed, if only by his honesty of purpose: and that at the end of his term similar congratulatory opinions will be expressed regarding him. Now I come to the main part of the Speech, the essential part dealing with finance. It is stated—

The revenue for the year ended 30th June, 1927, was £9,750,833, and the expenditure £9,722,588, leaving a surplus of receipts over expenditure of £28,245.

Member: Where is it?

Hon. J. NICHOLSON: I wondered what the Government intended to do with that surplus. However, I feel sure the result announced in the middle of last month evoked as much surprise in the ranks of the Government as it did amongst Parliamentarians generally.

Hon. W. H. Kitson: It was forecast.

Hon. J. NICHOLSON: When we recall that month after month the deficit kept growing, it did seem almost an impossibility for so favourable a result to be attained. It has been said by experts in accounts that figures can be manipulated to show any result whatever. I do not profess to be an expert in accounts, but I have no doubt that I could get experts to scrutinise those accounts, go into the details and bring out a result wholly different from what is shown in the Government's financial statement. Instead of a surplus of £28,245, probably one would be able to show a deficit of a considerably larger sum.

Hon. H. Seddon: Should not a balance sheet accompany the financial statement?

Hon. J. NICHOLSON: It is most essential that it should be accompanied by a balance sheet. I defy anyone to follow that financial statement and unravel its mysteries.

Hon. E. H. Gray: You would not suggest that the statement was faked?

Hon. J. NICHOLSON: No. I say the financial statement is a great tribute to the expert officers responsible for its production and employed in the Government service.

Hon. W. H. Kitson: Is it any different from previous statements?

Hon. J. NICHOLSON: No, but experts have said that figures can be manipulated to show any result. You may remember that in our younger days, sitting round the fire on a winter's evening, we used to have a puzzle book containing wonderful combinations of figures, with wonderful results in the way in which the figures were arranged. I say this financial statement presented to us would be almost as good a puzzle book to some of our friends sitting round a winter fire, when they could enjoy it for hours, derive from it a good deal of recreation, and probably produce amazing results. We all remember the story of the man who, having his horse shod, was offered as an alternative form of payment that he should pay so much for the first nail and double it for each additional nail. Working out that puzzle produced an amazing result?

Hon. E. H. Harris: Credit or debit?

Hon. J. NICHOLSON: The question of credit and debit does not come into it. But it would have been a serious debit to the owner of the horse had he adopted that plan of paying so much

per nail and doubling it. A day or so after this financial statement was published, a leading article appeared in the "West Australian" in which congratulations were offered to the Government on the results presented, but some criticism also was offered on these results. After calling attention to the item of £354,000 in respect of income tax, it was suggested in the article that, having regard to the fact that a sum of £200,000 taken from the disabilities grant had been included as credit on the revenue side, if the accounts had been worked up on the old system without any sum being set aside from the disabilities grant for this purpose and prior to the reduction of taxation, the result would have been that, in place of a surplus of £28,245, there would have been a gross loss of £40,000 by taking credit for this £28,245, or there would have been a net loss of £12,000 odd.

The Chief Secretary: We lost £221,000 by the reduction of taxation, and we were credited with only £200,000.

Hon. J. NICHOLSON: I may be pardoned for reading a word or two of the answer furnished by the Premier to that criticism. I offer it because it is so difficult to follow these statements, and the Premier's answer, perhaps, helps us to a better understanding of the position. The Premier said:

It has been assumed that, had there been no disabilities grant, and no reduction in the rates of income tax, revenue derived from income tax would have been £40,000 less than the amount actually received. As a matter of fact, revenue suffered to the extent of approximately £55,000 below my estimate, because of the reduced rates of income tax. For the past five years revenue from income tax increased at an average rate of approximately £50,000 a year. For the year 1925-26 revenue from that source was £566,334, and for 1924-25 it was £478,642, a natural increase for 1925-26 of £87,000. When making my estimate for 1926-27, I had to reckon on a reduction of $7\frac{1}{2}$ per cent., being the residue of the 15 per cent. super tax imposed by my predecessor, plus a reduction of 33 per cent. (equivalent to £200,000 from the disabilities grant). Therefore, instead of estimating for a natural increase based on the previous year's experience, or on a basis of an average natural increase of £50,000, I only increased the previous year's figure of £566,000 by £34,000, making my gross estimate £600,000, to be received for 1926-27. That was a very fair estimate. I then reduced that by 33 per cent., leaving a net estimate of £400,000, but, instead of receiving £400,000 from income tax, I received only £345,000, or £55,000 less than the tax rates were expected to bring in, and £221,000 below the collections for the previous year.

Hon. W. H. Kitson: That is a satisfactory explanation, is it not?

Hon. J. NICHOLSON: It certainly explains his position. But I venture to think the more one looks at that statement presented to us without all the details, the more convinced will be that it is one of the most puzzling accounts that could be drawn up. It is very hard indeed for one to understand and criticise such a statement of accounts. At the end of the statement reference is made to trading concerns, and we get this explanatory note:—

Following are the operations of the State trading concerns, which are not included in the above revenue and expenditure figures.

Then it goes on to give the debits and credits for the month of June. In the earlier part of the statement it is shown clearly that there is taken into the statement transferred balances from trading concerns of very considerable amounts. Now those balances transferred from trading concerns must have been balances that had accumulated up to, say, the end of May. Accordingly the Treasury took over the whole of those balances, obviously without taking into account the debits owing by those various trading concerns, thereby swelling the revenue unduly because, for the month of June, 1927, there were debits amounting to £258,510 as against credits of only £165,283, or an excess of debits amounting to £93,226. On that statement there is an amount of £93,000 of actual debits that should have been taken into account in this statement. Of course, I may be wrong in my argument.

The Chief Secretary: Very much wrong.

Hon. J. NICHOLSON: Probably the Leader of the House will be able to explain why there appear debits for that month that are not taken into account in the statement. Why are they not taken into account? If the £93,000 had been taken into account, instead of there being a surplus of £93,000, there would have been a deficit of £65,000.

Hon. H. A. Stephenson: That is what is called high finance.

Hon. J. NICHOLSON: I should like to hear the Minister's explanation. I have merely called attention to this matter without any intention of indulging in captious criticism. Still, it is only when we get down to facts that we begin to realise the true position. A fortnight after the publication of the financial statement we were favoured with the usual monthly statement. On the

1st August this statement appeared in the Press showing the financial transactions for the month of July, and it was then that we were able to get at the real facts. Instead of having a surplus continuing for the month of July, the statement showed a deficit of something over £170,000.

The Chief Secretary: It was very much more in July of last year.

Hon. J. NICHOLSON: That is so, and there may be circumstances to explain it. We should not pat ourselves too strongly on the back.

Hon. J. R. Brown: You only balance accounts when you take stock.

Hon. J. NICHOLSON: We were busy doing that when the hon. member was out of his seat. I do not intend to offer any further comment on the financial statement except to express hope that care and economy will be exercised so that results of a solid and lasting character may be attained. A paragraph in the Speech deals with the financial relation between the Commonwealth and the States. I congratulate Mr. Lovekin on the close analysis he has made of the proposed agreement. At this stage I am not in a position to offer any criticism of the agreement, but I would stress the fact that it is a very important agreement and one that every member should consider closely as soon as it is placed before us. The fact of Mr. Lovekin's having analysed it so exhaustively has helped to expand the minds of members generally and no doubt has raised an interest in the subject. The importance of this agreement is accentuated by the fact that an agreement was made two or three years ago between the Commonwealth and this State for the collection of taxation. Members will have noticed in the Press a few days ago a letter over the signature of the secretary of the Taxpayers' Association stating that there was some difference of opinion between the Deputy Commissioner of Taxation and the Commissioner respecting a certain interpretation. It was apparently intended that when questions of a similar nature arose under the State and Federal Acts the rulings of the Federal authority should apply. Apparently there is some difference of opinion on this point. I have not inquired into the rights or wrongs of the statement, but if there is any foundation for the suggestion contained in the letter, the Leader of the House should consult his colleagues and do what is necessary to avoid needless expense. It is wise in the interests of all parties to eliminate unneces-

sary waste. I intend to pass over various matters, particularly those of agriculture and group settlement, because they have been dealt with fully by Mr. Hamersley and other members. Reference has been made to unemployment. I cannot share the views expressed by Mr. Kitson. I am always in favour of justice being done to our people, but the hon. member, after his recent visit to the Old Country, should be able fully to appreciate the difficulties that confront the Government and Parliament at Home in dealing with international questions. They are matters of grave importance, and when one begins to interfere with the rights of nationals who stand on an equal footing, the position is apt to become serious. We do not want to accentuate difficulties when affairs are so unsettled as they are at present.

Hon. E. H. Gray: Are you getting scared of Mussolini?

Hon. J. NICHOLSON: I am not scared of Mussolini or anyone else; not even the hon. member. The very existence of unemployment indicates that there is something seriously wrong in our industrial life.

Hon. E. H. Gray: Not sufficient wages in the country.

Hon. J. NICHOLSON: It is not a matter of wages. The important thing is that the two parties, employers and employees, should come together and understand the situation rather than grapple with one another in foolish frenzy. We are confronted with constant applications to the Arbitration Court for higher wages or altered conditions. We should endeavour to reach a state consistent with the ideal of providing the highest possible standard of living. I am no supporter of low wages. I am anxious that every man should live under the happiest and best conditions and get the fullest reward for his service.

Hon. W. H. Kitson: Do you suggest—

Hon. J. NICHOLSON: I do not suggest anything. If an industry is incapable of paying the standard wages and maintaining conditions, it is detrimental for the industry to go out of existence.

Hon. J. R. Brown: Would you sooner see men go out?

Hon. J. NICHOLSON: It is unfair to suggest that. I would not sooner see the men go out.

Hon. J. R. Brown: Well, you said so.

Hon. J. NICHOLSON: I said nothing of the kind. The two parties should consider

their mutual interests and regard their relationship with a greater feeling of amity instead of the enmity that is displayed at present. The Arbitration Court fixes the wages of the individual often on age and irrespective of production. I do not know how an industry can prosper unless the party receiving wages and the party providing the employment can devise some method whereby the industry will yield the requisite wage. Production is the only method by which that can be determined. The age of the individual is not going to influence that important fact. The production of the industry and nothing else will enable it to stand. Unemployment is reflected in the statistics concerning imports and exports published a few days ago. The total imports of Western Australia last year amounted to £18,376,440, an increase of £1,913,868, while our exports were only £15,151,959, an increase of £570,302. Thus the total excess of imports over exports was £3,224,481. That statement of our trading operations reflects the industrial position of the State. It shows that there has not been operating the arrangement essential to bring the two great forces, employers and employees, together, and bind them into one harmonious whole working for the common good of the State. Here is Western Australia importing to this large extent, and thus working the greatest possible detriment to its own people. Reference has been made to Government buildings. I would remind the Leader of the House of certain questions I asked last session regarding the Lands Titles Office. On that occasion I stressed the importance of Government action to have a suitable building erected for that department. I ask that attention be given to this matter. It is not necessary to refer to some of the comments I made recently when addressing the Royal Institute of Architects regarding our Houses of Parliament. Probably the Minister will also keep that matter in mind. A matter that affects my constituency perhaps more than others is the increasing number of motor accidents. In Washington nearly two years ago a conference was held to consider this important matter, and in England efforts have been made to devise means of minimising these risks. The local Automobile Association has taken steps to the same end, and it would be well if the Government considered means by which the loss of life could be lessened.

I cannot undertake to support any measure of State insurance that will exceed the measure that this House accepted last year. In conclusion, I express the hope that the present year will be attended with the greatest possible success to the country.

On motion by Hon. H. Seddon, debate adjourned.

House adjourned at 6.18 p.m.

Legislative Assembly,

Thursday, 4th August, 1927.

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

QUESTION—GROUP SETTLEMENT.

Mr. LINDSAY asked the Minister for Lands: What is the total debt charge, including drainage, owing on the 500 group settlement blocks from which it is proposed to remove settlers?

The MINISTER FOR LANDS replied: The estimate of a reduction of 500 holdings by linking and abandoning existing holdings is based on progress results of reclassification now proceeding. Until this is completed, the actual holdings from which settlers will be removed are not known. The developmental expenditure on 500 holdings in the areas concerned, based on the average expenditure on groups therein, is roughly estimated at £800,000. The assets on linked holdings will not be lost, and salvage of movable assets will also reduce the loss. Drainage is not completed, and its cost cannot yet be allocated.