

ling the Labour movement here to insist upon the workers of this State standing apart from the piece work system. I desire to support the motion.

On motion by Hon. H. A. Stephenson, debate adjourned.

House adjourned at 5.35 p.m.

Legislative Assembly,

Tuesday, 7th August, 1928.

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

QUESTION—FREMANTLE HARBOUR, ACCIDENTS.

Mr. THOMSON asked the Premier: 1, How many vessels during the last twelve months have crashed into the Fremantle harbour wharf? 2, What were the names of the vessels and the dates on which the accidents happened? 3, What was the cost of repairing the damage on each occasion? 4, Who paid for the damage done? 5, To what reason "officially" were the accidents attributed?

The PREMIER replied: 1, Three. 2, s.s. "Jervis Bay," 12 October, 1927; s.s. "Surrey," 4th May, 1929; s.s. "Moreton Bay," 29th June, 1928. 3, "Jervis Bay," £1,361 8s. 8d.; "Surrey" £233 9s. 10d.; "Moreton Bay," £1,036 15s. 10d. 4, The Fremantle Harbour Trust. 5, "Jervis Bay" case—Mishap was attributed to the fact

that the ship's towline to a tug-boat carried away owing to unskilful handling by the ship's crew directed by a responsible ship's officer, and to the fact that a responsible ship's officer so unskilfully handled the ship's anchor that it failed to hold. "Surrey" case—Mishap was attributed to the failure of the usual seaman-like measures taken to cause the ship to stop. The master of the ship wrote to the Trust exonerating the pilot from all blame. "Moreton Bay" case—Mishap was attributed to the fact that one engine being out of commission the ship had not sufficient power to overcome a sudden squall which drove her into the wharf.

QUESTIONS (4)—RAILWAYS.

Locomotives, duty.

Mr. THOMSON asked the Minister for Railways: What is the total amount of duty that would have been imposed if the ten locomotives made at Midland had been imported?

The MINISTER FOR RAILWAYS replied: Assuming that the engines could have been purchased at the same price as those previously imported, the amount of duty would have been £20,503.

Brookton-Dale project.

Mr. BROWN asked the Premier: Now that the permanent survey of the proposed Brookton-Dale railway is completed, when is it intended by the Government to proceed with the work of construction?

The PREMIER replied: This will be considered when the survey beyond Dale River is far enough advanced to enable the route beyond this point to be located.

Dale-Armadale trial survey.

Mr. BROWN asked the Premier: What progress has been made with the trial survey of the proposed railway route between Dale and Armadale?

The PREMIER replied: Nothing will be done until completion of the aerial survey. This latter is at present held up awaiting favourable weather conditions.

Boyup Brook-Cranbrook.

Mr. J. H. SMITH asked the Premier: Do the Government propose the early construction of the Boyup Brook-Cranbrook railway?

The PREMIER replied: Commencement will be considered in connection with the Loan Estimates.

QUESTION—EDUCATION, CONCESSIONS, AND PRIVILEGES.

Mr. NORTH (for Mr. Mann) asked the Minister for Railways: What are the conditions that control the issue of privilege tickets, concessions, and free passes to children attending educational schools?

The MINISTER FOR RAILWAYS replied: The conditions are set forth on pages 47, 48, 49, 52, 53 and 65 of the Coaching Rates Book. In addition, certain free travel is granted to pupils of 7th and higher standards attending central schools.

QUESTION—UNEMPLOYMENT IN SOUTH-WEST.

Mr. J. H. SMITH asked the Premier: In view of the fact that serious unemployment exists in the South-West, will the Government extend to the different road boards the £1 for £1 subsidy up to £500 to relieve the position, on conditions similar to those granted to other local bodies?

The PREMIER replied: Yes, and the Public Works Department has already communicated with several of the road boards in the South-West.

QUESTIONS (2)—MAIN ROADS BOARD.

Levies on local bodies.

Mr. FERGUSON asked the Premier: What is the total amount levied to date by the Main Roads Board under Section 30 of the Main Roads Act on local governing bodies throughout the State as their quota of the construction of main roads?

The PREMIER replied: £4,520 9s. 1d.

Waiving of levies.

Mr. E. B. JOHNSTON asked the Premier: 1, With reference to the Minister's statement during the last session of Parliament that the Government were considering the introduction of legislation to waive the heavy levies issued by the Main Roads Board against various road boards and municipalities, has any decision been

arrived at in the matter? 2, Is he aware that the levies made by the Main Roads Board for improvements alleged to have been made to main roads against local governing bodies in the country are out of all proportion to the value of the work performed on the roads? 3, If so, will he have these claims wholly withdrawn?

The PREMIER replied: 1, No. 2, No. 3, Answered by No. 2.

SITTING DAYS AND HOURS.

THE PREMIER (Hon. P. Collier—Boulder) [4.39]: I move—

That the House, unless otherwise ordered, shall meet for the despatch of business on Tuesdays, Wednesdays, and Thursdays at 4.30 p.m., and shall sit until 6.15 p.m. if necessary, and, if requisite, from 7.30 p.m. onwards.

MR. THOMSON (Katanning) [4.40]: I move an amendment—

That "4" in line 4 be struck out and "two" inserted in lieu.

I should like to know whether the Premier will give consideration to the question of the House meeting at 2.30 p.m. instead of 4.30 p.m. This would not greatly upset the work of Ministers. I may be speaking from a selfish point of view. Country members are practically cooling their heels all day waiting for 4.30, and then we have to remain within the precincts of the House until the adjournment. This matter has been discussed previously. I feel sure the alteration would suit the convenience of the majority of members, particularly those who live in the country. I do not think it would inconvenience metropolitan members. The only people to whom it may possibly cause a certain amount of inconvenience would be Ministers.

Mr. Davy: Do not say "may" cause.

Mr. THOMSON: I hope it would cause them a certain amount of inconvenience. I move this amendment in order to get an expression of opinion from the House.

MR. E. B. JOHNSTON (Williams-Narrogin) [4.43]: I support the amendment. Many members will recall the fact that a few years ago we tried day sittings. They were very successful.

The Minister for Mines: There were about five members in the House.

Mr. E. B. JOHNSTON: Two or three King's Counsel were in the House at the time, and took a good deal of exception to these hours. I think that was the main reason why a system which had been working very satisfactorily, particularly as it affected country members, and I think also Ministers themselves, was changed.

The Minister for Mines: You could have counted the House out on any day when it sat.

Mr. E. B. JOHNSTON: We have the example of other Parliaments. The Queensland Parliament meets in the day time.

The Premier: I believe it is reverting to the night sittings.

Mr. Teesdale: It has been advertised as a dead failure.

Mr. E. B. JOHNSTON: Not at all. It means that members of Parliament carry out their duties in the day time for the most part. In the Federal Parliament a good deal of business is done during the day. Federal Ministers have big and important departments to administer, but they are able to carry on their work in the House during the day. The present system is a relic of the old days. At that time members received no salary, and were not expected to give as much time to their public duties as they are called upon to give to-day. In what have been called the bad old days the seats in Parliament were occupied largely by men who were in a big way of business, and who came along to Parliament in the evening in order to put in their spare time. That is altogether altered to-day, for now members of Parliament have to devote much more time to their Parliamentary duties. It would be of great advantage to all, and particularly to country members of Parliament, if we were allowed to meet at 2.30. I am sorry that the Leader of the Country Party did not suggest 10 a.m. in his amendment. I have heard prominent members of the Government advocate the adoption of that course.

Mr. Teesdale: Name them!

Mr. E. B. JOHNSTON: I am surprised that we have not adopted that system before to-day. It would be in the interests of members if the House accepted the amendment.

HON. SIR JAMES MITCHELL (Northam) [4.46]: I do not wish to record my vote without explaining my attitude on this question. We have tried earlier sittings, with, in my opinion, disastrous results. The earlier sittings did not have the effect of causing the business to be dealt with more expeditiously.

Hon. W. J. George: It meant longer speeches.

Hon. Sir JAMES MITCHELL: Under the earlier sitting experiment, we sat long into the night and for as many days of the year as formerly. If we were to meet during the day time, we should assemble at 10 a.m. and adjourn before the dinner hour.

Hon. W. J. George: And when could Ministers do their work?

The Minister for Works: At night time!

Mr. Thomson: It will be as broad as it will be long for Ministers.

Hon. Sir JAMES MITCHELL: No, because it will mean sitting for at least two hours longer than we do now. That would be the only result of the change. It is a tremendous anxiety to get members here for the opening of the sitting, and it will be more so if we are to attempt to get them here at 2.30. In my opinion, every member should be in attendance when the House meets.

Mr. Wilson: Some cannot get here at 4.30 p.m.!

Hon. Sir JAMES MITCHELL: Yes, it looks like it. They should be here when the House meets, because it is important to hear the debates and to know what is going on. If it were possible to do more business by meeting at 2.30 instead of at 4.30 p.m., it would be different, but my experience of early meetings is that they have proved disastrous. It was of no advantage to members generally, and it was decidedly to the disadvantage of some members in particular. Moreover the business was not dealt with more effectively. The member for Williams-Narogin (Mr. E. B. Johnston) spoke about the bad old days before the payment of members was instituted. He said members attended to their Parliamentary duties after they had finished their work for the day. There are a great many people who contend that the country was as well governed then as it is now.

Mr. Thomson: That is quite wrong.

Hon. Sir JAMES MITCHELL: It may be; but there are many who hold that opinion. Certainly in those days taxation was lighter and the burden upon the people

generally was less than it is to-day. I am sorry that I have to disagree with the views of the member for Katanning (Mr. Thomson), but it appeals to me as being futile to agree to the earlier sittings. It is necessary that Ministers shall have until 4.30 p.m. to prepare for the Parliamentary sitting. I do not know that we could compare the work of a Minister in the State House with that of a Minister in the Federal Parliament. Federal Ministers have unlimited funds and many more officers to assist them, while they have fewer activities and fewer responsibilities by far than State Ministers. Then the Federal Government have more Ministers, and the work for each individual must be much lighter than that which our Ministers are called upon to perform. Then again Ministers have to see people during the day, and attend to necessary routine work. My experience as a Minister of the Crown justifies me in saying that Ministers require until 4.30 p.m. each day, before they are called upon to attend to their duties in this Chamber. Apart from that, I would be sorry, from the Opposition standpoint, if I did not have time to prepare for a sitting of the House. The Leader of the Country Party must be in the same position. There are seven Ministers in this Chamber and two in another place. All of them have to place work before us that we must consider. It is useless coming here unless we are prepared to deal with the legislation properly. I hope the Government will not agree to the proposal to meet earlier in the day. I represent a country constituency, and I do not consider the earlier sitting would be of any advantage to me. Past experience shows that we would not do any more work; we would sit just as long, and for the same number of days in the year.

HON. W. J. GEORGE (Murray-Wellington) [4.50]: I presume the member for Katanning (Mr. A. Thomson), when he moved his amendment, had in mind that if we met earlier in the day we would not sit for so long during the year.

Mr. Thomson: That is so.

Hon. W. J. GEORGE: He probably also thought that that would mean liberating us from our Parliamentary duties so that we could deal with the requirements of our constituencies on the spot. If the member for Katanning had occupied the position of a Minister, in respect of which I know, he has aspirations, he would appreciate the position more. For my part I cannot agree

that the proposal would be of advantage. If the member for Katanning had ever been a Minister, he would realise that it would be quite impossible to attend to the affairs of the whole State if more time had to be devoted to Parliamentary work. As a rule, the mornings have to be devoted by Ministers to interviewing people and dealing with routine work. That occupies all the morning up till lunch time, and I doubt whether any Minister gets more than a half-hour or a quarter of an hour at a time to devote to departmental work, unless he takes the precaution of locking himself in. While I was Minister for Works, more than 75 per cent. of my time in the mornings was devoted to interviewing members of Parliament and others who have the right to see a Minister upon matters that they consider of importance. The time devoted to consultation with departmental officers is generally from after lunch until 4 o'clock, when a Minister has to proceed to Parliament. Some years ago we tried the experiment of sitting earlier, and if the memories of other members serve them as mine does me, they will realise the experiment meant that a great deal more time was spent in talking and less work was done. If hon. members will refer to the pages of "Hansard" at that time, they will see that the earlier speeches were always long. Generally there were two speeches delivered between the time of meeting and 6 o'clock. What was the idea? If members were honest, they would admit the explanation was that they knew the earliest speeches of the day received the best reports in the morning's paper. I do not consider it would be of advantage to commence the sittings earlier either from the standpoint of work done or of ending the session earlier. On the other hand, such a move would interfere materially with the work of Ministers. Although their Parliamentary work may not be of very great importance, still their administrative duties require more time than would be at their disposal. If the member for Katanning ever becomes a Minister of the Crown, as I presume he will, he will appreciate the fact that more time is necessary for Ministers to devote attention to departmental work, and therefore an earlier sitting will materially affect them from that standpoint.

HON. G. TAYLOR (Mount Margaret) [4.55]: In the past I advocated earlier sittings and years ago that proposal was strenuously opposed. Parliament decided to give it a trial, and we did so for one

session. The result was that, in the opinion of the Government of the day and of members themselves, it was a failure. We found that members were not here for the commencement of the sitting. Business and other considerations kept them away from the House during the earlier part of the proceedings. Finally we had to revert to the sittings commencing at 4.30 p.m. In Queensland, where there is one legislative chamber only, they have been sitting during the daytime instead of at night. After an experience extending over several years, members there have come to the conclusion that they could alter the system with advantage. I saw some notification to that effect in the Press recently.

Hon. Sir James Mitchell: And they have proxy voting there, too.

Hon. G. TAYLOR: The intention is to recommence the 4.30 sittings there. Here we tried the earlier sittings and they proved a failure. For my part, I thought they would have proved a high success. The pages of "Hansard" will indicate to members how I advocated that change, but, in view of our experience in the past, I cannot support the amendment.

Amendment put and negatived.

Question put and passed.

GOVERNMENT BUSINESS, PRECEDENCE.

On motion by the Premier, ordered: That on Tuesdays and Thursdays Government business shall take precedence of all motions and Orders of the Day.

LEAVE OF ABSENCE.

On motion by Hon. G. Taylor, leave of absence for one month granted to Mr. Sampson (Swan) on the ground of urgent private business.

BILL—SUPPLY (No. 1) £1,910,500.

THE PREMIER AND TREASURER

(Hon. P. Collier—Boulder) [4.58]: I move—

That so much of the Standing Orders be suspended as is necessary to enable resolutions from the Committee of Supply and Ways and Means to be reported and adopted on the same day on which they shall have passed those Committees, and also the passing of a Supply Bill through all its stages in one day, and to enable the business aforesaid to be entered upon and dealt with before the Address-in-Reply is adopted.

Question put and passed.

Message.

Message from the Governor received and read recommending appropriation for the purposes of the Bill.

In Committee of Supply.

The House having resolved into Committee of Supply, Mr. Lutey in the Chair,

THE PREMIER (Hon. P. Collier—Boulder) [5.2]: I move—

That there be granted to His Majesty on account of the services of the year ending the 30th June, 1929, a sum not exceeding £1,910,500.

This is the estimate of requirements for the two months, July and August. It is based on the expenditure of last year. It is the customary request for Supply made at the opening of a session, although it is a few days later than usual, due to the fact that we were a few days late in opening the session.

Hon. Sir James Mitchell: Surely you do not want £1,910,500 for two months?

The PREMIER: The amount is based exactly on last year's figures and covers the requirements for two months. The Estimates are now being prepared. Whilst I do not like to make any definite promise, for Treasurers who make promises sometimes fail to live up to them, still I am hopeful of getting the Estimates down at an earlier stage this year than has been possible during the last few years. The Leader of the Opposition will appreciate the trouble the Treasurer has in finally getting the Estimates down to a figure that he is willing to present to the House.

Hon. G. Taylor: This amount will not carry you up to the passing of the Estimates.

The PREMIER: No. It will be necessary to get further Supply before then. That also is the usual practice. As a matter of fact we have always had to get Supply until nearly the end of the half-year; that is, before the Estimates are passed.

HON. SIR JAMES MITCHELL (Norham) [5.4]: Of course every Treasurer asks for Supply about this time in each year. Moreover we always expect to have the Estimates at a very early date, but good intentions are not always fulfilled. The presentation of the accounts late in the year is highly unsatisfactory, and the public must

be confused in the meantime. The State's position, as the result of the year's transactions, as shown the other day, is certainly very confusing. Let me try to explain what it means. Under special Acts we have provided £112,000 less than we had last year. And last year, it must be remembered, we did not pay interest and sinking fund on the bonds held by the London trustees. In the meantime we must have raised £4,700,000 of loan money, and in consequence there must be more interest and more sinking fund to pay. There is here an item of £511,000 under the heading of "Miscellaneous Services" and paid into a trust account. Of course, it is not a service at all. Last year the Premier set aside £150,000 for group settlement. It was made a debit to Miscellaneous Services. The amount last year under Miscellaneous Services was £230,000. It is quite impossible to say how much interest and sinking fund should be placed to the debit of the fund this year, when the amount stands at £511,861. Why the Premier uses this heading for what is not a service at all is a mystery to me. It is most confusing. If we add the two items—Interest and Sinking fund and Miscellaneous Services—we get for this year a debit of £3,689,000, whereas last year it was £3,525,000. It shows there is an increase of borrowed money, which must mean interest to pay. The Treasurer will realise what the increased amount is and whether a proper debit has been made under the Loan Acts. It really is a law of the land that there can be no advance to the Treasurer if the amounts are not fairly debited. It is all very confusing to the public. Then, too, we have interest and departmental charges under State Trading Concerns. Last year the interest was £38,000 whereas this year it is £96,000. That is for departmental charges and interest. I wonder whether the interest has been added to the Wyndham Meat Works this year. Last year we wrote off £500,000 from the State steamers. It is very contradictory, because we still owe the £500,000.

The Premier: We showed the State ships in a wrong light.

Hon. Sir JAMES MITCHELL: No, in the right light, but an uncomfortable light.

The Premier: I think in the wrong light. No business concern would show the position in the same way. When the ships returned a profit we took that profit into revenue, and when they wanted money we borrowed it and paid interest on it.

Hon. Sir JAMES MITCHELL: Then the Premier might have returned the amount from revenue. What goes into revenue in that way should come out of revenue.

The Minister for Mines: You did not do that, although you had a large sum from the State steamers.

Hon. Sir JAMES MITCHELL: The war was over before I became Premier, and the profits from the steamers had gone also. The "Kangaroo" made £120,000 under charter, but the money had been taken to revenue in the previous year.

The Premier: Yes, that is so.

Hon. Sir JAMES MITCHELL: The Treasurer still has to pay interest on that £500,000. I agree that "profit taking" might be set against the account, but I should like to know how this £38,000 has become £96,000 for this year. It must have been done by making a debit against the Wyndham Meat Works, interest on which has been suspended since 1921. In that year we took the aggregate profits from all the State trading concerns and made a debit. Then, when the profit on timber and other concerns was not sufficient, we made no charge for interest against the Wyndham Meat Works. That was a reasonable thing to do. I was wondering if the Premier has brought into account interest on those works.

The Premier: No, not this year.

Hon. Sir JAMES MITCHELL: Then how do you bring the £38,000 to £96,000?

The Premier: I have not the figures here, but I will let you have them to-morrow.

Hon. Sir JAMES MITCHELL: I hope the Premier will, for it looks as if either interest was not charged this year, or the departmental services have been increased. I hope the Premier will let us have that information to-morrow. It will be remembered that the Financial Agreement Bill included other matters. Amongst them was the abolition of the payment of £15,000 a year to Land Improvement Loan Fund. I understood then that until the agreement became law such payments would be continued. I should like to know what is going to happen to this fund. The debit in the fund represents work done on the land in the way of surveys, etc., which work is paid for, and unless we reinstate the amount to loan the effect will be that loan will have paid for services and improvements, money that later will be put into revenue. That is undesirable and absolutely wrong. Are we going to take

all the money for such services in future out of revenue or out of loan?

The Premier: I think it is a proper charge to loan.

Hon. Sir JAMES MITCHELL: Survey fees are charged to settlers.

The Premier: The amount of £15,000 does not cover everything.

Hon. Sir JAMES MITCHELL: It was fixed as the amount necessary.

The Premier: It was nothing like the amount necessary.

Hon. Sir JAMES MITCHELL: The amount spent on surveys this year was £28,000. If we go on paying £15,000 long enough it will cover the whole outlay. What the Premier has to recover is interest and sinking fund. The payments were not designed to recoup the total debit in five years or ten years, but £15,000 a year would be sufficient to pay interest and sinking fund on the amount and so repay the loan in time. It would surely be a pernicious principle to spend money out of loan and have the repayments returned to revenue.

The Premier: That has been done in many directions.

Hon. Sir JAMES MITCHELL: I do not know that it has.

The Premier: I think it has.

Hon. Sir JAMES MITCHELL: Then it is a very recent arrangement.

The Premier: No, it is not.

Hon. Sir JAMES MITCHELL: In what way has it been done?

The Premier: In many ways we have spent loan moneys on work and returned the interest to revenue.

Hon. Sir JAMES MITCHELL: We pay interest on loans; we do not return interest to revenue. This is a return of principal, not interest on an investment. It is money spent to clear land or make surveys and is repaid by the men who get the blocks. It is not money that should go into revenue. At any rate revenue has benefited to the extent of £15,000 this year. The Premier also persists in saying that he lost in the deal over income tax.

The Premier: It is a fact.

Hon. Sir JAMES MITCHELL: The Premier should refrain from making that statement. A simple calculation proves otherwise. Of course the Premier harks back for a year or two.

The Premier: You cannot make a comparison unless you do so.

Mr. Davy: If what you got was two-thirds of what you would have got, a child could make the calculation.

The Premier: A child could not make the calculation. I am absolutely certain that I lost money over it.

Hon. Sir JAMES MITCHELL: It is a simple calculation. The Premier received £323,597 after allowing a deduction of one-third, which was £161,798. The assessment was £485,395, and from that was deducted one-third, or £161,798. If the Premier got £200,000 from the Commonwealth, he benefited by the difference between that and £161,798.

The Premier: You have not allowed for any natural increase in the sum we would collect each year. Take a period of four or five years, and you will find the receipts have been increasing every year. Yet you have not allowed for that increase.

Hon. Sir JAMES MITCHELL: That will not work at all. What the Premier was entitled to get last year was income taxation assessed at £485,395.

Mr. Davy: What he did get was two-thirds of what he would have got had the deduction of one-third not been allowed.

The Premier: Where did you get the amount of income tax assessed?

Hon. G. Taylor: From your statement.

Hon. Sir JAMES MITCHELL: The tax on the income assessed yielded £485,395. From that, one-third was deducted, leaving £323,597.

The Premier: I will undertake to show to-morrow that it was not so.

Hon. Sir JAMES MITCHELL: That you did not receive £323,597 last year?

The Premier: Of course the published figures of what we did receive are correct.

Hon. Sir JAMES MITCHELL: The £323,597 represents two-thirds of what would have been received had there been no reduction of the £485,495. What the Premier actually received was £323,597, plus the £200,000 Federal grant, which gave him £523,597 instead of £485,395. Consequently the Premier gained by £38,202, and I cannot understand why he will persist in stating that he lost over the deal.

The Premier: Because it is a fact.

Hon. Sir JAMES MITCHELL: It is not a fact. The truth is that incomes are getting smaller.

The Premier: The amount is getting smaller because the taxable income is getting less.

The Minister for Mines: Because so many people are forming companies.

Hon. Sir JAMES MITCHELL: The Minister for Mines had better leave this matter to the Premier.

The Premier: Of course there are considerable arrears for the year.

Hon. Sir JAMES MITCHELL: That happens in every year.

The Premier: More in some years than in other years.

Hon. Sir JAMES MITCHELL: That is beside the question. Though the Premier reduced income taxation by $33\frac{1}{3}$ per cent, it paid him to do so because he made £38,202 on the deal.

The Premier: Not at all.

Hon. Sir JAMES MITCHELL: It is idle for the Premier to keep on making wrong statements. The Premier also said that he actually received £344,000 less from the disabilities grant. As a matter of fact, the £365,000 received in 1926 was merely passed through the books for 1927. A cross entry was made so that the Premier received £22,000 more because of the increase of population. The per capita payments still held good. I consider that the cross entry should have been explained. Though the Premier showed that the revenue did not increase very much last year, it really increased to the extent of about £400,000, which is about the average increase. On the Premier's figures one would suppose that there had been no increase; but that was due to the cross entry to which I have referred. During the debate on the Address-in-reply I propose to deal with the finances and also with the question of unemployment, so I need not take up the time of members now. It is very interesting to go back to some of the discussions that took place on questions of that kind, particularly in the session preceding an election. When members now on the Government side sat in Opposition, the position was quite different, and they took every opportunity to try to convince electors that they could handle the finances very much better. The figures we are now considering show that the finances are in a pretty desperate condition. Although there has been a terrific increase in gross revenue, there has been no real improvement in the financial

results. I have not the Auditor-General's report for the current year and I cannot analyse the figures, particularly those relating to interest and sinking fund and miscellaneous services. I do not know why reimbursements are smaller than in the previous year. However, I dare say the Premier can explain the reason. That item should increase year by year owing to the repayments of moneys advanced by the Agricultural Bank, the Industries Assistance Board, the group settlements and other departments.

THE PREMIER (Hon. P. Collier—Boulder—in reply) [5.27]: I am sorry I am not able to answer off-hand some of the points raised by the Leader of the Opposition. I hope my inability to do so will not cause him to be inconvenienced in his speech on the Address-in-reply. I did not anticipate that many of the points would be raised on Supply; otherwise I would have been prepared to give him the information. If it is not too late, I hope to do so to-morrow. I do not wish to cover the ground regarding the income tax, but I hope to be able to show him that I am right. Taking two-thirds as the calculation, it seems to be a sum in simple arithmetic, as the member for West Perth said, but it is not so easy as that. I have examined the figures very carefully in order to make sure, and my calculations convince me that I lost by the deal, and did not benefit by a sum of £38,000, as stated by the Leader of the Opposition.

Hon. Sir James Mitchell: That is certain.

THE PREMIER: I do not think it is certain. I will undertake to show to-morrow that it is not a fact. I did not expect to have a discussion on income tax to-day. As a matter of fact, I had intended to deal with that question in my speech to-morrow, because the hon. member raised the same point in the Press when the figures were published. I hope then also to clear up other points which the hon. member has raised.

Hon. Sir JAMES MITCHELL: It will be quite satisfactory if the Premier brings up those several points. I have enough to go on with for the present. Particularly I hope the hon. gentleman will clear up the confusion which has arisen because of the debiting of interest to Miscellaneous Services.

The Premier: Some of the confusion is due to the changed manner of dealing with sinking fund and Commonwealth grants during the last year or two.

Hon. Sir JAMES MITCHELL: Presumably the Commonwealth will in future keep their grant in order to cover our interest bill, and so I suppose the amount will not come into our accounts at all. The mixing up of interest and sinking fund is confusing. However, it is quite satisfactory if the Premier will deal with those matters to-morrow.

Question put and passed.

Resolution reported and the report adopted.

Committee of Ways and Means.

The House having resolved into Committee of Ways and Means, Mr. Lutey in the Chair,

On motion by the Premier, resolved—

That towards making good the Supply granted to His Majesty for the services of the year ending 30th June, 1929, a sum not exceeding £850,000 be granted from the Consolidated Revenue Fund, £750,000 from the General Loan Fund, £10,500 from the Government Property Sales Fund, and £300,000 from the Public Accounts for the purposes of temporary advances to be made by the Treasurer.

Resolution reported and the report adopted.

Bill introduced, etc.

In accordance with the foregoing resolutions, Bill introduced, passed through all stages, and transmitted to the Legislative Council.

ADDRESS-IN-REPLY.

Second Day.

Debate resumed from the 2nd August.

HON. SIR JAMES MITCHELL (Northam) [5.43]: I cannot congratulate the Government upon their frankness this time. The Governor's Speech is presumed to indicate something of the proposals with which the Government intend to deal during the session, and there must be some important work the Ministry propose to undertake. If what the Speech disposes represents the whole of the work Ministers propose for the current session, the sooner they send in their

resignations the better, for there is no work in the programme. Instead of a policy of utter stagnation, the people might well have expected something of a constructive nature in the Governor's Speech. True, there is a proposal for redistribution of seats, which is important; but otherwise there is no evidence of work to be done. The Speech reads rather like one of the monthly statements published by Mr. Mercer. It seems to me that politics are becoming a trick. I have no hesitation in saying the Speech is a sham. It does not say at all what Ministers mean, and an apology is due to the member for Coolgardie (Mr. Lambert). Certainly it is no compliment to that hon. member that he was asked to move the Address-in-reply to such a Speech as this. He was shockingly treated by the House and the interjections must have been uncomfortable for him. There was nothing for him to talk about, but that gave him a chance to applaud the work of one Minister after another. I could not help wondering why he left out the name of one Honorary Minister. I am sorry the Government should have thought fit to appoint a further Honorary Minister. When we agreed to pay eight Ministers where previously we paid only six, I thought it was understood that there would be no further appointments of Honorary Ministers. If the country pays eight Ministers, it is all that is necessary, for eight Ministers can do the work comfortably, although perhaps six could not. Every paid Minister, if he controls his department, costs the country quite enough. The more the present Ministers do, the more the State loses.

The Minister for Railways: You mean "saves."

Hon. Sir JAMES MITCHELL: No, I mean "loses." But it is not right to appoint further Honorary Ministers. The late Honorary Minister presented a shocking example, going about the country inspecting State hotels week after week. I hope nothing of the sort will be allowed in future, for it is an unnecessary expense upon the Government. I have great respect for Mr. Kitson, the new Honorary Minister. Everyone must agree that he is an earnest, hardworking gentleman, and probably will make a good Minister. The truth was that the Premier found himself in a quandary. He had to put an extra Minister in the Council, and when we appointed two extra Ministers they were both members of this House, leaving the Chief Secretary to do all the work in the Council. I appreciate the

Premier's difficulty. But when we agreed to the appointment of the two extra Ministers we should have stipulated that one should be appointed from another place. I hope the Premier does not contemplate the appointment of any further Honorary Ministers, for I will strongly object to any such appointment. Eight Ministers are quite sufficient to do the work, and their expenses are quite sufficient for the country to have to bear. I am pleased to see that the trade of the year has been so satisfactory, the exports almost balancing the imports, whereas there was a difference of £3,000,000 against us last year. The latest result is the most satisfactory we have had in any year since 1923-24, when the exports and imports nearly balanced, but when, of course, the totals were very much smaller than those now before us. The Speech declares that the financial position of the State is viewed with satisfaction in the State and in Great Britain. Only the other day, when considering the Financial Agreement, the Premier told us the credit of the State would be improved if we joined the Commonwealth in that agreement. At Katanning he said that our credit in London was good, and pointed to the result of another £3,000,000 loan we had to place on the market. But only a day or two later the result of the new Commonwealth loan rather upset his argument. Of course, we never have had any trouble in London, and since 1922 there has never been a time when we could not get an overdraft of £2,000,000 or £3,000,000 from our bankers if we wished. However, we are glad to know that the financial position of the State is viewed with satisfaction. Of course we are getting to enormous figures now. But £9,800,000 does not mean net revenue. We do not need to discuss the Financial Agreement, for that is over and done with. We have to live under it for 58 years and we shall have to endeavour to do the best we can under it.

Mr. Thomson: You are an optimist! !

Hon. Sir JAMES MITCHELL: We do not know what will happen during those 58 years. Perhaps at the end of that time we shall be making a little more rapid progress. During the last 20 odd years we have made great progress in land settlement. When the Prime Minister was here he seemed to think we could not progress at all without special help from the Commonwealth Government. I was able to tell him that 22 years ago

we had under wheat only one-thirtieth of the area under crop in Australia. In the meantime the Commonwealth has doubled its area under wheat, and to-day one-fourth of that total is represented by this State's crop. We are still only a sixteenth of the Commonwealth's population. So we have not done badly.

Mr. Teesdale: With the help of a few bob from the Commonwealth.

Hon. Sir JAMES MITCHELL: No, we have done it without any help from the Commonwealth; indeed, in the face of great difficulties imposed by the high tariff and high taxation. I hope land settlement will go on as it has never gone before. I trust the Minister for Lands will take a different view of the unalienated territory from that taken a few years ago. With every thousand acre block sold it becomes more difficult to supply the demand for our wheat land. However, Ministers need not flatter themselves that there is any new policy in their land settlement. It is their business to settle whatever lands are remaining. I notice that first we were to have 1,000 new farms, then it became 3,000 and now it is 3,500. Altogether we were told that 8,000,000 acres would be required for new farms. Actually there is still about 60,000,000 acres in the hands of the Crown in the South-Western division, and it would be as well if Ministers remembered this when speaking of 8,000,000 acres. However, I am glad the wheat yield is increasing year by year. Of course it is certain that if the prices do not go back, the yield will increase still more. I notice there is a campaign designed to bring about a 50,000,000 bushel harvest next year. Whilst I appreciate the idea, I wish to say to the Minister for Agriculture that he will have to do more than talk about it. Sir Joseph Carruthers, in New South Wales a few years ago, declared there should be a million farms for a million people. However, we know what became of that scheme. Here, too, it is of no use saying to the farmers, "Produce more wheat," unless we do something to help them. What are the Government going to do to help? Are they going to reduce taxation, or reduce railway freights, or make a special effort to enable the farmer to put in a larger area next year? It is of no use talking, unless we are prepared to do something to help. Still, it is a very good idea, and it would be a wonderful thing for the State if it could be brought

about. Then we are told in the Speech that 14,295 applications for land were received during the year. I know that applications do not mean applicants. The public may think we have had 14,295 persons applying for land, whereas we know that probably there were some 3,000 applicants and only 1,056 got blocks. Then there is a paragraph referring to soldier settlement. It will come to that in good time. It is stated that these loans will be recoverable from the grant made by the Commonwealth for that purpose. It relates, of course, to the indebtedness of the soldiers. But in October of 1925 we were given £796,000 by the Federal Government to cover losses on soldier settlement, and we have had a considerable amount out of the 2½ per cent. fund in the Treasury. Ascertained losses should be written off against the sum held by the Treasurer when they are written off as losses by the Agricultural Bank. On that very day the amount should be claimed from the Treasury and paid by the Treasury; otherwise we shall get into a false position. I am pleased to see that the mining industry is viewed with much greater confidence than it was a few years ago. It is true the yield is a little less this year than it was last year, but the people of Kalgoorlie, who are the best judges, believe that the corner has been turned and that the prospects are very much brighter than they were. I hope it is so and that Kalgoorlie will again achieve some of her glory of the past. At all events, mining people are cheerful, optimistic people, delightful to meet. When a community thinks that all is well, what a wonderful change it brings over the situation! I met a mining man this morning who said, "Kalgoorlie is very much improved. Every man has now a pound to spend." A few weeks ago almost, certainly a few months ago, people were saying that houses were not wanted, and I suppose many of them were removed. If mining people are cheerful, it is because they believe the prospects are better than they have been for some time past. One can only hope that their belief will be justified. Of course there must be a great deal more gold in Kalgoorlie, if the miners could only get on to it. I replied, "I am delighted to hear that Wiluna is looking so well." He answered, "Why not the old field? There is more gold there than anywhere else." I said, "I am delighted to hear that. If Wiluna is promising so well and Kalgoorlie

is better than Wiluna, so much the better for the State." We want Kalgoorlie, Wiluna and other fields opened up and, if that could only be done, what a change would come over this State in a very short space of time! The report that oil has been struck in the Kimberleys is satisfactory so far as it goes. I hope events will prove that we have great wealth in that part of the State. Meanwhile the Premier should realise that this is no time to negotiate for the surrender of any part of our territory to the Commonwealth. In my opinion no time is opportune for such negotiations. If there is oil in the North, let us keep it for ourselves.

The Minister for Mines: Who said the Government were negotiating?

Hon. Sir JAMES MITCHELL: The Government are talking of or considering the question of handing the North over to the Commonwealth. Perhaps I happen to be one of those narrow Western Australians, as my friend opposite would say, but I think the North should remain a part of Western Australia.

Mr. Teesdale: You are making such a lot out of it, are you not?

Hon. Sir JAMES MITCHELL: If we get oil, we shall make a lot out of it.

Mr. Teesdale: If you are struck with lightning, you will get something, too.

Hon. Sir JAMES MITCHELL: The people of the North will get far better service from us than from the Commonwealth Government. We have always treated them with consideration; at any rate we have always desired to do so. I do not know whether the people of the North regard the administration of the Northern Territory with satisfaction and would prefer it to our own. The member for Roebourne would not want to hand over the North if oil were discovered there, as apparently it will be if the published reports are true. Mention is made in the Speech of three railways under construction, a very small number indeed, and nothing is said about the railways to be constructed. We have a tremendous programme of railways authorised and not constructed. Amongst them are the Boyup Brook-Cranbrook railway. Then there is the Yarramony line, the construction of which has been promised by the present Government and every Government since 1911.

Hon. G. Taylor: And it will last until the next election.

Hon. Sir JAMES MITCHELL: That line has been authorised and should be built.

Other railways authorised include the Dale River and the Pemberton-Northcliffe lines. I am glad to see that a start has been made on the Pemberton-Northcliffe line. The profit of £26,000 made by the railways last year is not sufficient to pay the sinking fund, which amounts to something over £126,000 a year. The strange thing is that with a much smaller revenue in 1923-24 the profit was £142,000, while in 1924-25 the profit was £190,000. Since then we have gone back considerably. I do not know what the Minister for Railways will have to say about it, but he should certainly explain why the result of last year's operations has not been good. It is certainly not due to the officials of the department. Supporters of the Government applaud the announcement that ten locomotives were constructed at the Midland Junction workshops at a saving of £10,000. That is highly satisfactory. I hope the engines will prove as satisfactory as those we imported from England. There is no reason why they should not be and I have every confidence that they will be. There is another calculation to which the Premier might devote some time, namely, that dealing with road construction. It is something similar to the difference of opinion over the 33½ per cent. reduction in income taxation. Apparently £293,445 was expended during the year under the Federal aid roads scheme, and an amount of £116,778 under the migration agreement on group roads. Another amount of £160,731 was spent on road work generally, no doubt a large portion of it on the Canning-Fremantle road. The Speech, after enumerating those items, continues, "thus making an aggregate expenditure from State funds on road construction of £479,077." From that it would appear that the Commonwealth Government contributed only £91,877 to an expenditure of £293,445. I should like to know from the Premier if that expenditure is in addition to the amount contributed by the Commonwealth. There is certainly some miscalculation. On the basis of £293,000 State expenditure, the Commonwealth should have contributed, under the scale arranged, a sum of £167,683, not £91,000. I am aware that the Federal Government refused to foot the bill for some of the expenditure incurred just before the 1927 elections. I know that £30,488 claimed from the Federal Government under the road scheme was refused by them. That repre-

sented road work undertaken between the 1st January and the 22nd February, 1927, but apparently the amount was greater than £30,488 for that short period. This State therefore has suffered loss because men were sent out on day work just before the elections of 1927, loss to the extent of £30,488 at any rate.

The Minister for Railways: A lot have been sent out recently, and if there had been an election next week I suppose you would have said that was the reason.

Mr. Davy: It might have been on a different basis had there been an election next week.

Hon. Sir JAMES MITCHELL: It is a considerable amount to lose, simply because the Government failed to observe the agreement entered into between the Minister for Works and the Federal Government. Under that agreement it was stipulated that tenders should be called for the work. Tenders cannot be called for such work in five minutes, and so the Government sent the men out. They were sent out without proper equipment.

Hon. G. Taylor: In some instances without any equipment.

The Minister for Mines: If you repeat a lie often enough, someone will believe it.

Hon. G. Taylor: It is generally believed that that was done.

The Minister for Mines: Presently you yourself will begin to believe it.

Hon. Sir JAMES MITCHELL: To whom is the Minister referring?

The Minister for Mines: To the member for Mt. Margaret. If he says it a few more times, he will believe it. It is not true.

Hon. Sir JAMES MITCHELL: It is true. If the Minister repeats a few more times that it is not true, he will believe it. To use his own words, he has only to repeat a lie often enough, and he will believe it. I know full well that men were sent out without tools, and I know that tools were bought in the Northampton district hurriedly, worn-out tools, too. I should like an assurance from the Minister that those men were not sent into the electorates because an election was pending. In the Greenough district there is a road known as the election road, and I am satisfied that the present member for Greenough would not be occupying that seat to-day if the men had not been sent into the district at that time. I should

like an assurance that those men were not sent out because an election was imminent.

Mr. Kennally: It is a wonder that we scraped back in the metropolis if all those thousands of men were sent out of the metropolis.

Hon. Sir JAMES MITCHELL: Who said thousands of men?

The Minister for Mines: You have said "thousands" dozens of times, or at least you are reported to have said so.

Hon. G. Taylor: Well, how many were sent out?

The Minister for Mines: None.

Mr. SPEAKER: Order!!

Hon. Sir JAMES MITCHELL: I have said hundreds of men were sent out, because the ex-Honorary Minister, Mr. Hickey, told me the number sent out was 1,100.

Mr. A. Wansbrough: And they were sent all over the State.

Hon. Sir JAMES MITCHELL: Some of them were sent to the hon. member's electorate.

Hon. G. Taylor: And they came in very handy down there, too.

Mr. E. B. Johnston: Those men had carefully selected tours arranged for them.

Hon. Sir JAMES MITCHELL: I cannot speak about that, but I know that men cannot profitably be employed upon road work in dry districts during the summer time. Yet they were sent to dry districts during the summer months. Only the other day the Premier said that men should not be sent to dry districts during the summer months.

The Minister for Lands: Men have to work in dry districts during the summer time. The work of farming has to be carried on.

Hon. Sir JAMES MITCHELL: That work goes on all the time, but men cannot make roads in dry districts during the summer time, any more than they can make roads in the South-West during the winter time. There should be sufficient work for men to do apart from that. There is no right to deny men work because an election is coming on. I should be sorry if any work were held up because of an impending election, and I should be equally sorry if work were made in the electorates simply because an election was coming on—work that should not be done at that time of the year. I want to see men kept in employment; I do care a jot in whose elec-

torates they may be employed, but those men should not have been sent out to the electorates on the way they were sent. We know where they were sent; we know how they were sent, and we know what was said before they were sent.

Mr. Chesson: And we know what was said after they were sent.

Hon. Sir JAMES MITCHELL: I do not think any five members of this House could be trusted with a secret of that sort. One could be sure of finding amongst them some who would think there was nothing wrong in mentioning the matter. The information came from people who knew the circumstances, and those people were not connected with the Government departments, either.

Sitting suspended from 6.15 to 7.30 p.m.

Hon. Sir JAMES MITCHELL: We were dealing with a part of the Governor's Speech relating to road construction. There must be some mistake in the figures. I understand that the Federal road grant was £382,000 and that the State contributed £286,000, making a total possible expenditure of £668,000. No doubt we have spent a considerable portion of the £382,000, although that is not shown. The only legislation mentioned is that dealing with the rural bank department of the State Savings Bank, the redistribution of seats, the prevention of profiteering (whatever that means), the registration of land agents, the Health Act, workers' homes, local government and other matters. I suppose that "other matters" will cover a multitude of sins, but will lead to some important proposals being put forward. Any important work likely to be put in hand should have been mentioned in the Speech. It may be that the Premier will go on with the authorised works in connection with the Fremantle Harbour. That is important, and it would have been wise if he had let us know about that or any other work of first rate importance that he has in mind. It should certainly have been mentioned. The Speech largely applauds the work Ministers have done. They flatter themselves if they believe for a moment that the House will applaud them for the works they have already completed. I propose to let Ministers see themselves as others see them, and to read a few para-

graphs of the Auditor General's report for 1926-27, and also some extracts from the "Quarterly Abstract." If members will turn to the Auditor General's report, which reached us only just before the House rose recently, they will see many matters which call for serious consideration. In the first place the Auditor General points out that the £200,000 which was provided from the disabilities grant for the purpose of wiping off part of the unfunded deficit, is still held in the Treasury. In that case the Premier has the money, but holds it in trust. No doubt he will explain why the amount was not used in the way this House agreed it should be used. If we turn to page 6, we see that the Auditor General quotes from the Audit Act. He says—

All interest payable on account of the public debt shall be calculated and charged monthly. Section 9 of the General Loan and Inscribed Stock Act, 1910, provides that so long as any inscribed stock or debentures remain outstanding, the Treasury shall in each half year ending with the 31st December and 30th June appropriate out of the general revenues and assets of the State a sum equal to one-half year's interest.

If members will read on they will see that the Auditor General points out that the sum of £79,307 16s. 5d., representing the portion of the interest applicable to stock held by trustees of the sinking fund, was set aside month by month as the law requires, but subsequently written back. This was stated to have been done "consequent upon the Financial Agreement with the Commonwealth and the cancellation of Western Australian inscribed stock held by the sinking fund trustees." When this was done, on the 30th June, 1927, this House had not considered the Financial Agreement, it had not been signed by the Premier, and certainly had not been finalised. I do not know how far the negotiations had gone, but there was certainly no justification for writing back this £79,307, which had, very properly under the law of the land, been set aside to meet the interest due to the sinking fund trustees. Members will realise that this amount represents interest. On page 11 of the report members will find the following:—

The amount of the sinking fund charge which was not paid to the trustees during the year ended 30th June, 1927 (£75,582 5s. 8d.) was written back.

This had been set aside month by month, but had been written back at the end of the year, for the same reason as in the other

case. These two amounts make a total of £154,889, and to that extent the Premier's revenue for the year benefited. I think he said he would pay this amount into a trust fund in order that he might have the money if called upon to make payments to the trustees if the agreement did not go through. That was not done. It is true that £150,000 was set aside in a trust account, styled "Group Settlement Reserve," but that was taken from interest charged to group settlement in excess of 1 per cent. paid on the money under the Migration Agreement, and which for the year 1926-27, came to £103,403. Altogether the revenue has benefited to the extent of £212,719 over four years, because of the difference between 1 per cent. and the amount charged to group settlers on the considerable amount of advances made from this special fund. In 1923-24 the first amount of £19,884 went to revenue, next year £25,500, in 1925-26 the amount was £59,930, and last year it was £103,403. These amounts should never have gone to revenue. They should have been set aside as in the case of the 2½ per cent. fund for the soldier settlement scheme to meet losses. The £150,000 has, however, been set aside from this interest, leaving the Premier £47,000 under this head less than if the £150,000 had been so treated. On page 10 of the report members will see, in reference to the Coolgardie water scheme, the following:—

After allowing for interest on the advance and other expenses connected with the redemption, a cash surplus of £57,257 2s. 11d. remained, which was credited to revenue. A further amount of £1,172 9s. 9d. was credited to revenue later in the year (1927), representing a refund of the bank's commission calculated on the amount of stock held by the trustees and cancelled.

This represented a surplus after paying back the loan of £2,500,000, and the surplus was transferred to revenue, which benefited to that extent for the year. In view of the fact that we have a considerable deficit, it might have been well if that had been left with the trustees, but the Premier elected to do otherwise. On page 13 we find that the interest debited to the State's account at the London and Westminster Bank, £38,268 13s. 1d., for interest on loans and debit balances in regard to money supplied to the State, was not debited up in the Treasury books. This again meant an advantage of that amount to the Treasury.

Mr. Thomson: That will make it all the worse this year.

Hon. Sir JAMES MITCHELL: I suppose it will. On page 28 of the report there is a paragraph which I think calls for attention. It is as follows:—

On the 1st October, 1925, the debt due to the Commonwealth on account of loans for discharged soldier settlement was reduced by £796,000, and the State has not been called upon to provide interest from the revenue fund on this amount. The Agricultural Bank interest to the 30th June, 1927, on loan moneys supplied for advances to soldier settlers, portion of which will not be recovered from the settlers.

Whilst the Government have not had to pay the interest, the bank has had to do so to the extent of about £50,000 for last year. The report continues—

The individual losses by the bank on the realisation of securities, to March, 1927, were recouped to the bank by the Treasury from the trust account containing the $2\frac{1}{2}$ per cent. interest concession from the Commonwealth, but losses arising out of the scheme of revaluation of soldier settlers' holdings have not been dealt with in a similar manner.

As these sums amount to £243,562 8s. 3d., again the Treasury collected from the bank interest on that sum, although at the time it held £223,000 plus £790,000, or something over £1,000,000 on which interest was not being paid. Again the Treasury benefited by about £12,000. To the extent to which the bank have paid interest on the losses, the gross amount has been increased. As a matter of fact, we have had £1,000,000 from which to make good these amounts. My belief is that Western Australia will make no loss by soldier settlement in excess of the Federal grant, but it is not right that the revenue should benefit in this way. If interest is being charged—and it is—the bank should have had the £796,000. I do not think it was ever anticipated that the Treasury or the people of the State would make any money out of soldier settlement. If, when the matter is cleaned up, there is a considerable amount, as there may be, in this special account to cover losses, it should be used somewhere to benefit the soldier settlers, and not to benefit general revenue. If hon. members will examine the amounts I have mentioned, they will find that the total is £313,587, whereas the Premier's credit balance for the year is £28,245. The true debit balance, therefore, for 1926-27 is £285,342. The Premier may claim that £47,150 of the amount set aside to meet group settlement losses should come off the amount, but even then there will remain a true deficit of about £240,000. There

is another item to which I wish to call attention, and which is referred to on page 42 of the Auditor General's report under the heading "Medical Department, Hospitals Trust Fund." It will be remembered that when the entertainments tax was imposed, the amount was left to the Minister for Public Health to disburse more or less as he pleased. It was understood that the proceeds of the tax would be used for hospital purposes, in addition to the amount spent by the Government in an ordinary way. I do not know quite what has happened, but apparently £26,168 was transferred from the trust fund to revenue last year, being applied as a rebate to salaries and contingencies expenditure of the Medical Department for the year 1926-27. That matter needs explanation. I have not included the amount in the figures I have given. If it were so included, it would correspondingly increase the true deficit for last year. I have omitted it because it may be capable of explanation. Even so, however, £10,380 was used for a similar purpose, though, as the Premier will remember, the transfer was not made and accordingly the amount came into last year's revenue. If the collection of £30,713 from this tax was to the extent of only £4,000 available to assist hospital funds, the position is entirely wrong. If it had been intended that the money should be used as ordinary revenue, it would have been paid to revenue in the ordinary way; but a special trust fund was created, called the Hospital Trust Fund. I hope there will be an explanation of that disbursement. On page 19 of the report, hon. members will find another item which needs explanation, under the heading "Workers' Compensation Act Fund." The Auditor General reports that for workers' compensation all Government departments pay £37,395 and State trading concerns £9,962, while group settlements pay £15,476. Probably there are 2,000 group settlers, and I suppose they earn £200 a year each, which would give a total of £400,000. The payment to the Workers' Compensation Act Fund on account of group settlements means that provision has been made at the rate of about four per cent. Surely there is something wrong in that. It would be ruinous for any trade to pay four per cent. to a workers' compensation fund on the wages roll in ordinary business. Probably one per cent. or $1\frac{1}{2}$ per cent. would be quite sufficient to cover the risk arising from the work of clearing and farming on group settlements.

Mr. Davy: Is the amount debited against group settlements?

Hon. Sir JAMES MITCHELL: Yes. It is far too large a sum. There must be some explanation. The amount is shown as paid for one year, but it may be the amount paid over several years. I have quoted from the Auditor General's report to show that the true deficit for the year is nearer £250,000 than anything else if these various items are properly dealt with. Now we come to a more cheerful tale. We have already dealt with the figures of trade, and when we find that last year imports decreased a little while exports increased, it is certainly some reason for satisfaction, though I do not suppose the Government had much to do with it.

The Minister for Railways: Oh no! Why, the whole policy of the Government has been in the direction of increasing the production of wealth.

Hon. Sir JAMES MITCHELL: Did that policy start only four years ago?

The Minister for Railways: No. I say that has been our policy.

Mr. Davy: The water supply policy did not create wealth.

The Minister for Railways: It did so.

Mr. Davy: How?

The Minister for Railways: By enabling sheep to be kept on farms where there were no sheep before. The number of sheep went up a million last year as the result of that policy.

Hon. Sir JAMES MITCHELL: Of course they did. The Minister for Water Supply is expected to do that job. Ministers are paid to do their jobs.

Mr. Marshall: You took the salary and did not do the job.

Hon. Sir JAMES MITCHELL: I thank the hon. member for that interjection. I should not regard the Minister for Railways as being responsible for the enormous figures of import. When we find imports valued at £18,000,000 last year as against £14,000,000 for 1923-24, I am sure the Minister had nothing to do with that. Neither had I anything to do with the imports of 1923-24. Naturally an immense amount of money is spent on butter, and imported foodstuffs generally have gone up all along the line. It is a satisfaction, though, to find that our exports have increased from £14,000,000 in 1923-24 to £17,000,000 last year. I hope our exports will continue to increase. I have already shown the effects of the increase from the wheat areas under crop

during the last 22 years, and I hope those effects also will continue. Turning to land settlement, as explained before, we cannot go on selling thousands of blocks without eating up the first-class land available. Inevitably, the area unsold must become less and less. Whilst in 1923 the State was able to sell 836,000 acres of first-class land, last year we were able to sell only 393,000 acres of first-class land; and as time goes on the area must decrease. It is satisfactory to see that agricultural and pastoral production is increasing, although the total was less in 1926 as regards the latter than it was a year or two previously, because of the bad season. I am sorry, however, to see that the value of manufactures is not increasing. It is a pity that with our increased demand for goods we cannot manufacture more of them in this State. The Governor's Speech contains the following reference to group settlement—

A reclassification of the group settlement areas has been practically concluded. It is the intention of the Government at an early date to institute a policy which, it is hoped, will result in an improved position and definitely fix the period during which Government farming assistance will be extended to settlers.

Here, too, the production is as important as it is anywhere else. It is a pity we are not producing far more on group settlement people who would not use Western Australian flour, though it was just as good then as it is to-day. We had a similar tussle over our potatoes. Every bad potato sold in this State was said to be a Western Australian potato, and thus our potato production was retarded for years. The case is similar with our butter. Only now is Western Australian butter bringing as high a price in the retail market as imported butter. The successful effort to produce our own flour and our own potatoes—

Mr. Sleeman: And our own implements.

Hon. Sir JAMES MITCHELL: Produce our own implements, if the hon. member pleases. However, that is another story. I am sure that all the foodstuffs required here can be produced within the State. If we go on sending two millions out of the State annually for food imports, I do not know how long we shall keep afloat. While the mines were producing over eight million ounces of gold annually, it was possible to buy butter from the East and pay for it; but our imports from the East amounted to £9,000,000 while

our exports amounted to about £1,400,000, and we had to settle the difference in cash. It will be recognised that this ought not to go on, and that so long as it goes on, there will be difficulty in providing employment here. Our land is just as good as the land that is producing the Eastern butter sold here, although the Eastern land brings far higher prices than our land. There is no reason why we as an agricultural State should not feed ourselves. Certainly it is a small advertisement for us as an agricultural State that we send away all these millions of money year after year to buy food. The difficulties in connection with group settlement are not with the land, certainly not with the climate, and quite as certainly not with the men. The original scheme was abandoned, and a much more expensive one adopted. To the 30th June, 1924, £1,050,000 was spent. I do not know what has been spent to date, but I do know that between the 30th June, 1924, and the 30th June, 1927, there was spent £3,645,000. We can go into the history of group settlement later on, and we can apportion the blame then.

The Minister for Lands: When do you say that should be done?

Hon. Sir JAMES MITCHELL: When the scheme is advanced.

The Minister for Lands: Just before a general election is coming on?

Hon. Sir JAMES MITCHELL: No, when we get the group settlers put on their feet. I can assure the Minister that I accept the responsibility for everything that was done up to the time I left office, and the Minister must accept his responsibility too.

The Minister for Lands: I will do that.

Hon. Sir JAMES MITCHELL: It is a pity that slighting references are so constantly made to the South-West. A Royal Commission to inquire into the cattle industry went North a little while ago, and when they came back the members of the Commission made a statement for publication. It is not often that members of such a Commission, who are appointed by the Government to make certain inquiries, issue Press statements such as those that were published. Generally they wait until their report has been submitted to the Governor, and it has been released for publication in the Press. One of the members of that Commission made some slighting

references to group settlement and the South-West.

The Minister for Lands: He is a very good Western Australian.

Hon. Sir JAMES MITCHELL: He is a splendid man and very honourable too, but he does not know.

Mr. E. B. Johnston: It was a good appointment.

Hon. Sir JAMES MITCHELL: Yes, he is an excellent man, and when such a man makes statements like the one I refer to, others will do so. I do not know why such statements should be made and why, simply because more money has been spent than was necessary, some people should condemn the whole scheme.

The Minister for Lands: You must bear in mind that that particular gentleman went and saw things for himself.

Hon. Sir JAMES MITCHELL: I know just what he saw, and how little he saw. I am a good friend of that gentleman, and probably know him far better than the Minister does.

The Minister for Lands: I know him well.

Hon. Sir JAMES MITCHELL: I saw him after he had returned. Surely there is no reason why these slighting references should be made to such a magnificent territory, and it is a pity that it is so. I know we have sold a considerable area of land there already, and I know pretty well how much more wheat land of first-class quality we have yet to sell. I also am fully aware of what we have in the South-West. We should turn to and settle that land.

The Minister for Lands: No one will quarrel with a sentiment like that.

Hon. Sir JAMES MITCHELL: No. It cannot be settled except under some co-operative scheme, such as group settlement. I do not mean to say, under the present scheme, or along the lines of the present work. My scheme has been departed from, mutilated and abandoned early. This has occasioned a great deal of trouble and a great waste of money. I understand that £698 was spent on each group settler last year, and I do not think that any of them received £200 worth. I want to know from the Minister where that money has gone.

The Minister for Lands: You will be told; you are entitled to that information.

Hon. Sir JAMES MITCHELL: I am not responsible for what has been done during

the last four years and six months. During that period I have not been consulted about group' settlement matters at all. A great deal of political capital has been made out of the work of group settlements, and men have gone to the wheat belt and have complained about the expenditure. When some of those complaints were made to me, I replied that I had spent £1,000,000 in my time and about £8,000,000 in the wheat belt, including Soldier Settlement Scheme expenditure. During my time I asked the wheat belt people to take more money, but they could not take any more, because they could not spend it. They could have had as much money as they liked.

The Minister for Lands: A great deal of money is being spent on the Peel Estate. Why not come and show us how it should be done?

Hon. Sir JAMES MITCHELL: Because the Minister is paid, and the Minister says he knows. I do not know that the Minister is an engineer.

Hon. G. Taylor: He may be an underground engineer!

The Minister for Lands: That is where the money has been spent. You want to know where it has gone. Come down and see.

Hon. Sir JAMES MITCHELL: I am not aware of what has been done.

The Minister for Lands: You will not go near it!

Hon. Sir JAMES MITCHELL: I have not been asked to go near it.

The Minister for Lands: Over £3,000,000 has been spent on the Peel Estate.

The Premier: All lost, too!

The Minister for Lands: Why do you not go down and tell us what should be done?

Hon. Sir JAMES MITCHELL: The Premier approved of the Peel Estate scheme. When I left office, much less had been spent on the Peel Estate than the Minister has indicated. The great bulk of that money has been spent since then. If I have not been to the group settlements, it is because I have not been asked by the Minister. Group settlement matters have never been discussed with me since I left office. To a very small extent indeed, they were discussed in Mr. Angwin's time. He asked me to go with him to Denmark, but unfortunately I could not get away. The Minister must accept responsibility for his 4½ years of administration.

The Minister for Lands: You laid the foundations badly; the whole structure toppled, and yet you say that the man who followed you must take the responsibility! The man who laid the foundation must take no responsibility! That is a rotten suggestion.

Hon. Sir JAMES MITCHELL: Just imagine the Minister making such a remark! As a matter of fact, I laid a good foundation; the superstructure is that of the Minister. Because it toppled, he wishes to blame me. I thank him for his suggestion. The Minister could not have made a more generous admission. He is perfectly right. I laid the foundation, and laid it well. The rest has been badly done; that is the truth.

Mr. E. B. Johnston: The whole scheme was altered.

Mr. Withers: At any rate, the scheme at the Peel Estate holds water.

Hon. Sir JAMES MITCHELL: The hon. member should not talk against the South-West! Recently I came down from Northam, and above Chidlows there was plenty of water. The South-West is a well-watered country, and its production is wonderful. The worst that can be said about the Group Settlement Scheme and the Peel Estate as well as other estates will, we realise, be said. The strange thing about it is that no one apparently wants to take any responsibility. I gladly accept the responsibility for the promotion of the Group Settlement Scheme, and I think most people considered it right. On the other hand, I cannot be expected to be held responsible for the results of the past 4½ years. As the Minister says, I laid the foundation, and I laid it well; we will leave it at that.

Mr. Kenneally: But the foundations are a bit waterlogged!

Hon. Sir JAMES MITCHELL: The position now is that we want to get on to right lines. It seems to me that it is a perfectly simple attitude that the Minister will have to adopt. The settlers have their farms made for them, and for the most part they are good farms, too. Their land is cleared; their pastures are good; their crops are growing well. Everything is all right, although most of them have not enough stock.

The Minister for Lands: The country will not carry the stock. We have had to repossess thousands.

Hon. Sir JAMES MITCHELL: Of course, you have. That does not prove anything. By Heavens, if the Minister were to go down and inquire, he would find that the country will carry stock in sufficient numbers to keep the settlers going, and to enable them to pay their interest charges. Of course, if the holdings are overstocked, the animals will eat out the pastures, but the fact remains that pastures are available for a great many more cattle than the group settlers have at present.

The Minister for Lands: We had to repossess thousands last year.

Hon. Sir JAMES MITCHELL: Of course, you had.

The Minister for Lands: We had to take the stock back and feed them.

Hon. Sir JAMES MITCHELL: Yes, and you sold them, although the people there want stock!

The Minister for Lands: I hope they will want them this year.

Hon. Sir JAMES MITCHELL: I hope so. I have seen group settlers who could have taken many more cows than they had in their possession. Anyway, let us get on to right lines now. When the time comes to apportion the blame, let us apportion it. In the meantime, let us bend our backs to the task of making these settlers successful. Surely it is no small thing to give 2,500 people a chance. That is what has to be done. The only advantage to the State from the settlement of our land is the production of wealth. It is of no advantage to the State to merely settle a man on wheat land and, through the Agricultural Bank, to find money to enable him to clear and fence his holding, unless something is produced from that land. To the extent that there is production from the land, the public benefit. I know there are a great many people who say Western Australia cannot produce the butter necessary to fulfil her own requirements, and those people do not want the State to do so.

The Minister for Railways: I do not think too many people are of that opinion.

Hon. Sir JAMES MITCHELL: Of course, I know the Minister is not one of them, but I assure them there are such people, and I know them. We must get to work and save the expenditure of £2,000,000 that now goes to the Eastern States for the purchase of our requirements. We have the land that is capable of producing all we want, and yet we import from the Eastern States commodities that the land will produce. The point is that we cannot delay

month after month before we get to work. Every day's delay means the loss of so much money. I do not know what amount was spent last year on group settlement, but I know the Vote was for £1,500,000.

The Minister for Lands: Tell us what you think should be done.

Hon. Sir JAMES MITCHELL: What I would suggest would probably not be what the Minister would propose.

The Minister for Lands: Tell us what you believe should be done. Do not beat about the bush. What would you do?

Hon. Sir JAMES MITCHELL: I intend to tell the Minister. I am not in the habit of beating about the bush. It is the Minister who does that sort of thing. He goes down to the group settlement areas and tells a different tale every time! Last time it was a different tale.

The Minister for Lands: No.

Hon. Sir JAMES MITCHELL: I will tell the Minister what I would do. It is perfectly simple. I would start to-morrow and save a repetition of the waste of last year and probably a great deal more. Had the Minister tackled the problem when he came in first, he could have done all that was necessary in a very short time.

The Minister for Lands: I think the Minister did.

Hon. Sir JAMES MITCHELL: In a way that does not appeal to me.

The Minister for Lands: Certainly in a way that you would not have done it.

Hon. Sir JAMES MITCHELL: That is quite right. I would never have done it in the Minister's way.

The Minister for Lands: You wasted millions in your way.

Hon. Sir JAMES MITCHELL: That is another admission. The Minister has wasted millions.

The Minister for Lands: I said, in your way.

Hon. Sir JAMES MITCHELL: The Minister did not follow in my footsteps. I have already said that he altered my scheme, mutilated it and abandoned it. He has since spent three times as much as would have been necessary had he stuck to my scheme.

The Minister for Lands: As a matter of fact, you did not have any scheme. Now you have the truth.

Hon. G. Taylor: And you have been working on it for 4½ years!

Mr. Davy: And you have spent millions without having a scheme!

Hon. Sir JAMES MITCHELL: The Minister knows everything about anything at any time, much more so than any other man. The scheme was written in general outline and produced on the Table of the House. But the present Minister has had a scheme.

The Minister for Lands: I hope to make a scheme.

Hon. Sir JAMES MITCHELL: He hopes to make a scheme, and this after 4½ years, and more than enough expenditure to complete all the farms!

The Minister for Lands: You have said that you applauded my methods. You said I had done remarkably well. It is in "Hansard."

Hon. Sir JAMES MITCHELL: I said nothing of the sort, and I defy the hon. member to produce it in "Hansard."

Mr. Davy: The Minister for Lands says there is no scheme. Yet he has been spending all this money!

The Minister for Lands: You stick to the law. That is about the end of you.

Hon. Sir JAMES MITCHELL: The Minister advises my friend to stick to the law. As a member of Parliament, my friend has every right to criticise the Minister when he goes wrong, and I hope he will continue to do it. The Minister wants to know what I would do now. I would face the situation and see what could be done. I should say the charge to be made against the settlers should be the value of the asset created, together with the value of the machinery and stock.

The Minister for Railways: A nice row there would be!

Hon. Sir JAMES MITCHELL: There could not be any row. If the value of the created asset is £1,500, that should be the charge against the settler. Then if the settlers are to be of value to the country, they should be encouraged and assisted to crop and dairy. If that is done, Ministers would get the production and the interest on the expenditure. There ought to be decentralisation now. That would cheapen the administration and increase the efficiency. Also it would obviate the delays so fatal to production; for in the South-West the seasons do not wait. Apart from that, the district officer is responsible for the farming of the land. So it will be a very simple matter, as it has been in the wheat belt. There is no reason why there should be any hesitation in assisting the settlers with their crops. If more money has been spent than

should have been spent, can we hold responsible the men who have been under direction all the time? We should say to the settler, "There is your holding and your chance to crop, and we will help you." Then it will be a very simple matter to place the scheme on a satisfactory footing. If any of the land has to be abandoned, it should be thrown open to the public without delay. For it is of no use holding under the group settlement scheme land which it is not proposed to utilise in that scheme. I should say that when examination is made into the accounts there will be a great deal less loss than we imagine. I saw one account the other day. The man was charged £308 for overhead expenses—supervision, really.

The Minister for Lands: Where did you see that account?

Hon. Sir JAMES MITCHELL: I saw it.

The Minister for Lands: No such accounts have been presented.

Hon. Sir JAMES MITCHELL: If I were to tell the Minister the name of the man who showed me the account, what chance would that man have for the rest of his time? I saw the account for £308 for supervision.

The Minister for Lands: No such accounts have been sent out. That man is pulling your leg.

Hon. Sir JAMES MITCHELL: No; I saw the account, and the member for Nelson also saw it. I made a few extracts from it.

The Minister for Lands: No such accounts have been sent out.

Hon. Sir JAMES MITCHELL: That account meant that the supervision as a whole amounted to £600,000. Actually up to June of 1927 those charges amounted to £147,000.

The Minister for Lands: You ought to be made valuer for the whole of those holdings down there.

Hon. Sir JAMES MITCHELL: If that sort of charge has been made against every settler, it is about four times as much as has been spent. In this instance the interest charged was £470, which is altogether too much. However, the loss ought to be faced at once, and the settlers encouraged to produce. They ought to be made farmers instead of clearers. Some of them have cleared far too much land. I hope the Minister will settle this question speedily and let these men become producers in order that the expenditure may be made safe. I have already referred to the fact that we were told we were to have 1,000 farms, that afterwards it was increased to 3,000, and that it

is now 3,500. Everybody knows that in the wheat area there is only a limited area of good land left. We have sold at least 20,000,000 acres of first-class land, or one-third of the total of 60,000,000 acres from which that land sold has been selected. The world averages about 40 per cent., so we are not doing too badly. We have the outer fringe of the wheat belt left to sell, and this territory between Newdegate and Salmon Gums, Southern Cross and the sea. No one knows how much of this land there is, but if there be eight million acres it will be an extraordinarily good percentage to get 3,500 farms from it. However, I realise that the position has been entirely changed, and that even where wheat cannot be profitably grown at 4s. a bushel, it may be profitably grown at 5s. a bushel. Last year we were promised 1,000 farms, and apparently 400 blocks have been allotted. I understand there were 2,200 applicants for those blocks. I venture to say there is not a good block of wheat land for every man in the State who really wishes to become a farmer. We have no need to send to England for farmers for the wheat belt. If we are going to sell all our light land, I suppose we still have 60,000,000 acres left. But I doubt if it would be wise to put men on blocks that are composed exclusively of light lands, although light land is very useful for a man with other good land. If we can be certain that the price of wheat is going to increase, we can utilise pretty well all this light country. We have to remember that in this State our light land is served by a good climate. We ought to realise that only now are we completing the job of settling the wheat belt. Of course there is not a great deal left, as is evidenced by the small area of first-class land sold last year. In my view, such land ought to be reserved to the people who are in the State now. A great many people have been attracted from the East, good, desirable people, by the publication of the 3,000 wheat farms scheme. We could not have better men than those from the East, but I really think that first preference should be given to those who have been here for some time. They are entitled to the first call on these lands. When we remember that during the past 22 years we have increased our wheat area by more than the aggregate increase of wheat areas in all the other States, it can be understood that in those other States the limit of first-class land must have been reached. In course of time it will be reached

in this State also. The country between Newdegate and Salmon Gums contains first-class land in bigger patches than are to be found inside the rabbit-proof fence. We ought to know just how much first-class land there is in that area, and how much second-class land can be utilised for wheat growing. I think we have made a mistake in not putting our own people on to this land.

The Minister for Lands: As a matter of fact, 90 per cent. of the successful applicants are Western Australians.

Hon. Sir JAMES MITCHELL: I mean the people who are already here, including our own people.

The Minister for Lands: Yes, 90 per cent are Western Australians.

Hon. Sir JAMES MITCHELL: That is, of the 200 who got the blocks?

The Minister for Lands: Yes.

Hon. Sir JAMES MITCHELL: Then it is a pity to bring those people from the Eastern States, because they are doomed to disappointment. Whatever land is there, I hope it will be surveyed speedily and settled.

The Minister for Lands: The people from the Eastern States have come voluntarily. It is a good thing that the State attracts them.

Hon. Sir JAMES MITCHELL: We do not drag them here; they come because they think they can get one of the 3,000 farms.

The Minister for Lands: They are buying farms here.

Hon. Sir JAMES MITCHELL: They have been doing that for the last seven or eight years. If the 3,000 farms comprise good land, we must go quicker than we have gone in the last few years. If we are to get the 3,000 farms, it will take three or four years, or even more, at the rate we are going. I do not know whether the Minister counts light land as being suitable for farming, that is without any good land at all. I suppose he does. I think I read a statement by him the other day in which he said that 300 blocks of light land were being thrown open.

The Minister for Lands: Where did you see that?

Hon. Sir JAMES MITCHELL: In the newspaper.

The Minister for Lands: I did not say it. All the land we are throwing open is good land carrying Agricultural Bank advances.

Hon. Sir JAMES MITCHELL: I understand that 400 first class blocks have been allotted, and that 300 blocks are being thrown open.

The Minister for Lands: The last lot of blocks consist of first class country. We are not surveying poor country.

Hon. Sir JAMES MITCHELL: I am glad to hear that. I believe that in a big percentage of the 300 blocks there is very little first class land.

The Minister for Lands: Where did you get that?

Hon. Sir JAMES MITCHELL: The Minister can take my word that I have been so informed. I hope it is first class land.

The Minister for Lands: I take the word of the Surveyor General.

Hon. Sir JAMES MITCHELL: The Surveyor General cannot see every block. He has to act on reports of the surveyors in the field. If the Minister would table the papers dealing with the classification of the blocks, we should be able to see for ourselves.

The Minister for Lands: You have seen them.

Hon. Sir JAMES MITCHELL: I have not. I think I will move for the tabling of the papers.

Hon. G. Taylor: Give notice to-morrow.

The Minister for Lands: Do not give notice; come to the office to-morrow and see the papers.

Hon. G. Taylor: If I did that, it would be thought I was after land.

Hon. Sir JAMES MITCHELL: Now I wish to deal with unemployment. The Government must be judged by their control of finance and the employment of the people. There has been much unemployment for a long time, and the Government must be considered to have failed in this respect. Many excuses have been offered for the unemployment, such as seasonal occupations and the influx of Southern Europeans. Those are not the real causes. If we take the years 1922, 1923 and 1924, we find that the excess of arrivals over departures numbered 13,483, and of that total 11,389 were males. During the three years 1925-27, the excess of arrivals over departures was 13,258 and the number of males was 9,808, or 2,000 fewer than in the preceding three years. Of course the Southern Europeans are included in those

totals. The production of wealth has averaged at least £5,000,000 per annum more in the last four years than in the preceding four years. The Government loan expenditure has been greater than ever before. It has been greater in the last four years by £1,000,000 per annum as compared with the previous four years. In the way of Federal grants the Government have received £200,000 per annum and a road grant of £380,000, a considerable sum to say the least. The gross revenue has increased by £2,000,000 per annum in the last four years, as compared with the previous four years. Thus we have £5,000,000 more by way of production, £1,000,000 more of loan expenditure, the Federal grants, and an increased revenue of £2,000,000 or more a year.

Hon. G. Taylor: All the result of your wise administration.

Hon. Sir JAMES MITCHELL: Advances by the cheque-paying banks during the last four years have increased by £3,000,000. Money has been available as never before in the history of the State, money that the Premier says is easily obtained. Savings Bank deposits have increased and of course have been utilised. Yet we have unemployment. One can look for many causes, one of which I shall mention at the outset because it seems to me to be important. Do members realise that if money is wasted in the carrying out of public works, then to the extent that it is wasted so is the opportunity for employment lost?

Mr. Clydesdale: Did you ever waste any money?

Hon. Sir JAMES MITCHELL: Yes, on the rarecourse. The Premier will agree that if we are building 100 miles of railway and it costs £400,000 instead of £300,000, then £100,000 has been wasted. That sum is gone and is a loss to the workers of the country. It will thus be seen that unless we get value for the money we spend, we are making it more difficult for the workers to obtain employment, and so unemployment naturally follows. The high tariff and high taxation are also causes of unemployment. I think our people are paying 20 per cent of the gross production by way of taxation. We have heard much about the socialist and his teachings throughout Australia. The conference held in Melbourne recently must do a power of harm. It is not necessary for me to single out industries of which communists have obtained a grip or to indicate the harm they have done. Communism is only

socialism put into practice. Whether a man calls himself a bolshevist, socialist or communist, it is all the same; he causes strife and trouble. There is unemployment throughout Australia and we find the socialists increasing in numbers. The communists, by the way, want to hurry the socialists along and get possession quickly. The socialists apparently are a little more patient, but are still waiting their opportunity.

Hon. G. Taylor: What is the bolshevist?

Hon. Sir JAMES MITCHELL: He is only a socialist, no matter what you call him. When I speak of high taxation as one of the causes of unemployment, I do not mean taxation by the State Government alone. I mean taxation by all the taxing authorities, the taxation of the Federal Government by means of the tariff and the other taxes imposed upon the people, which together are very much higher than the taxes imposed by the State Government. I do not know what the proportion would be, but including the tariff it would probably be three times as great as the State taxation. Then we have to remember that the people of this State must pay a great deal more for everything imported through the Eastern States, and it may be that this burden represents something like £2,000,000 per annum on the people of this State. We ought to see that our loan moneys are expended on productive work. It is unwise to do unnecessary work. The Canning-Fremantle-road represents huge expenditure that can result in very little work for the people. Every element necessary to favourable employment has been ours during the last four years as never before in the history of the State. Never before had we such opportunities to keep the people employed, and yet people have been out of work. The State Government must be considered to have failed. Even the churches at present are appealing for charity for the unemployed.

Mr. Clydesdale: There are more men at work in this State than ever there were.

Hon. Sir JAMES MITCHELL: And there are more men to work, but there are not enough men at work.

Mr. Clydesdale: There never will be.

Hon. Sir JAMES MITCHELL: There is work to be done. I do not think the statement of the member for Canning is a fair one. There are some men who will not work, but I do not think anyone can say that the bulk of the men out of work are asking for it and praying they will not get it.

Mr. Clydesdale: Who said that?

Hon. Sir JAMES MITCHELL: I think the hon. member said they would not work.

Mr. Clydesdale: I said there are more men in work here than ever there were.

Hon. Sir JAMES MITCHELL: There is a greater number of men.

Mr. Davy: And a greater proportion of men to the work available.

Hon. Sir JAMES MITCHELL: There is a power of work to be done in this State—work that probably will not be completed during the next 100 years.

Mr. Clydesdale: How are you going to cope with an influx of men from the Eastern States, such as we are experiencing now?

Hon. Sir JAMES MITCHELL: I have quoted figures, which included people from the Eastern States, showing that fewer people have come here in the last three years than in the previous three years.

The Minister for Lands: In those years a great many came as group settlers. There was a tremendous crush in one year. Now there is a reaction. They are not going to the groups at present but are thrown on the labour market.

Hon. Sir JAMES MITCHELL: There were never more than 2,500 group settlers and I understand there are 2,000 on the groups now, so there cannot be more than 300 ex-group settlers unemployed.

The Minister for Lands: There have been more than 4,000 on the groups.

Mr. Davy: More than 4,000 at one time?

The Minister for Lands: No. At different times there have been 4,000 settlers on the groups, but there are only 1,700 now.

Hon. Sir JAMES MITCHELL: That gag also was tried on the public. If one man leaves a farm, another man goes from the ranks of the unemployed to that farm, and so the number of unemployed is not increased. How can it be increased? If we take one man off a holding and put another in his place, that cannot increase unemployment. No one would be so stupid as to believe it could.

The Minister for Lands: If five men are put on and four do not stay, that must increase unemployment.

Hon. Sir JAMES MITCHELL: If five men were put on a block at one time and four left it that would increase unemployment.

The Minister for Lands: That is the position.

Hon. Sir JAMES MITCHELL: We never had more than one settler on one block at any time.

Hon. G. Taylor: Not in your time, but we do not know what they have been doing lately.

Hon. Sir JAMES MITCHELL: I have never professed to have the same ability, energy and driving force as the Minister for Lands. The Government have had this scheme in hand for 4½ years, and I have not.

The Minister for Lands: That is a nice way to get out of it.

Hon. Sir JAMES MITCHELL: I have no desire to rid myself of any responsibility, but the Minister for Lands wishes to get out of his. We will, however, apportion the blame as it should be apportioned.

Hon. W. J. George: The Lord tempers the wind to the shorn lamb.

Hon. Sir JAMES MITCHELL: I hope the measures that have been taken will relieve unemployment, and that we shall soon find everyone at work. I suppose the Premier has selected the local authorities to employ these men as the best means out of the present difficulty. It is a temporary expedient, and because of that the same trouble will begin all over again. I had some unemployment during my time. Labour members of the day often discussed the matter with me, but I never had an unemployment demonstration such as we saw recently.

Mr. Clydesdale: You had your share too.

Hon. Sir JAMES MITCHELL: I never had anything like that. I hope we shall never see anything like it again. The unemployed in my time were never disturbed by the police.

Hon. G. Taylor: You did not have to get the protection of the police.

The Premier: You do not suggest that I got the protection of the police? If you do it is a lie.

Hon. Sir JAMES MITCHELL: No one would suggest that. The police did their duty and kept order. That is always their duty. When the tea rooms strike was on they were not allowed to do their duty or keep order, but they are doing it now. I do not know that they were necessary on the last occasion. A few years ago when the police rode on the footpath there was a fearful outcry, and I think some civil servants lost the number of their mess. The unemployed demonstrations had some effect, and a number of the men have been sent out. I do not know how many remain. In the country there are many men walking about out of work and in need of food. Amongst them are many good fellows who are hungry

and must ask for food. Trades Hall seemed at the last moment ready to exert itself, and took some interest in the unemployed.

Mr. Kenneally: That is a most unfair remark.

Mr. Withers: Do you think Trades Hall took no interest at all until then?

Hon. Sir JAMES MITCHELL: After the demonstration they took a part in the matter, asked that the unemployed should be heard, and that the police should be pulled off. The police were pulled off, and the unemployed were heard.

Mr. Kenneally: The hon. member knows that Trades Hall were doing their part in looking after the unemployed long before that.

Mr. J. H. Smith: They were obliged to have a union ticket before they could get a job.

Mr. Sleeman: Not at all.

Hon. Sir JAMES MITCHELL: I know they had been getting a couple of meals a day. Many things could be done to meet the situation. One of these is to set up clearing contractors amongst the British people. Italians get the work because Italian contractors are prepared to see the job through and employ their own countrymen. I believe that 99 per cent. of the clearing that has been done has been carried out by English people, by those of our own race, but amongst them are no clearing contractors who will take the responsibility of seeing the job through. The farmer cannot do it, and he will not do it either.

Mr. Sleeman: They have seen it through in the past.

Hon. Sir JAMES MITCHELL: Very few farmers have been able to get their land cleared by men who will undertake the job as a contractor. They are quite ready to farm the land when the work has been done. The thing for the Government to do is to set up clearing contractors amongst the British. It may be necessary to start them off with money, but that would be better and cheaper than to spend it on charity as has been done recently.

The Minister for Lands: To what land are you referring?

Hon. Sir JAMES MITCHELL: I am referring to the clearing of land that has been thrown open.

The Minister for Lands: Before it is selected?

Hon. Sir JAMES MITCHELL: No. It is clearing work which the Italian is getting now.

The Minister for Lands: That is the farmer's privilege.

Hon. Sir JAMES MITCHELL: The farmer, in dealing with the Italian contractor who has been here for many years, knows that he will do the job for him and will not be required to pay for it until it is finished, and will thus be only too glad to leave the work in his hands.

The Minister for Lands: You cannot force the land owner to accept other contractors.

Hon. Sir JAMES MITCHELL: We could take our own gangers and set them up as clearing contractors. These men could be sent out with parties of English people, or our own people who are out of work, just as is done by the Italian contractor. If that could be done, we should find there would no longer be any complaints regarding the Italians getting the work. I am told that very few British clearing contractors are now operating. It is possible the Government will have to find some of the money, but that would be better than spending it on charity in Perth. Some of these Italian contractors have been here for many years. They are well known, and, as the Minister for Lands knows, have been regarded as our own people for some years. They are quite ready to take on the job, and to employ their own countrymen to do the work.

Mr. Chesson: They are exploiting their own countrymen.

Hon. Sir JAMES MITCHELL: Probably. What we should do is to get the clearing work done by our own people. This can only be brought about by the means I suggest.

The Minister for Lands: Some of the farmers do not want to employ British people.

Mr. E. B. Johnston: They all prefer Britishers.

The Minister for Lands: I will give you some facts about this before the debate is finished, about the kind of foreign employment that is given with the funds of the Agricultural Bank.

The Premier: The fellow who writes to the papers and signs himself "Britisher" is the class of man who would employ foreigners because they are cheap. There is no ques-

tion about that. They are paying only 15s an acre to the foreigners.

Hon. Sir JAMES MITCHELL: I do not know anything about that.

The Premier: I do.

Hon. Sir JAMES MITCHELL: I know there is a great need for clearing contractors.

The Premier: The virtue of foreigners lies in their cheapness.

Hon. Sir JAMES MITCHELL: There is a need for this contracting system in order to keep our own people out of unemployment.

The Minister for Lands: I know of a contractor who journeyed 40 miles to get a contract, and when he got there the farmer wanted to know if he had Italians on the job.

Hon. Sir JAMES MITCHELL: The Minister is unfortunate in his friends.

The Premier: They are talking with their tongues in their cheeks. They say they cannot get British labour. They mean they cannot get it at the rates they are prepared to pay.

Hon. G. Taylor: That is not a fact.

The Premier: It is a fact.

Hon. Sir JAMES MITCHELL: I think the Premier is misinformed.

The Premier: I am not misinformed. Of course they will not admit it.

Hon. Sir JAMES MITCHELL: That seems to be a growing habit.

The Minister for Railways: That is how the argument starts.

Hon. Sir JAMES MITCHELL: The Agricultural Bank officials know whether the farmers are paying reasonable rates or not, because a great deal of the land is cleared under Agricultural Bank advances. I know that many people do pay more than the bank considers a fair thing.

The Minister for Lands: I have had to pay more than the Agricultural Bank rates.

Hon. Sir JAMES MITCHELL: We are not going to get rid of unemployment permanently by merely following the measures that have been adopted. We must make a more determined effort to induce these men to go out and do the important work of clearing land. I am glad a redistribution of seats Bill will be brought down. We have not been told anything about it, and I do not propose to discuss it. We did not give the member for Coolgardie (Mr. Lambert) a fair chance, so we will let him off for anything he has said. I hope the Bill will soon be

brought down. I have known for some time past that the Government were looking into the matter. I hope the redistribution will not be made by the Government, but by an independent board or body, as provided by the Act on the Statute Book. We shall await the Bill with interest. It is our duty to see that the boundaries are in keeping with the needs of the situation, and that the arrangement is made on a fair basis. I am sure the Premier will see that the work is fairly done without any regard to the interests of his own or any other party. He will do what is just by the people of the State. Nothing else should be done. I do not believe the Ministry should fix the boundaries.

The Premier: We had an experience in 1911 of the boundaries being fixed by the Government. This Government will not fix the boundaries.

Mr. E. B. Johnston: You have the machinery available for that now.

Hon. Sir JAMES MITCHELL: I was in the Government in 1911.

The Premier: The Government fixed the boundaries then. No board did it.

Hon. Sir JAMES MITCHELL: And the following Labour Ministry sat for five years without attempting to alter them.

The Premier: That is not correct. During the first year when we were in office, in 1912, we attempted to alter them, but the Bill was thrown out in another place. We brought in a Bill during the first year of being in office, in 1912.

Hon. Sir JAMES MITCHELL: The hon. member's Government made no real attempt to do so. What they did was to bring down a Bill which no one could approve of. They were going to appoint the officials themselves, or the persons who would fix the boundaries and this would have been precisely the same thing as fixing the boundaries themselves.

The Premier: No such thing.

Hon. Sir JAMES MITCHELL: The Commission was to be appointed by the Government.

The Premier: No. The hon. member does not know the contents of the Bill.

Hon. Sir JAMES MITCHELL: The then Premier put up a Bill which was much on the same lines as the Act on the Statute Book, except it was stated that the boundaries were to be fixed by a Commission ap-

pointed by the Government. I do not think any Government has a right to do that.

The Premier: I do not think so either.

Hon. Sir JAMES MITCHELL: It should be done by a properly constituted body, altogether outside of Parliament. I hope there will be an honest attempt to bring about a proper redistribution. I have nothing more to say except that I hope we shall get through the Address-in-reply fairly quickly so that the House may get on to the business of the country. It is important that we should devote a good deal of attention to the question of employment for our people. If we are to have migration—and I think it is absolutely imperative—then we should see first that the people who are here have employment. This is not likely to happen unless we so arrange the work of government as to encourage the enterprising to proceed with their work. We have no control over anything the Federal Government do, but when we consider that the cost of production has almost doubled during the last 14 years, largely owing to the operation of the tariff, we cannot wonder that there is some trouble. Just as goldmining could not be made to pay with less than 8 dwt. stone, so there must be a certain number of bushels of wheat obtained per acre if wheat growing is to pay. It depends largely upon the cost of production how many bushels the farmer can obtain from an acre. If the cost is artificially increased by high taxation imposed by both Governments, there must come a time when employment is scarce. In this country there is a great deal to do. Almost every acre in the South-West and on the wheat belt could be cleared, and all that it can grow can be marketed. We know it is a hungry world, and there has been a considerable shortage of supplies. Thus our opportunity has come as it never came before. All we have to do is to seize the opportunity when it is realised, and I think it must be conceded that Britain is doing her part to help us in this world development, so as to make progress easier for us financially. We should set out determinedly to make the State prosperous, and then I think we shall get rid of a good deal of the trouble that at present afflicts many people in the State.

On motion by Mr. Thomson, debate adjourned.

House adjourned at 9.4 p.m.