

Legislative Assembly,

Tuesday, 5th January, 1909.

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

PAPERS PRESENTED.

By the Treasurer: 1, Return *re* Government advertisements from July, 1906, to September, 1908, ordered on motion by Mr. Holman. 2, Returns under "The Life Assurance Companies Act, 1889."

By the Minister for Mines: 1, Collie coal supplied to Railway Department—Return of. 2, Industrial agreement and disputes with railway employees—Papers *re*, ordered on motion by Mr. Holman.

QUESTION—ABORIGINES MURDERED, LAVERTON.

Mr. NANSON asked the Premier: 1, Is the hon. the Premier aware that on the 12th November last first-class constable Tuohy reported in writing to the Commissioner of Police, in reference to the bodies of the eight aborigines found murdered in the vicinity of the Ida H. mine, near Laverton:—"I visited the spot about 11.50 a.m., also on my way to Burtville, and found that all the bodies were then burnt to ashes. Constable Hamilton accompanied me and saw the bodies disposed of in the manner described"? 2, Does Constable Hamilton now deny that he "saw the bodies disposed of in the manner described"? 3, Has first-class Constable Tuohy been required to explain how he came to make the report set forth in question 1. of this series of questions, and, if not, will the hon. the Premier cause a report to be obtained from him? 4, On what date, by whom, and under what circumstances was it first ascer-

tained that the bodies of the murdered aborigines had not been exhumed and burnt to ashes as described by first-class Constable Tuohy in his report of 12th November last? 5, Seeing that the official report of the alleged exhumation and burning of the bodies of the murdered aborigines was published in the Perth newspapers of 17th November last, why has not an explicit contradiction of the official report, accompanied by an explanation as to how such report came to be made, been afforded equal publicity? 6, In view of the suspicious circumstances surrounding the death of the murdered aborigines, and in view of the report of the Protector of Aborigines in relation thereto, will the necessary steps be taken to have the bodies exhumed, forwarded to Perth, and there subjected to competent tests in order to determine whether traces of poison can be found in the bodies? 7, Was any evidence adduced at the inquest on the remains of the murdered aborigines to show that the spear wounds found in the bodies of two of the victims were mortal wounds and such as to cause instantaneous death? 8, Is it a fact that one of the wounds referred to in the foregoing question was described by the medical witness at the inquest as having partially healed and that the person upon whom it was inflicted must have lived several days after its infliction, supposing the wound alone to have caused his death? 9, On what date, at what hour of the day or night, under what circumstances, and by whom were the bodies of the murdered natives found? 10, Was evidence tendered at the inquest, or is evidence in possession of the police, as to tracks or other marks on the ground at the spot where the bodies of the murdered natives were found? 11, On what date, at what hour of the day or night, under what circumstances, and by whom were the dogs belonging to the murdered natives shot? 12, How, where, and by whom have the bodies of the dogs so shot been disposed of? 13, Have measurements been taken with a view to ascertaining the precise distance of the spot where the bodies of the murdered natives were found

from (a) the Ida H. mine, and (b) from the nearest frequented road or track?

The PREMIER replied: By way of explanation, I would like to state that the questions answered on the 15th December in reply to the hon. member were framed from the information then available on the file, but in view of the later investigation by the Chief Protector of Aborigines, they require amending in some particulars. In answer to question 5, it was stated that no photographs were taken. This has since been found to be incorrect, as several photographs are in possession of the department. The answer to question 7 would have been more correct if the report of the doctor, which has since been obtained, had been available. It reads as follows:—

"Before leaving for the scene of the murders I discovered that it had been freely rumoured that the blacks had been poisoned by cyanide which had been laid as a bait by some white or whites. The idea that they had been done to death by other blacks was scarcely mentioned, so that I journeyed to the place fully imbued with the idea that cyanide was probably the cause of death, or at all events that there was a strong presumption of such being the case. I went there with a full determination to discover the exact state of affairs, and make as thorough an examination as possible, in order to settle one way or the other the report which was being carried around."

In regard to question 10, the report since received shows that the dogs were shot by three employees of the Ida H. mine early on the morning following the evening on which the bodies were discovered. The information required by the hon. member in the series of questions he has just put can be best given by the report of the Chief Protector of Aborigines, who proceeded to Laverton to make a personal investigation and obtain fuller information of all the circumstances surrounding the case. A plan of the locality is attached. In view of the inquiries that have since been made, I consider it advisable to read this report, so that members may have an opportunity of knowing exactly the facts of the case. The report is as follows:—

For the hon. Minister's information, relative to the eight natives found dead at Laverton, I beg to report as follows:— On the 10th November it was reported by W. H. Lister to Mr. Campbell Shaw, manager of the Ida H. mine, 7 miles from Laverton, that the dead bodies of eight aborigines in a highly decomposed state had been discovered about a quarter of a mile from the main camp. This matter was reported at once to the police and Mr. Campbell Shaw (who was the acting-coroner) and three jurymen went out to view the bodies, accompanied by Dr. Pitcher, D.M.O. After viewing the bodies, the coroner gave orders for their burial and adjourned the inquiry to the 18th instant. On the 18th November, before Mr. Campbell Shaw (acting-coroner) and a jury consisting of W. H. Robins (foreman), A. N. Doyle, and J. McKenzie, the adjourned inquiry into the death of the eight aborigines found dead in the bush near the Ida H. mine on the 11th inst. was held. After hearing the evidence the jury returned a verdict: "That on or about the 3rd day of November, 1908, the eight deceased aboriginal natives came to their death by being murdered by other natives unknown, in accordance with tribal custom." On receipt of the evidence taken at the inquisition further reports were asked for and received from the police. Having commented on this evidence and suggested that further light should be thrown on many of the points contained in the said evidence and reports received from the police specially in regard to— 1. The position of the bodies when discovered; 2, medical evidence that no bones were fractured, although there was evidence of "nullahs" having been forcibly used; 3. the native dogs being found dead alongside the bodies; 4, the burning of the bodies, I was instructed by the hon. the Colonial Secretary to visit Laverton and to inquire into all the points raised, and go into the question generally. The first thing I did, after my arrival, was to question the police officers on all points of the evidence given by them and other witnesses at the inquest. I interviewed Dr. Pitcher, who gave the medical evidence at the inquest;

and as his evidence has been questioned on several points. I attach a report which he gave to me on the question. Inter alia, he states:—

"Before leaving for the scene of the murders, I discovered that it was being freely rumoured that the blacks had been poisoned by cyanide which had been laid as a bait by some white or whites. The idea that they had been done to death by other blacks was scarcely mentioned, so that I journeyed to the place fully imbued with the idea that cyanide was probably the cause of death, or at all events that there was a strong presumption of such being the case. I went there with a full determination to discover the exact state of affairs, and make as thorough an examination as possible, in order to settle one way or the other, the report which was being carried around. On arrival I discovered the bodies lying in various attitudes, as related in evidence. Lying near the bodies were the carcasses of three dogs. I at once saw that those dogs gave no bearing to the death of the blacks, for the reason that they were quite fresh, whereas the bodies of the blacks were highly decomposed. I made a very exhaustive examination of the bodies. It occupied me for fully an hour and a-half. Many holes there were in the bodies, but such was the quantity of vermin that it was impossible to say whether any of these holes had been started with spears or not. For a long time I failed to find any definite cause of death, and was beginning seriously to think of recommending the analysis of the contents of the internal organs, when suddenly I discovered in one of the bodies a hole which at once took my attention as being different from the others. This hole had evidently escaped the ravages of the vermin. To my mind it gave clear evidence that it was a spear wound. On turning over the body of the woman "Judy," who was about 100 yards away from the others, and on ripping open the clothes, the first thing that presented itself to my notice was the barb of a spear. It fell out into my hand as I opened the clothes. This

discovery, following on the discovery of the spear wound in the other native, decided me in my decision, and in the making of it I had not the slightest shadow of a doubt. I felt that I could, unhesitatingly, give my opinion. The matter looked too plain to admit of any doubt. The blacks had evidently been crept on and killed while they slept, with the exception of one woman, who had evidently been aroused and was making off for the village, when she was overtaken and speared in the back."

I examined all the exhibits produced at the inquest, in the shape of spears, nullahs, etcetera, found on the ground where the natives met their death. There were a fair number of the former, and most of them were shattered as if having been forcibly used. The "nullahs" were also shattered, and also bore evidence of having been forcibly used. On one I found hair attached to the splintered part which on being submitted to Dr. Pitcher, D.M.O., was pronounced human hair. I examined the native woman who identified the bodies of the deceased, and other natives who were in town, and closely questioned them as to the cause of the death of their friends. They all unhesitatingly stated that some Darlôt natives had killed them. Although I tried to put their thoughts into a groove of suspicion that death was caused otherwise, they were all very positive that the natives were killed by spearing at the hands of some of the Darlôt tribe; and I was absolutely unable to shake their statement. Not even a shadow of suspicion appeared to lurk in their minds that foul play at the hands of whites had taken place. In confirmation of the statement made by them to me the men pointed out the broken spears produced at the inquest, and they positively asserted that one of these was from a far-away country, and was made from wood that did not grow in the district surrounding Laverton. I then proceeded to the Ida H. gold mine (seven miles from Laverton), and visited the scene of the tragedy, and found that the camp of the deceased natives was made in mulga scrub growing on ironstone country. I saw evidence of

what must have been an extremely heavy downpour of rain which occurred. I was informed, some two days after the supposed date of the murders, and which was heavy enough in my opinion to obliterate any tracks made in the hard, surrounding ground. I was also informed by Mr. Campbell Shaw that a body of strange natives passing some of the outlying camps of those engaged on the mines was seen in the early hours of the morning of the supposed murder; also that a noise at the deceased natives' camp was heard shortly after on the same day. This is confirmed by the sworn evidence of William Henry Lister, an employee of the Ida H. mine, who says—

"I was told by William Rogers that on Tuesday morning the 3rd instant he saw a crowd of blacks going towards the natives' camp about daybreak. They were in their native state and carrying implements with them. He (William Rogers) stated that he had to go to work on the mine early this morning, hence his seeing them."

This evidence is further confirmed by that of Francis Banks, who stated on oath at the inquest, that "he saw nine strange natives on the 5th November, five days before the bodies were discovered, between Burville and the Ida H. mine." I was also informed by two men engaged at the mine that, with the assistance of a third whom I was unable to see, they shot three dogs attached to the natives' camp, shortly after the discovery of the bodies. The names of the men who shot the dogs were T. Godley, M. Roberts, and T. Foster, and their motive in shooting them was because the dogs, after molesting the bodies by tearing at the decomposed flesh, were foraging around the workmen's homes (*vide* telegram attached). This statement is confirmed by Dr. Pitcher's report (attached) that the bodies of the dogs when examined by him were not in a state of decomposition. I also ascertained that nearly all of the deceased were either cripples or in such a bad state of health that they would fall an easy prey to a band of hostile natives. The strongest and healthiest of the lot was the woman "Judy" whose body

was found about 60 yards from the others in the direction of the main camp of whites, and who evidently, according to the medical evidence, had been speared in the back while trying to escape for protection. The explanation given to me by Mr. Campbell Shaw, manager of the Ida H. mine, why the bodies were not discovered before they were in such an advanced state of decomposition, although only 150 yards from the nearest camp, was that sanitary regulations were enforced at the mine different from those obtaining in ordinary bush camps, consequently there was no occasion for anyone to go in the direction where the bodies were found; and if the wind had not changed and blown in the direction of the mine the discovery would probably not have been made as soon as it was. After my examination of the scene of the tragedy I again closely questioned the natives as to the cause of the murders, and ascertained from them that about (as far as I could make out) four months ago some Laverton natives had gone to the Lake Darlôt country and at a spot between Lake Way and Ashton had killed three natives and two gins of that tribe, and that they attributed the murders of their countrymen and women at the Ida H. mine in the Laverton district to one of revenge. Bearing in mind the medical evidence given at the inquest, that no bones were broken and yet the "nullahs" found about the dead bodies bore evidence of having been forcibly used, I was particular in examining the native men on this point. They explained to me, however, conclusively to my mind that the "nullahs" had been used across the neck, a method used when seeking to disable the attacked party. I again questioned them relative to the spears found near the bodies, which although shattered, still had one barb intact. Notwithstanding that I tried to convince them that it was almost impossible to inflict mortal wounds without breaking these barbs, yet they satisfied me by their graphic description that, incredible as it may seem, it could be done. Up to this point I had satisfied myself from the evidence gathered, that the reports which appeared in the public

Press were somewhat misleading, especially to the public living hundreds of miles away from the scene of the tragedy. In the first place it was reported that three dogs had been found dead alongside the bodies. If it had also been stated, which is an undoubted fact, that the three dogs had been shot on the morning of the discovery of the bodies, it would have been known that the death of the dogs gave no bearing on the death of the natives. Also the report about the bodies being discovered side by side, with arms outstretched as if sleeping peacefully, no doubt caused suspicion of foul play having occurred at the hands of the white race. The photographs attached to this report do not altogether bear this statement out, and it must be borne in mind that these deaths were caused by a tribal murder and not by a tribal fight. Conflicting reports were also published relative to the burning of the bodies. The official report in the *West Australian* of the 17th November contained a misprint whereby the word "buried" was twice substituted for the word "burned" and which led to some misunderstanding. The facts of the case are as follows:—The undertaker is the contractor for the burial of all paupers in the Laverton district, and it was no doubt with the object of being paid the sum of £72 for the burial of these native bodies that he sent me, before I left Perth, an absolutely incorrect statement, viz., that all those portions of the bodies he was unable to remove were buried by him and that he only burnt the refuse remaining, having been instructed to do so by the health inspector at Laverton. During my investigations at the scene of the tragedy I gathered quite sufficient evidence to satisfy me that all the bodies had been cremated, and on interviewing the contractor with this evidence in my possession he confessed having done so, and that the only portions that he buried were the bones that did not go to ashes. This statement I obtained in writing from him and is now attached. The following police reports are submitted as evidence of the motive of the murder and all clearly indicate that it was a tribal murder as an

act of revenge. On the 7th November, three days prior to the discovery of the decomposed bodies, Sub-Inspector Duncan of Menzies wired to the Commissioner that he had received a report that the battery house of Dwyer's mine (near Erlistoun) 55 miles from Laverton, had been attacked by a party of sixty natives, armed with rifles and guns who fired several shots which penetrated the building. The offending parties were supposed to be Darlôt blacks who were after some local natives who had taken refuge in the mine. Police constable Malone, in charge of Laverton station, together with three other constables and two native trackers, were instructed to proceed at once to the scene of the disturbance to inquire into the trouble, and if possible to arrest the offenders. He reports—

"On the 8th inst. he saw Mr. Milne, licensee of the Cork Tree hotel, who informed him that about 70 natives had camped within 200 yards of the hotel on the night of the 4th inst., and that on the following morning they went into his garden and stole some vegetables. Mr. Milne followed them over to their camp with a gun with the object of frightening them, and on arrival at their camp seven of them got up and showed him guns and rifles, at the same time informing him that he need not be frightened, that they did not want to kill him, but that they wanted to kill some blackfellows. They also informed him that the Laverton blackfellows had gone over to their country and killed some of their tribe, and that they had now come over to this country to kill some of the other fellows' tribe. After visiting Dwyer's battery to inquire into the alleged offence by natives, mentioned above, on the 10th inst. they followed the natives' tracks in the direction of Darlôt. On their way they met Mr. McNie's blackboy at Davies Pool. He informed them that he had met a large number of Darlôt and Lake Way tribes of natives, and one of them informed him that they had killed six bucks and two gins close to the Ida H. mine near Laverton, and said they had done it

because some of the Laverton tribe had been over to Darlôt and killed some of their tribe, and they were having revenge."

The information given them by this native at Davies Pool regarding the death of the blacks at the Ida H. mine was the first information that Constable Malone had received of the murders and he did not believe it at the time. Constable Malone returned to Laverton on the 13th November at 7 p.m., when he learned that the report was true. Report by Constable Richardson, stationed at Mount Sir Samuel, who, writing to Sub-Inspector Duncan on the 19th November, states as follows:—

"On the 13th November last, H. G. B. Mason, of Sir Samuel, reported that four native women had been killed and two native women wounded and left for dead by some Laverton natives."

Police constable Donaldson, of Lawlers police station, on the 10th December reported as follows:—

"Whilst on duty at Darlôt on the 4th instant it was reported to me that some three or four bodies of aboriginal natives were lying exposed about 40 or 50 miles north of Darlôt. Acting under instructions I proceeded to Darda cattle station with the object of finding and burying the bodies. Although I searched the bush for three days I was unsuccessful. From the information I gleaned from various sources, I am of opinion that the Laverton tribe of natives visited Darlôt and the country north of Darlôt about the end of September last, killed the natives whose bodies I was searching for, and returned to the Laverton district. The Darlôt tribe then retaliated by gathering together members of the Lawlers, Wiluna, and Sir Samuel tribes, assisted by some from Peak Hill, the result being the murder of several natives, near the Ida H. mine, in the Laverton district, by them about the beginning of November last. These natives returned through Darlôt, and are now on their way to Peak Hill, where another tribal fight is to take place shortly."

Although I visited Laverton with the idea impressed in my mind that there was a suspicion that the natives' deaths occurred in a manner opposed to the verdict of the jury, I have now, I am pleased to report, come to the conclusion, after reviewing all the evidence and information gathered by me during my visit, that the deaths of the eight natives found near the Ida H. mine in the Laverton district were caused by a band of hostile natives from another tribal district, and that the verdict of the jury, viz., "That the eight aborigines on or about the 3rd of November came to their deaths by being murdered by other natives unknown, in accordance with tribal custom," is a correct one, and there is not a shadow of suspicion left in my mind that their deaths were caused in any other way.—(Sgd.) C. F. Gale. 3rd January, 1909.

QUESTION—EARLY CLOSING ACT, PROSECUTIONS.

Mr. DAGLISH asked the Premier: 1, Is it the intention of the Government to institute proceedings against those shopkeepers in Perth who have violated the Early Closing Act by keeping their shops open until 10 o'clock on Fridays? 2, If not, why not?

The PREMIER replied: The shopkeepers referred to are being advised that by a recent decision given in the case of *Bendon v. Moore* they render themselves liable to prosecution for a breach of the Act.

QUESTION — REGISTRAR OF FRIENDLY SOCIETIES.

Mr. SWAN asked the Premier: 1, Since Mr. E. T. Owen has been appointed Commissioner of Taxation, do the Government intend to combine the office with that of Registrar of Friendly Societies? 2, If not, when will an appointment be made to fill the position of Registrar of Friendly Societies?

The PREMIER replied: 1, No. 2, Applications are now being invited, returnable 17th February.

QUESTION — MORTUARY CARE-TAKER, BOULDER.

Mr. GILL asked the Premier: 1, On what date was Constable Fortescue appointed caretaker of the Boulder Mortuary? 2, Did he apply for the position; if so, on what date? 3, Had Constable Gallagher made a prior application? 4, If Gallagher applied first, why did he not receive the appointment? 5, On Constable Fortescue's removal from Boulder was Constable Cannon appointed to the position? If so, for what reason? 6, When Constable Cannon retired from the position how many applicants were there for it, who was the successful one, and for what reason was he appointed? 7, What is the remuneration attached to the position, and was the officer appointed the senior of all applicants?

The PREMIER replied: 1, 23rd June, 1906. 2, No. Constable Fortescue was recommended for the position by the District Officer. 3, Constable Gallagher applied for the position on the 8th June, 1906. 4, Because Constable Fortescue was the senior officer and the work was convenient to him. 5, Yes; he being the senior married constable at Boulder station, and being recommended as the most suitable for the position. 6, Three. Constable Gallagher was the successful applicant. He had previously applied and been recommended for the position in June, 1906, and January, 1908. He had acted as caretaker on two previous occasions and performed the work satisfactorily. Constable Gallagher has been stationed in the district for over 7 years. He has fixed hours of duty (station reserve), and therefore the duties can be conveniently performed by him. 7, (a) £30 per annum. (b) No.

QUESTION—LAVERTON PROSECUTION. COSTS.

Mr. GOURLEY asked the Attorney General: 1, Who are paying the costs in reference to the prosecution of the manager and others of Forrest, Emanuel & Company at Leonora? 2, Is the prosecution one on behalf of Forrest, Emanuel & Company concerning certain transactions with their late manager Brown and

others? 3, Was a detective specially despatched from Perth to investigate the matter, when a branch of the Criminal Investigation Department is in existence on the Eastern Goldfields? 4, What expense has been incurred up to the present time in reference to the investigation and prosecution?

The ATTORNEY GENERAL replied: 1, Messrs. Forrest, Emanuel are paying the expenses of the detectives engaged in investigating the alleged crimes. 2, The prosecutions are for crimes alleged to have been committed against the said firm by Brown, Morek, and Withers. 3, A detective was despatched from Perth, Sergeant Walsh, of Kalgoorlie, being too busy to leave his district. 4, Witnesses for prosecution, £96 1s. Detective's expenses to date, including train fares, £44 2s. 5d.

PERSONAL EXPLANATION.

Mr. Holman and the Minister for Railways.

Mr. HOLMAN (Murchison): Before the business is proceeded with I desire to rise on a question of privilege, in connection with a statement made by the Minister for Mines at the last sitting which I attended. When speaking in reply to a motion that I moved, the Minister made the following remarks:—

"When I heard the hon. member was going to certain parts, I said: 'You might ask him who paid a portion of his election expenses when he was first elected to Parliament'. I did it, and there is nothing I have been more ashamed of in my life."

That statement is absolutely incorrect, and I am going to ask, Mr. Speaker, that the Minister for Mines should be requested to withdraw it. He will not do so on his own initiative, and I ask that the Minister should be requested to withdraw the statement.

Mr. SPEAKER: The hon. member can only rise in explanation.

Mr. HOLMAN: Very well, I will rise in explanation. Previous to that the Minister for Mines in going through his electorate made certain statements in re-

lation to myself, which were absolutely incorrect. He also stated there that he paid my election expenses. I deny that he paid one solitary penny of my election expenses; the only expenses that he paid on the occasion of that visit were the expenses incurred by him at hotels in connection with his own keep, and perhaps the drinks that he bought. I have here the butts in my cheque books for the year 1901. I find that on the occasion of the visit in question I drew a cheque for £30, which represented part of the cash I took in my pocket. Mr. H. R. Williams made a deposit of £25. The money I took with me was spent in going through the electorate while travelling with Mr. Taylor and Mr. Gregory. I have also the butts in my cheque book, which show that I paid the *Murchison Advocate* and the *Murchison Times* the whole of the expenses incurred in connection with that election, and also paid for trap hire in connection with the same election. I paid another account, shown here, for advertising, on January 9th, and I paid a cheque for £25 5s. to Mr. R. Allen for a horse and trap which drove the present Minister for Mines and Mr. Taylor through that electorate. These amounts were spent in less than a fortnight, and every account was paid by myself, and afterwards the different bodies in the electorate sent me sums of money to reimburse me what I spent. I may say that in almost every centre which we went to during that election campaign our hotel expenses were paid by the people in the different parts of the electorate and the Minister for Mines in making the statements he has made has been wholly incorrect. The only expenses he paid during that trip were represented in any money he may have spent in hotels for drinks and refreshments; and I am going to ask him to withdraw the statements made, namely that he paid any portion of my election expenses in 1901.

The MINISTER FOR MINES: I have not the slightest intention of withdrawing any statement I have made in that respect. The member knows the circumstances very well, and I am not going to withdraw.

Mr. HOLMAN: Then I say that what the Minister for Mines did was a dishonourable action and unworthy of any man.

Mr. SPEAKER: The hon. member should not use that language.

The MINISTER FOR MINES: We are used to it. However I have no intention whatever of withdrawing.

Mr. SPEAKER: It is contrary to all Parliamentary practice.

MOTION — COMMONWEALTH FINANCIAL PROPOSALS.

Premiers' Conference Resolutions.

The PREMIER (Hon. N. J. Moore): In accordance with an agreement come to by the Premiers at the recent Conference in Melbourne I beg to submit the financial resolutions which stand in my name and which were adopted by the Premiers at that Conference and do move that they be adopted here. I do not think it necessary to read the whole of the resolutions. I will deal in the first instance with resolution No. 1, which is as follows:—

"That the Conference views with apprehension the proposals of the Commonwealth Government embodied in the memorandum of Sir William Lyne, and is of opinion that they will, if adopted, seriously affect the financial independence and solvency of the States, and further resolves—1. That in view of the fact that upon the State Parliaments devolves the duty of developing the resources of their respective States by means of land settlement, railway construction, irrigation and other public works, and that they are charged with the responsibility of maintaining adequate education and charity systems, and providing for the administration of justice, and other services, the financial obligations connected with which will inevitably increase with the growth of population, no financial scheme can be assented to by the States which does not provide for their receiving—(a) a fixed annual sum; and (b) a proportionate part of all increases in revenue from customs and excise."

I am satisfied there is no member in this House who will not accord to these resolutions sympathetic support. They were adopted by the Premiers as the basis upon which any satisfactory solution of the financial problem between the States and the Commonwealth should be adjusted and upon which any future arrangement must be founded. The true business of that Conference was to consider a memorandum submitted by the then Federal Treasurer, Sir William Lyne, in which he proposed a settlement of this vexed question. But that proposal was found to be so crude and in general so inequitable to the States that it was tacitly agreed that if any amendment were to be attempted Sir William Lyne himself would scarcely have known the memorandum when it was returned to him with those amendments. Therefore it was decided by the Premiers to lay down certain fundamental principles which they considered necessary to any proposal which might be submitted for their acceptance. In resolution No. 1 it is stipulated that revenue returnable to the State shall consist of in the first instance a fixed sum and secondly of a proportionate part of all increases in revenue from customs and excise. There is no new departure in this proposition. It has been accepted right along the line, and practically it is in force at the present time. The Braddon Clause virtually recognises and gives effect to the principle underlying this resolution. It is a principle for which the States have been contending for many years as a basis for any arrangement to follow upon 1910, and is one which Sir George Turner and Sir John Forrest, as Federal Treasurers, have both accepted. In Melbourne in 1904 Sir George Turner proposed that the Braddon Clause should be extended for another 15 years after 1910, and at Hobart a year later he proposed that the Braddon Clause should be extended for another 20 years; while in Melbourne in 1906, and again in Brisbane in 1907, Sir John Forrest agreed to handing over to the States a fixed annual sum equal to the average annual three-fourths of the customs and excise revenue for a certain period. The Western Australian delegates were anxious that the average

should be struck on a basis of the first five years after the inauguration of the Commonwealth; but it was contended by the representatives of some of the other States that as far as Western Australia was concerned those years had been somewhat abnormal years. Eventually it was decided to accept 9½ years as a basis for that average. It was not made 10 years, owing to the fact that some six months elapsed before the uniform tariff was introduced. So hon. members will see that, generally, this principle has been accepted right through. It was also proposed that if the actual receipts were over and above this fixed sum the excess also should be returned to the States. The only difference was that in the original proposal it was laid down that any surplus should be returned on a per capita basis. But Western Australia, it was pointed out, was contributing more than 100 per cent. over and above some of the other States and, consequently, in justice to her the return should be on a contributing basis. However it was reserved to Sir William Lyne to break new ground in respect to this question. He proposed to return a fixed sum of £6,000,000 per annum for five years, and for thirty years thereafter an additional £80,000 or £90,000 per annum. After the first 35 years no payments were to be made apart from those representing outstanding debt or interest or sinking fund that might be payable. He proposed to pay at the end of the 30 years some £8,250,000. But when it is remembered that last year the Commonwealth returned £8,859,560 hon. members will realise how inequitable was this proposal. It stands to reason, if we are to be guided by other countries, that with the increase of population customs revenue will increase. For every settler we place on the land is a contributor to the customs, and every railway we build for the purpose of settling the land means that we as a State contribute further to the customs revenue. For every mile of railway we build in 1910, if this adjustment be not effected, we will be contributing practically £100 per mile to the customs revenue. At the present time, as members are aware, three-fourths of that is returned to us; but after 1910, without this

agreement, we will be penalised to the extent of £1 per ton on rails and £3 per ton on fastenings for every mile of railway we build.

Mr. Johnson: Unless we manufacture in Australia?

The PREMIER: Just so; which, by the way, would mean considerably increased prices. However, the question is: is the Commonwealth to enjoy the increased revenue which must result from the developmental policy of the State? Is this State to bear the expense of settling the land, and is the customs revenue that will eventually accrue from this additional settlement to belong to the Commonwealth? Something like four-fifths of the functions of Government, it is estimated, are retained by the local State Parliament. Amongst others the question of the development of our lands is left, and rightly so, in the hands of the local Legislature. Then we have to consider, are we to have a premium placed on stagnation? Because under the proposed system it would pay the States not to increase population, inasmuch as with that increase additional obligations are imposed. We have for instance to provide educational facilities, police protection, and a hundred and one other things which become necessary as population increases. Surely this would be a one-sided compact. For my part I cannot conceive a more unjust method of dealing with the question. The population of Australia is increasing to-day. Even at the present rate of increase it is estimated that the population will double itself in 45 years' time. It necessarily follows that the revenue must also increase—that is, if we are guided by what has happened in other States and other countries. Any of the Premiers would have been false to his State had he been prepared to be a party to an agreement by which the States would have lost the annual increase—a sum amounting in 45 years to probably £750,000 per annum if not a good deal more. Undoubtedly there will be a large increase of revenue as time goes on, since population is bound to increase. Let us turn to the United States of America. In 1887 the customs revenue amounted to 336,000,000 dollars, and in 1906 it had

increased to 548,000,000 dollars. I am not able to say what was the per capita increase, but the salient point is that there was a huge increase in the amount received. The customs duties of Canada in 1887 amounted to £5,737,000, the population then being practically the same as ours. The population is now slightly larger than is ours and her customs revenue has increased to £12,014,000 or more than double what it was 19 years ago. Germany affords another example. In 1887 the customs revenue amounted to £17,298,000, whereas in 1906 it reached £41,735,000. So it is bound to be in Australia. Large accretions of customs will be experienced and, as I have said, the Premiers would have been false to their trust had they consented to waive the rights of States to share in these increases. I can hardly understand the late Prime Minister being a party to such a scheme. for turning to volume 1 of the Melbourne Convention I find Mr. Deakin reported as saying—

"These States must necessarily grow, and as they grow the Commonwealth revenue will necessarily increase. And as the Commonwealth increases possibly the States' requirements from the Commonwealth will increase also. As increases must arise in the natural course of events it would not be taking too bold or too hazardous a step to fix a sum based on the profits gained from those services and hitherto utilised by the several States for other purposes than their own colonies and to make the return of that sum the minimum returned either for a fixed period or, if necessary, in perpetuity."

Then Sir William Lyne, in speaking on that occasion, said—

"I would ask the hon. member to place himself in the position of State Treasurer. He would not know without some guarantee what money he would receive from month to month, or from year to year; and yet he would have to forecast his financial position for each succeeding year. It is all very well to say that the Federal Parliament will be framed from the electors of the States, as they are

now. That is correct in one sense, but only in one sense. It will be made up from the electors of the present States but under very different conditions. If the Federal Treasurer got into financial difficulties at any time, the first thing he would do would be to throw the responsibility on the State Treasurers by refusing to pay them the amount of money that they should receive. He would, perhaps, be able to carry on, but would do so by placing the States in a very unenviable position. I desire to leave as much as we reasonably can to the Federal Parliament, but we should consider the necessities of the States during the first few years of the Commonwealth. I do not think for one moment that there is a possibility of any of the States repudiating any of their responsibilities or becoming insolvent. Still, some of the States might be placed in very great financial straits if they were left dependent entirely on the Federal Treasurer. . . . I do not think the members of the Convention are here to form themselves into a number of State-wreckers, although it is approaching that. Every act that has been done is antagonistic to the States, and invests every power in the Federal Parliament. We were not sent here for that purpose and for my part I shall do all I can to give the States a fair show."

Mr. Kingston speaking later on at the same conference said—

"We have been at great pains to provide for the proper representation of the States; but all these constitutional provisions seem to me to be of little importance indeed so long as you leave the absolute control of the State purse-strings in the hands of the Federal Treasurer; and that is what you do unless you provide for something in the shape of a distinct return to the States."

Mr. Deakin at the conclusion of that debate voted for the Braddon Clause in perpetuity, as also did Sir William Lyne, who was responsible for the utterances I have just read.

Mr. Underwood: And also Mr. Reid, who knocked it out later on.

The PREMIER: I am satisfied that no words of mine are needed to recommend this first resolution to members. It is only a fair and reasonable one. This question has been considered by various statesmen and conferences.

Mr. Bath: Are you moving all the resolutions separately?

The PREMIER: I propose to speak to all of them separately. It is rather hard to disconnect the various resolutions, and I think the proper way will be for me to deal with them seriatim.

Mr. Walker: Will you consider them in Committee?

Mr. Bath: If you adopt the course you suggest, it would be better to consider them in Committee.

The PREMIER: I have not considered that. I thought that possibly, after I had spoken, there would be a discussion on the general question of the whole of the resolutions, and then the various resolutions could be put separately.

Mr. Walker: I think the proper course would be for you to move the resolutions in Committee.

The PREMIER: I am adopting the course followed in New South Wales. I was saying that this question has been discussed at various conferences and only recently the matter was given consideration by the conference of labour delegates held at Brisbane. There, to a very large extent, the scheme submitted by Mr. King O'Malley was adopted, and it seems to me that in principle it is practically the same as the motion I am now submitting. Under both these schemes what I call the fixed minimum, or as it was called in the Conference at Brisbane, "the amount per capita" has not yet been determined upon and can only be agreed to after a conference and agreement with the Commonwealth authorities. No doubt that will take place after the Prime Minister has delivered his speech in Queensland. When this basis has been arrived at it is provided by the Premiers' scheme that there shall be a fixed sum for all time, while under the scheme of the Conference at

Brisbane a fixed sum will also be arrived at, but it will be determined by multiplying the population by a certain amount. We presume that it is intended to return a minimum of four shillings per capita, and that there would be approximately a minimum of £800,000. In regard to the proportionate share of the increase, it is provided under the labour conference scheme that the increased population which is inevitable shall be multiplied year by year by a fixed sum per capita. This sum has not yet been determined upon. However, their scheme is that with an increased population there shall be an increased return. The same principle exists in the motion I am now submitting. Therefore, the two schemes have a common principle. They have a proper certain fixed annual sum which shall be the minimum which has to be proportionately increased. The Brisbane Conference proposal is that it should be increased by a certain amount per capita as the population increases. It seems that the scheme I am now submitting is wider, more general and more simple, while covering the same ground as the resolution of the Labour conference. In addition it was provided at that conference that in view of the exceptional position of Western Australia, a further capitation grant should be made to this State, to diminish gradually on a sliding scale until the State's share of the Federal revenue coincided per capita with that of the other States. That is what was practically suggested in Melbourne. Mr. Deakin asked me what I considered would be a fair sliding scale for Western Australia, so that a basis could be arrived at which would be fair to that State. I said that in my opinion it would be fair that a sliding scale should exist for 25 years, for by the end of that time we should be on the same level as the other States and there would be no longer a necessity for book-keeping, as the sum returned would then be paid on the per capita basis. Members are well aware that there is a stupendous work necessary in the development of this great State. Without borrowing it is impossible to carry out this work. What chance would

we have to carry out these works from revenue? In 1902-3 the James Government spent £20,000 and in 1903-4 £150,000 from revenue in the construction of railways, notably the Malcolm-Laverton, the Gooseberry Hill and Owen's Anchorage railways. At that time there was a population of 220,000 people and the Commonwealth revenue returned was £1,162,000, as against £600,000 now recommended by Sir William Lyne. It would have been impossible to do that work had the Commonwealth revenue been as now £460,000 short of the sum then returned, and the population whose wants had to be administered to 50,000 greater than it then was. I need not labour the question for the position is absolutely clear, and I say emphatically it would be impossible to have arranged for this expenditure out of Consolidated Revenue had the position in 1902-3 financially and in regard to population been what it is now. No government, no private individual and no company would incur such expenditure from revenue. Interest and depreciation, with perhaps sinking fund contributions, would be met by commercial people from revenue, from income, and this is ample. If we were forced to debit the capital cost of reproductive railways, etc., to revenue, as we would if our customs revenue were lost, one of three things would happen: we would either have to do without our railways or have them privately constructed on the lines of the Midland and Great Southern railways by giving certain grants of land in consideration of the railways being constructed, or we would be compelled to sue for Unification. Members are well aware that so far as the Midland and Great Southern railways are concerned the State handed over to the concessionaires 12,000 acres of land for every mile constructed, and it was provided that if they desired to repurchase they would have to do so at a valuation. The final alternative would be forced upon us, owing to the penurious position we would be placed in, of having to invoke the aid of the Commonwealth for the purpose of carrying out the great developmental work necessary in this State. Most members are satisfied that the Fed-

eral Government have sufficient plenary powers already and that there is no necessity to give them additional ones, more especially so far as the development of the State is concerned. We have no desire that the State should be governed entirely from the East.

Mr. Heitmann: The general opinion of the public is to give them more power.

The PREMIER: That may be the member's opinion, but it is not the opinion of this Parliament. I maintain that this Parliament, especially so far as development work is concerned, is the best judge of whether such works are necessary or not.

Mr. Bolton: You do not allow the House to do that. It is the other place.

Mr. Taylor: Look at the difficulties in connection with the construction of new post offices.

The PREMIER: Yes, we find at times the position is very difficult, so far as the post and telegraph works are concerned, owing to the fact that the authorities in the Eastern States are not so well seised as we are here with the circumstances surrounding the works proposed to be undertaken.

Mr. Taylor: They demand a guarantee.

The Minister for Mines: They will not take any responsibility.

The PREMIER: But very few members will contend that we should give up authority with regard to the carrying out of developmental works. This vast territory, comprising as it does one-third of Australia, some 640,000,000 acres of land, must be controlled in the State itself and surely none will advocate that we should altogether give away home rule. For many years we have fought for Responsible Government and I recollect well when a young man what a very great cry it was, and that as a result of obtaining Responsible Government in 1890, we had for the succeeding ten years unexampled prosperity in the State.

Mr. Underwood: Due to the discovery of gold.

The PREMIER: That certainly assisted it; but Western Australia went ahead very fast prior to the discovery of gold, and that was due to the fact that

the people were able to govern themselves. Previously to that we were governed from Downing-street, and certainly we do not want now to be governed from Collins-street. I voted against Federation, but I am prepared to do what I can now that we have it and as a law-abiding Commonwealth citizen to do all I can to assist; but at the same time I will fight for all I am worth to retain the powers given to us under the Constitution.

Mr. Heitmann: Give the people a vote in connection with the other Chamber and they will be with you.

The PREMIER: We were referring to the power that we, as a State House, had in controlling developmental expenditure. To forego our customs revenue would mean stagnation, abstention from the construction of railways, water and harbour works, and the forfeiture, to a large extent, of the State ownership of railways and other public works. It is certainly not the policy of the people of Western Australia to leave the railways at least to private enterprise. The other alternative would be to transfer to the Commonwealth, in fact it would mean the bringing about of another independent Government into an arena, peculiarly the State's, a condition of affairs which would be incompatible with the present system of Government, and inevitably bound up with the ending of the local regime. I have not thought it so far incumbent upon me to defend our borrowing for reproductive works. It is necessary for a young State such as this that such a policy should not cease. Its ample justification is its results and judging from the working of our chief trading concerns for 1907-8 these results are very satisfactory. After paying working expenses the railways returned £496,866; the goldfields water scheme, £92,000, the Fremantle harbour works, £74,034, and State batteries, £2,581. In all £665,501 out of a total interest bill of £670,838 on the whole public debt, which means really that last year we had the whole public debt free of interest, the only demand upon us being on behalf of the sinking fund. Need I say any more in commending the first

resolution to hon. members. If we give effect to that it will mean after 1910 the up-building of the State and our free existence will cease, for to stagnate is to retrogress. I am convinced that the future of the States generally is largely bound up in the question whether we are liberally treated or otherwise in connection with the Federal financial proposals. In connection with the scope of the second resolution some slight misunderstanding existed. This resolution reads—

“That, for the purpose of enabling the Federal Government to initiate a general scheme of old-age pensions, the State Governments will be agreeable to accept a smaller proportion of the customs and excise revenue than three-fourths, and thus supplement, if necessary, the amount which can be provided under the Commonwealth Surplus Revenue Bill.”

With regard to this I would say that when it was being considered the Premiers felt that they were engaged in the task of fixing a basis of a Federal financial scheme which would be acceptable to the States, and that being so it appeared to me that the whole of that foundation should stand or fall. As far as this one is concerned, when it was first brought forward there was a proviso in connection with it which read, “Subject to the foregoing resolution No. 1 being adopted by the Commonwealth.” An amendment was made to that, but as an alternative I proposed the resolution which now stands as No. 2 on the Notice Paper, and this was unanimously accepted. Mr. Deakin, in considering it, was prepared to accept this one without any delay at all, but at the same time was not prepared to make concessions as far as the other resolutions were concerned. He was prepared to accept No. 2 at once, because it would enable the old-age pension scheme to be introduced without delay. I felt we could not consent to this, especially in view of the Surplus Revenue Bill which was hanging over our heads at that time. While the Prime Minister was not disposed to make concessions to us he was asking from us in this resolution the one thing

necessary to him to complete a programme which had been mapped out with scant consideration for the interests of the States and the claims of equity and which was crystallised in Sir William Lyne's proposals and the Bill referred to. There was therefore a special reason why I should affirm the general wish of the Conference that that resolution should be considered as an integral part of the whole. I desired to see a system of old-age pensions introduced, but there has not been the same demand in Western Australia for it that there has been in the other States. No doubt this is largely due to the fact that we are a young community, and consequently the same necessity has not hitherto existed as in the Eastern States, but as the country becomes older, naturally we will get more into line with the Eastern States as far as the old and infirm are concerned. At the Conference in 1906, at which the Treasurer and the Leader of the Opposition represented Western Australia, the Treasurer then declared the preparedness of the Government to deal with this question if necessary. I have recently been in communication with the Premier of New South Wales with regard to the proposal and expressed my willingness to make provision at once for old-age pensions in Western Australia under the Commonwealth Act provided that the Surplus Revenue Act was repealed or held over. I sent a telegram to Mr. Wade, setting out my views, on the 30th June, 1908. That telegram read—

“All resolutions referred to in your telegram were passed at Premiers' Conference as inseparable parts of one financial proposal. Any departure from this position would militate against the interests of this State. However, I am willing to facilitate coming into operation Commonwealth Pensions Act in next January, and am prepared to recommend State Parliament to agree to your proposal which provides, inter alia, that Surplus Revenue Act be set aside until after 1910, but conditionally that money disbursed under Old Age Pensions Act will be charged to this State on the basis of

the actual amount distributed under the Act in this State. If your arrangement is adopted a condition necessarily will be that the distribution of the unexpended monthly balances of the Commonwealth one-fourth be carried out on the same lines as heretofore, and that no proposal be put forward for absorbing any unexpended portion of them."

Naturally if we were providing the appropriation direct from the State vote it would be only fair and reasonable that the Surplus Revenue Act should not be operative. I submit this resolution as an honest attempt on the part of the Premiers to meet the requirements of the Commonwealth Government in this very important matter of the initiation of a generous scheme to provide pensions for old and infirm citizens. The next resolutions I propose to deal with are 3, 4, 6 and 7, leaving 5 to be referred to later on. They are to this effect—

"3. That no restriction having been placed by the Constitution upon the borrowing powers of the States, and, further, for the reasons set out in resolution No. 1, the State should be the sole judges as to the raising of loans, within or without the Commonwealth, for the purpose of carrying on the work of internal development without interference by the Council of Finance as proposed in the scheme of the Commonwealth Treasurer, or by any external authority.

4. That the gradual assumption by the Commonwealth of the State debts may eventually lead to economies, but it would be advisable to allow the settlement of details to stand over until the question of the distribution of the net revenue from duties of customs and excise has been determined.

6. That the proposal of the Commonwealth Treasurer to take over the Sinking Funds of the several States without making equitable provision for compensation is objectionable.

7. (a) That, in the event of the Commonwealth taking over the debts, the total indebtedness of the respec-

tive States should be reduced by the sum of the value of the transferred properties (unless settlement for such properties be previously made), and that when the lighthouses, etc., are taken over by the Commonwealth, the States should be credited for them.

(b) The States urge an early settlement of this long-standing question."

The overshadowing consideration, so far as the States are concerned, of this Federal problem, has been throughout justly recognised by them as that of the returnable surplus. The transfer of the debts, though a matter of importance, is subordinate. Now with reference to this question of transfer, I cannot see that it is one of immediate concern. Once the really vital question of how we are going to fare after 1910 in regard to the return of our customs and excise revenue is satisfactorily adjusted, I apprehend there will be but little difficulty in arranging about the debts transfer. At the present time no actual transfer of debts—unless of loans raised prior to Federation—can be made without an amendment of the Constitution, which would entail the approval of both Houses of Parliament, as well as being submitted to the people by a referendum, usually done at the time of a general election. In our case this would leave nearly eight million pounds of our total debt in our own hands, £1,170,000 with the Crown agent, and the balance, £11,530,000, being transferable, that being the amount of our incurred debts prior to Federation. Now the only practical way in which the Commonwealth can take over the debts is by conversion, and this can be done without loss only on or after option dates. For instance, on the 15th April, 1911, or any time after that during 20 years, our 1891-93 4 per cent. loans, totalling £1,876,000, will be convertible. If the transfer of our loans to the Commonwealth were agreed to, it would be competent for the Commonwealth in 1911 to convert by issuing its 3 per cent. consols in exchange for these 4 per cents, or for the difference between this £1,876,000 and the sinking fund on these loans which is at present about £282,500, thus making the debt a Federal instead of a State obligation.

Mr. Jacoby: How do you propose to pay the interest under this conversion scheme?

The PREMIER: It was proposed in Sir William Lyne's scheme that the three per cent. consols would be issued, provision being made also for a half per cent. sinking fund, and that the interest would be paid out of the six millions, which would be allocated to the various States. There would undoubtedly be some saving in time if this were effected. No saving would be made as far as the management of the loans was concerned. We have made arrangements for domiciling our loans with the London and Westminster bank at a management cost per annum of £150 per million, which is something like £100 per million better than the arrangement which hitherto existed. This arrangement was fixed up recently by the Agent General, and most of the other States too were able to reduce the cost of the management of their loans, due no doubt to the fact that the banks were under the impression that the Commonwealth would take over the debts. Therefore the only other means of saving would be by the conversion of our loans. To what extent the Commonwealth consols would command better prices than the State stocks is doubtful. I have had some information on this point and I find that during the last seven years, after making allowance for accrued interest, the New South Wales' stock ranged higher than those of the Dominion of Canada in 1901, 1902 and 1907, while in 1903-4-5 the Canadian stocks had the advantage. On the 31st January of last year both were on the one mark. So, apparently, our parent State is able to hold its own with Canada as far as market value is concerned, and the presumption is it would be so with Australian consols. Our own Western Australian stocks, notwithstanding our frequent borrowing, are quoted, after allowing for accrued interest, at only 5s. below those of New South Wales in three per cents. and 14s. in three and half per cents. in which our borrowings are done. Comparing the stock of the States with British consols we find that the retrograde movement, during re-

cent years, has been more marked in the case of the latter than in either the Australian or Canadian stocks. During recent years New South Wales stocks fell from 106½ to 101, while British dropped from 97⅞ to 86⅞. Western Australian three and half per cents. receded during the same period, namely from August, 1901, to August, 1908, from 102½ to 99, or a fall of only 3½ points while Canada fell 4 points, New South Wales 5½ and consols 11¼. While there is not likely to be any immediate saving in management expenses it is evident from the figures that the ability of the Commonwealth to convert or to borrow to better advantage than the States is a matter of opinion. I have heard it from authorities that the Commonwealth stocks must be of a much higher value. Both Sir John Forrest and Sir William Lyne have stated that once converted they would be of much greater value. On the other hand Mr. Coghlan of New South Wales contends that practically it would mean very little difference.

Mr. Bath: Sir John Forrest and Sir William Lyne were speaking on the authority of their advisers in London.

The PREMIER: Still Mr. Coghlan is there on the spot and is going on actual figures. His argument is based on the figures of the Dominion of Canada. Apparently there they are no better off than are the authorities in New South Wales.

Mr. Bath: They borrow for much different purposes.

The PREMIER: The question of transfer of State debts has been linked with that of the control of State borrowing, and in my opinion it is round this that the battle will rage most fiercely. Under the Constitution the States are absolutely untrammelled as far as borrowing is concerned and they are not going to sacrifice this privilege. Only the State Parliaments understand the requirements of the States, and to transfer debts to a board of finance as suggested by Sir William Lyne is a proposal that does not commend itself to me. The State Parliament it seems to me should be the only authority on the points of when, where, or how we should borrow, and I certainly would not be in favour of handing over

those powers to a finance council as suggested by Sir William Lyne. The members of the council would be appointed to administer the debts raised, loans, etc. In connection with this matter it is interesting to notice what Mr. Deakin had to say at the Conference. One of the arguments used in favour of the council of finance was that they would be in a position to advise as far as loans were concerned and to stop improvident borrowing. In reply to a question addressed to him Mr. Deakin let in a little light on this subject. Captain Evans, the Premier of Tasmania, asked, "Will this council deal with loans borrowed for reproductive works?" Mr. Deakin replied, "No loan is excluded. It is not proposed to confer upon the council of finance any power to criticise the purposes for which any State thinks fit to borrow money." The report states—

"Captain Evans: Would they have the right to say whether a loan is justifiable or otherwise.

Mr. Deakin: None whatever.

Mr. Ashton: I understood Mr. Deakin to say that the unquestionable function of this council of finance will be to postpone, after consultation with the Treasurers, the less urgent loans for the more urgent loans.

Mr. Deakin: Yes, if that is necessary.

Mr. Ashton: Does it not necessarily involve an investigation by that body of the purposes for which loans are to be obtained, and a pronouncement of opinion as to which loan is of the more urgent character?

Mr. Deakin: No; that is a matter about which the Treasurers alone are entitled to speak.

Mr. Wade: Is it not this? That while you take over State debts you are also entitled to maintain the credit of the Commonwealth.

Mr. Deakin: Yes.

Mr. Wade: Then should not the council of finance have control over improvident borrowing on the part of the States?

Mr. Deakin: No.

Mr. Ashton: Then if any one State wanted to borrow ten millions it is

the duty of the council of finance to float a loan even though the result is to ruin the Australian credit?

Mr. Deakin: Yes."

We might very well ask with Mr. Wade, "Then what is the use of it?"—a query to which Mr. Deakin did not reply. Mr. Deakin first said that one of the duties of the council will be to maintain Australian credit. Then in order to escape from this admission he says that its duties will be to inquire into the merits of the various loans. It has been argued that the fact of another borrower in the shape of the Commonwealth coming on the market will affect the borrowing of the States. It naturally follows that the price of stocks recede considerably when a State borrows. In respect of our own million loan of last year, 14 days before it was floated our 1927-47's stood at £98. Fourteen days afterwards they were at £96 10s. That was due to the fact that the minimum for our latest loan was £97 or practically £96 10s. Consequently it was not likely that the purchaser of stock would buy at £98 10s. when the minimum practically amounted to £96 10s. Before going on the market it is necessary for the Government to fix its minimum below current quotations or it will not do business. As I said before, there is practically no connection between the debts transfer question and that of the returnable revenue. It was Mr. Deakin's idea to establish such a connection although Sir John Forrest as his representative, at Brisbane frankly admitted that there was no real connection between the two. At Melbourne in May last we proposed to disassociate them. The 1904 Melbourne Conference resolved that the perpetuity of the Braddon Clause was a condition precedent to the taking over of the debts. Hobart in 1905 was of the same opinion. Sydney in 1906 was less explicit, but the next three conferences decided that the debts transfer should be postponed until the financial question was satisfactorily arranged. I think members will agree that in coming to this conclusion the Premiers acted wisely. In respect of sinking funds, which are of much more importance in

our case than in that of any of the other States, I insisted upon the inclusion in the resolutions of one providing that compensation shall be given for any sinking funds which may be taken over. Mr. Deakin was agreeable to this, but under the Lyne proposal these funds were to be taken over apparently as the transferred properties, namely, without compensation. I felt that if the transferred properties were not to be compensated for there was all the more reason to fear that a similar fate would await the sinking funds. The importance of this debts question is my only excuse for dealing with it at such length. Resolution No. 5 reads—

“That in the distribution of the amount returnable by the Commonwealth to the States per capita contribution of each State to the customs and excise revenue shall be considered and allowed for.”

This is of very great importance, because it is absolutely necessary if we are to safeguard Western Australian interests. As I have already stated, this State's contribution per capita to the customs revenue is in some cases double those of other States, and it behoves us to see that the contributory basis should be recognised in any scheme for re-distribution. Sir William Lyne states that he personally does not care how the States distribute the amount allotted. But under his scheme, as far as Western Australia is concerned, if this payment had been made on the population basis, out of the £6,000,000 we would have received only £381,234, while on a contributory basis we would have received £674,327. Now the fact that the other States were prepared to recognise the fairness of our claim in this respect is evidence that the Premiers were actuated with an earnest desire to come to some finality as far as this scheme was concerned. Members will recognise that the difference between £381,000 and £674,000 had to be made up by the various States and not by the Commonwealth. So it is clear that in endorsing the proposal I made they were actuated with only the best feelings towards Western Australia and with a de-

sire to secure finality in this financial problem.

Mr. Jacoby: They were very liberal with other people's money.

The PREMIER: If they had carried the resolution at the five previous conferences that the surpluses should be returned on a population basis Western Australia would have been £300,000 worse off.

Mr. Underwood: No, it would not; the Federal Parliament would not have carried it.

The PREMIER: Nevertheless, it is in the scheme and Sir William Lyne has made the proposal. [*Mr. Jacoby interjected.*] Certainly; they said it was immaterial to them; they left it to the States to decide. At all the previous conferences the States had adopted the proposal which was made by Sir George Turner and Sir John Forrest and others than any return should be made on the population basis, but in this instance they agreed to waive their smaller differences and support the proposal then put forward. How important this matter is can be gleaned from the fact that it would make a difference of from £381,234 to £674,327. Mr. Deakin, in discussing the resolution afterwards, in reply to a question by myself said—

“I shall assume that 20 or 25 years is accepted as a fair maximum.”

That is a sliding scale which will enable us to descend gradually to the per capita, a solution of the difficulty which cannot be regarded as a satisfactory one. Now, speaking generally to the resolutions as a whole, I need only say that I submit them in the hope and belief that they will be given general support, or at least earnest and sympathetic consideration from members of the House. They have not been conceived in any party spirit nor framed on any party lines, and I hope that in the debate that will ensue on them no party aspect will be introduced. Broad general principles, designed for the purpose of safeguarding the interests of every citizen of the State, have been laid down in them. Various schemes have been devised to meet the exigencies of the financial situation as between the Com-

monwealth and the State, and I have no wish to discuss any other than those two I have already referred to, namely, the memorandum of Sir William Lyne and the proposal outlined by the conference of Labour delegates at Brisbane to which I referred. Regarding the other schemes, I think we may judge them by the standards set up by this series of resolutions, and let them stand or fall accordingly. I have much pleasure in moving—

That this House approves of the resolutions agreed to at the Premiers' Conference held in Melbourne, in April-May, 1908, namely:—That this Conference views with apprehension the proposals of the Commonwealth Government embodied in the Memorandum of Sir William Lyne, and is of opinion that they will, if adopted, seriously affect the financial independence and solvency of the States, and further resolves—1, That, in view of the fact that upon the State Parliaments devolves the duty of developing the resources of their respective States by means of land settlement, railway construction, irrigation, and other public works, and that they are charged with the responsibility of maintaining adequate education and charity systems, and providing for the administration of justice, and other services, the financial obligations connected with which will inevitably increase with the growth of population, no financial scheme can be assented to by the States which does not provide for their receiving (a) a fixed annual sum and (b) a proportionate part of all increases in revenue from customs and excise. 2, That, for the purpose of enabling the Federal Government to initiate a general scheme of old-age pensions, the State Governments will be agreeable to accept a smaller proportion of the customs and excise revenue than three-fourths, and thus supplement, if necessary, the amount which can be provided under the Commonwealth Surplus Revenue Bill. 3, That no restriction having been placed by the Constitution upon the borrowing powers of the States, and, further, for the reasons set out in resolution No. 1, the States should be the sole judges as to the raising of

loans, within or without the Commonwealth, for the purpose of carrying on the work of internal development without interference by the Council of Finance, as proposed in the scheme of the Commonwealth Treasurer, or by any external authority. 4, That the gradual assumption by the Commonwealth of the State debts may eventually lead to economies, but it would be advisable to allow the settlement of details to stand over until the question of the distribution of the net revenue from duties of customs and excise has been determined. 5, That in the distribution of the amount returnable by the Commonwealth to the States, the per capita contribution of each State to the customs and excise revenue shall be considered and allowed for. 6, That the proposal of the Commonwealth Treasurer to take over the sinking funds of the several States without making equitable provision for compensation is objectionable. 7, (a) That, in the event of the Commonwealth taking over the debts, the total indebtedness of the respective States should be reduced by the sum of the value of the transferred properties (unless settlement for such properties be previously made), and that when the lighthouses, etc., are taken over by the Commonwealth, the States should be credited for them. (b) The States urge an early settlement of this long-standing question.

Mr. BATH (Brown Hill): I would like to say at the outset that there seems to be a sort of melancholy prevailing in the atmosphere of this House this afternoon, giving one the impression that members have been attending a funeral in the holidays, instead of enjoying the festive season and coming here to meet other members with renewed vigour. In such circumstances the lassitude of the House is not the best incentive to dealing with this matter in the fulness which I believe it deserves. The motion submitted by the Premier, and which, I understand, has also been submitted by the Premiers of the other States for the approval of the other State Parliaments, appears on the face of it a somewhat

formidable one; but when it is examined I have no hesitation in saying there are parts with which I cordially agree, while there are parts to which I take exception; and I think it is possible in this House this afternoon to amend the motion in such a way that it will accord with the expressed views of the most influential party at present in Federal politics, the party which for the time being holds office in the Federal Parliament. So far as the vital portion of the motion is concerned, that dealing with the distribution of the Federal surplus, it is almost on all-fours with the resolution carried at the Brisbane Conference which, I take it, embodies the views of the Federal Labour Party. That being so, there should be no difficulty whatever. If both parties, the Federal Parliament and the State Premiers, are earnest and sincere in their desire to secure a *modus vivendi* and to remove the friction which has characterised the relationship between the State Premiers and the Federal Parliament during years past, I see no reason whatever why this should not be secured because of the way in which the two ideas in regard to the relationship on financial matter approximate one to the other. It is only natural that resolutions of this kind, which are somewhat bald and do not go into the elaborate details of schemes submitted by many hon. gentlemen both in Federal politics and out of them for the settlement of this difficulty, are capable of being construed somewhat differently by different minds; yet, at the same time, there is that basis, the fundamental underlying conception in the two schemes which appears to me to afford an opportunity for settling this difficulty. Undoubtedly the question of the financial relationship of the Commonwealth to the State has been a vexed question since Federation was first started. In fact, it was a vexed question at the Federal conventions. Day after day, and throughout many of the debates in Federal conventions, the best minds among the Australian politicians set themselves to the task of devising some satisfactory outcome; and it was only at the last moment that what was then character-

ised as the "Braddon blot," what sought to be the merest of makeshift arrangements between the Commonwealth and the States, was apparently gladly adopted by the Convention as the best outcome of the difficulty; and I am here to say that so far as the operation of that Braddon Clause is concerned it has operated fairly satisfactorily, and that if there had been that tendency among the State legislators and State Governments to bring themselves into line with the democratic ideals embodied in the Federal Constitution, we would not have had any of the difficulties and friction which occur to-day. The worst enemies of the State have been those who, while they have declared their advocacy of State rights to the fullest extent, have at the same time set themselves determinedly to the task of opposing any change for the better in the constitution of each of the individual States. For instance, at the time of the Conference when Sir George Turner was Treasurer, there was an opportunity for the State authorities to have secured an extension of the Braddon Clause for a term of 20 years, had it not been for the jealousies prevailing between the State authorities and the Federal authorities at that time. It was an offer put forward by Sir George Turner I believe sincerely, and with the conviction that if acceptable to the States he could have secured its enactment in the Federal Parliament, but at the time the excuse offered by the State politicians was that, even had they accepted the extension for 20 years, at the end of that period their successors, who would then be in power, would be faced with the same difficulty of securing an adjustment of the difficulties. The one argument against that was that the different conditions in Australia, the advance of the country, the growth of population and the approximation of the conditions in Western Australia to those of the Eastern States, would have removed many of the difficulties which present themselves now, and would have made the settlement of the financial relationship at the end of that 20 years' period much easier than it appears to be to-day. The next proposal was that of

Sir John Forrest, and here I want to point out that the Treasurer, in replying on the Budget debate, was entirely unjust and absolutely misrepresented the views I expressed on our relationship with Federation when speaking on the Address-in-Reply. Probably it was his only method of meeting the argument to misrepresent what I said and to reply to something which was never uttered by me on that occasion. As a matter of fact I was not satisfied at the Conference in 1906, which I attended together with the Treasurer, that the proposal put forward by Sir John Forrest really represented the views of the Federal Parliament. It may have represented the views of the Deakin Ministry, but I considered then that it did not represent the views of the Federal Parliament, and that there was a majority of members in the Federal Parliament, if not in the House of Representatives at least in the Senate, that would have stood out against a per capita distribution of the excess, which mode of distribution would have meant such injustice to Western Australia, and in a lesser degree, I think to Tasmania. What I did fight against was—and the whole of the report of the proceedings of that Inter-State Conference shows it—the narrow view of the State politicians, the Premiers and their colleagues sitting in that Conference, the advocates of State rights. It was their policy of grab, their absolute denial of a system which would give justice to Western Australia, which would give her a return of the revenue she contributed, that aroused the feeling not only on the part of the Treasurer but also on my own part; and as a matter of fact at the termination of the Conference we had to take exception to their proposals because we deemed them injurious to the interests of Western Australia. So, after all, I was not fighting the Federal Parliament, I was fighting the State politicians and more than any other thing, that Conference of State legislators which I had the opportunity of attending convinced me that among the conflicting interests and selfish points of view of State politicians there was no possible hope of securing any satisfactory outcome so far

as our financial arrangements with the Commonwealth were concerned. Now, Sir John Forrest's proposal was that a fixed sum should be returned, based on three-fourths of the net revenue for the 10 years before 1910, and that any sum in excess derived by the Commonwealth would be distributed per capita. Another part of the scheme was that the Commonwealth had the right to impose special duties for the purpose of raising revenue for the Commonwealth authorities exclusively, the idea at that time being that old-age pensions should be provided for by special imposts on tea and kerosene. As a matter of fact from figures we were able to present at the time we could point out that under that proposal, if carried, Western Australia would have contributed £147,000 under the two duties in order that those entitled to old-age pensions in Western Australia might derive £43,000. So it was manifestly unjust, but there was no possibility of securing anything better, and in the heat of the moment I think we accused the other delegates of having piratical instincts against Western Australia and of being desirous of grabbing Western Australian revenue for their own purposes.

(Sitting suspended from 6.16 to 7.30 p.m.)

Mr. BATH: I have been discussing the proposals which were submitted in a scheme put forward by Sir John Forrest, the then Federal Treasurer, and which of course we must regard as the scheme to which the Deakin Ministry were then committed. Following on a submission of that scheme in 1905-6, a Conference was held at Brisbane in 1907, when precisely the same proposals were before the Conference representing the States, and a great deal of discussion took place in which delegates from this State reaffirmed the injustice of a per capita distribution of any excess, and of our contribution towards the expenses of Federation. The Conference reaffirmed the proposals which were drawn up at the one held in Melbourne in 1906, and which with some slight alteration, were practically an endorsement of the proposals put forward by Sir John Forrest. In 1908 a change

had taken place, and undoubtedly the suggestions put forward by Sir William Lyne were not doing justice to the States in their relationship to the Commonwealth, and for this reason. Although we are often told that the Commonwealth raises the revenue for the States to spend, as a matter of fact we have to recognise that the Commonwealth when they took over the customs and excise, really took over the revenue upon which the States largely depended. Whatever may be the views of members as to a more desirable policy of taxation, or of securing revenue by means other than through the customs, so long as we have to submit to the customs' method of obtaining revenue, and a very large sum being raised by the Commonwealth there is not the same possibility of adopting direct taxation as there would be, were that out of the way; for it means that we have to impose direct taxation on top of the revenue derived from the customs, which is largely paid by the ordinary working classes, who constitute the great bulk of the consumers. Although, as a fact, the Commonwealth if we look at it from the point of view put forward by some advocates, get the revenue they took over the machinery which had been in existence before Federation and the source of revenue the States depended upon, and from the security of which they borrowed considerable sums of money for the purpose of carrying out developmental work. Whatever view members may take as to the respective spheres of the Commonwealth and the States, we must recognise that undoubtedly the States, through the obligations they entered upon before Federation, are undoubtedly entitled to some proportion of the customs revenue, and in my opinion they are entitled to some proportion of the advantage that must accrue by the growth of population in Australia. The most ardent federalist will agree, that so long as we believe in a Federal system of Government, the States can put forward a reasonable claim to that percentage. Sir William Lyne's proposal was, that a fixed sum should be ascertained on the basis of Federal finance for the ten years preceeding

1910, and that that fixed sum should obtain from thenceforward.

The Premier: He fixed the sum at £6,000,000.

Mr. BATH: Yes, that was the sum he fixed with the idea, which he said was the idea of both State and Federal politicians, of dissociating Federal and State finances. So long as we admit the claim of the States to a participation in the revenue derived from customs, we cannot dissociate State and Federal finances. We have to find the best way out of the difficulty. I think the proposal embodied here, for a fixed annual sum and a proportionate part of all increases in revenue from customs and excise, is the fairest way out of the difficulty. It conforms to a very large extent to the proposals adopted at the Brisbane Labour Conference, which was representative of both Federal and State politicians. That proposal when put to the meeting after discussion, was adopted unanimously as the accepted sense of the whole of the conference. The proposal was as follows:—

"That the amount of the fixed payment per capita to be returned to the States be ascertained by—(a) taking the average total of the customs and excise revenue of five representative years before 1910; (b) deducting therefrom the average total of Commonwealth expenditure, for the same representative years, under the three heads enumerated in the third paragraph; (c) dividing the amount so arrived at by the average number of the population of Australia for the same representative years."

This would mean a payment of so much per head of the population to each of the States, and as the population grew, the amount derived by each State would grow proportionately. The conference recognised the position of Western Australia, and the fact that they provided a much higher amount per head of the population from the customs than the other States. Accordingly they inserted this additional paragraph—

"That in view of the exceptional position of Western Australia, a further capitation grant should be made to that State, to gradually diminish upon

a sliding scale until its share of the Federal revenue coincides per capita with that of the other States."

Perhaps that is not as explicit as one could desire, but after all it recognises the justice of the Western Australian claim to have returned that proportion of the Federal surplus which it contributes. The provision for a sliding scale must, I think, also be accepted, as we know that the conditions here are gradually tending to conform with the conditions in the other States, and that the time must inevitably arrive when the amount of customs and excise raised here per head of the population will closely approximate that in the Eastern States. In the first series of these resolutions, we could well eliminate the following reference:—

"That this Conference views with apprehension the proposals of the Commonwealth Government embodied in the memorandum of Sir William Lyne, and is of opinion that they will, if adopted, seriously affect the financial independence and solvency of the States."

There are certain suggestions put forward in Sir William Lyne's memorandum which, I believe, are worthy of the very greatest consideration from the people of the State, because ultimately we shall be compelled to adopt some of the suggestions, especially with regard to the debts of the individual States. Coming to the second of this series of resolutions, it is my intention to move that it be eliminated from the motion, because, the Federal Parliament having adopted a measure for old-age pensions, the need for such a resolution is altogether gone. If there had been an honest intention on the part of the representatives of the States at the different Conferences to assist in the formation of a comprehensive system of Commonwealth old-age pensions that would have met the needs of all the aged in the Commonwealth, there would never have been need for friction between the representatives of the States and the Commonwealth. I have only to point to the fact that at the Conference in 1906 Mr. Deakin, who met the legislators compris-

ing the Conference, said in reply to a remark by Mr. Frank Wilson, our Treasurer, that Western Australia would indorse an old-age pension scheme, "I do not want to continue the discussion, but may add without hesitation, that if the States' Governments will undertake the responsibility of finding us the money to pay Federal old-age pensions, no one will welcome the proposal with more enthusiasm than the Federal Government." Had there been at that time a willingness on the part of the States' representatives to assist the Commonwealth to formulate such a scheme, there would have been no difficulty in getting it under way, and in eliminating that matter from the differences which existed between the States and the Commonwealth as to Federal finance. I would also like to say in reply to the Premier, that I believe there is as much need in Western Australia for old-age pensions as there is in any other State. I do not mean for one moment to argue that there are many who need that protection, but there are those individually, who need it as much as any other aged person in any of the Eastern States. To see men who have been there from the earliest days of the goldfields, men who have done noble work in the development of those goldfields, trying to earn a living, dependent upon the charity of the Government in the shape of small contributions or a small donation of rations is sufficient to impress anyone who has come into contact with them of the absolute necessity of old-age pensions. Another thing, the fact that the Federal Parliament has included a provision for invalid pensions, affects another and a deserving class in Western Australia. If one goes on the goldfields, especially where deep workings are being carried on, he will find many men there—and it is one of the saddest aspects of the mining industry—under the age of 40 who are being absolutely and irretrievably ruined in health by reason of the fact that they are dependent on work in the mines for a livelihood. Men who after as little as five or seven years' work, and at the age of 40, with families, are turned on to the world ruined

by absolutely one of the worst diseases known, miners' disease, a disease of the lungs, and with no means to sub-sist upon except the charity of their friends to secure them against want. The fact that the Commonwealth Government have included this provision for invalid pensions commends to me this scheme above all other proposals which have ever been put forward. Under such circumstances I say the Federal Government have solved this problem of old-age pensions in the way of conforming to the best dictates of democratic sentiment, and in those circumstances I fail to see any reason for the retention of this second resolution in the motion before the House. With regard to the third resolution, that is one about which there will be a great deal of debate. I agree with much that the Premier has said with regard to the obligation still resting upon the States for the development of the resources of the individual States, and I can only repeat here what I have said before in regard to other matters, that if in the process of development there had always been before the eyes of our administrators the single purpose of developing those resources for the benefit and advantage of the great mass of the people, and not for the benefit of the few, then there would be the least objection and the least desire on the part of those interested in the Federal Parliament to encroach upon this sphere. But from the point of view of the advantage of the individual States, I believe in the future, and in the near future, there will come a demand even from the States themselves, from very necessity, for some method of control which will obviate financial difficulties and perhaps disaster as far as the State-borrowing policy is concerned. It is only necessary to turn up the particulars given in regard to the public debts of the State and to turn to the column referring to the due dates in Australia of the public debts outstanding to see that within the next ten years the States of Australia will be faced with very grave difficulties in regard to the exercise of their borrowing powers, and I for

one am very largely in favour of the proposal put forward by Sir William Lyne, which after all is adopted from that of Mr. Harper, the Federal member, in regard to the constitution of a council of finance. I believe that by the constitution of such a council we would obviate many difficulties in the future. I want to point out that in the four years from 1910 to 1914, New South Wales will either have to redeem or renew 14 millions of borrowed money, Victoria will have to redeem over four millions, Queensland two and a half millions, South Australia two and a half millions, Western Australia one and a quarter millions, Tasmania nearly two millions; or a total of nearly 28 millions. And in the next four years New South Wales will have to redeem nearly 17 millions, Victoria nearly 8 millions, Queensland 12 millions, South Australia 5 millions, Western Australia £256,000, Tasmania £91,000; or a total of nearly 42 millions, and that with the whole of the States, competing as they inevitably will be in those years to secure a continuance of those loans or a reduction of them, there will be great difficulties facing the individual States if they go before the London or any other market in competition for the loans. If we can devise a scheme by which a council of finance representing the States will be able to take over the whole of the work and so avoid this competition, at the same time bringing to bear the credit of the Commonwealth which must inevitably be greater than that of the States, I believe it will work advantageously to the interests of the individual States. Then again, we have to bear in mind that whatever arrangement is made under this resolution No. 1 for the distribution of the Federal surplus, there will always be an amount of uncertainty, and it will be bound to be of a temporary nature. And in 1910 we have no knowledge of what the constitution of the Federal Parliament will be. At that time they will have the power to terminate the Braddon Clause in its entirety, and will be able to dispose of the whole of the customs and excise revenue. I for one have always believed

that there is a great deal of wisdom in the suggestion put forward by Sir George Turner when Federal Treasurer that this settlement of the amount which should be returned by the Commonwealth should go hand in hand with the assumption by the Commonwealth of the responsibility for the debts. Under the Constitution the Commonwealth has already the right to assume the debts incurred up to the time of the beginning of Federation or the debts existing then.

Mr. Jacoby: It may.

Mr. BATH: No; It has the power to do it without referring to the States or without arranging with the States. And it seems to me that if in return for the fixing up of an arrangement in regard to the surplus revenue we derive from the Commonwealth, we may arrange for the Commonwealth to assume the responsibility for our debts, I believe that the policy of the State will be to dictate that it should be accepted. I have not seen any proposal submitted in that respect which has been as wise, in my opinion, as that put forward by Sir George Turner when Federal Treasurer. To a certain extent this resolution is somewhat contradictory; it contradicts paragraph 3. While they object to any restriction placed by the Constitution upon the borrowing powers of the State or the constitution of the council of finance, there is the inference here that on some date after a satisfactory arrangement has been fixed up in regard to the return of revenue to the State, that the assumption by the Commonwealth of State debts may eventually lead to economy. Even the Premiers in their conference recognised that such a step may be desirable in the future. Under the circumstances one can cordially agree with resolution 4, while at the same time disagreeing with resolution 3, seeing that any assumption by the Commonwealth of State debts must inevitably lead in the future to the Commonwealth assuming certain supervisory powers over the borrowing policy of the individual States. And as a matter of fact—and as I stated in a reply to something said by the Treasurer the other evening—the opinion of

a very large number of the electors in Western Australia is tending towards the glorification of the Commonwealth over the States, due to the belief they hold that the borrowing policy of the individual States has been unwise on so many occasions. We have only to turn to the criticisms of leading financial journals of the old country, criticisms launched by the *Times* against the last Budget statement delivered by the Treasurer of New South Wales, to realise that this opinion is not only held by the electors, but by financial journals and financiers of high repute. When we look around to-day and see the position, and recognise that New South Wales and Victoria have benefited to a great extent by the development of Federation, and have had enormous revenue placed at their disposal, and that during the fat years they have made no provision for the lean years, or attempted to lighten the burden of debt, we can realise what actuates so many of the electors in their opinion in favour of the Commonwealth as opposed to the State Government. I submit that the crux of the resolution in so far as it applies to Western Australia, is contained in paragraph 5—

“That in the distribution of the amount returnable by the Commonwealth to the States the per capita contribution of each State to the customs and excise revenue shall be considered and allowed for.”

I am in cordial agreement with that, and one has only to turn to the memorandum submitted by Sir William Lyne to see how we would suffer if the distribution were made on the basis of population, and not on the basis of contribution by the individual States. The statement shows what the payments would be on the proposed distribution of the fixed sum of six millions on a population basis. Western Australia would receive only £381,234. The interest on the public debt on the 30th June, 1907, was £678,867, so that besides returning an amount to the Commonwealth, that is assuming the Commonwealth took over the State debts, it would also have to make an annual payment in addition of £297,633. If the

fixed sum of £6,000,000' is returned to the States in proportion to the average three-fourths of customs and excise revenue, Western Australia would receive £674,327; we would have to pay £678,867 in interest, so that we would only have to find £4,540. This shows what it would mean for Western Australia if a population basis were substituted instead of a return in proportion to her contribution to customs and excise. I have not had time to go fully into Sir William Lyne's proposals in regard to sinking funds, but in the event of the Commonwealth taking over the State debts I should say that if allowance were made for our accrued sinking fund, and if we were only debited to the net amount of our indebtedness, that would be an absolutely fair basis.

The Premier: But he made no mention of the sinking fund at all; that is the reason we inserted this resolution.

Mr. BATH: I do not think there was ever any suggestion to grab the State's sinking fund. I think it is absurd to suggest that for one moment; because that would be practically pure robbery. But if it were used for redeeming stock, or for a credit against our gross indebtedness, then it would be a transfer absolutely fair to Western Australia. Resolution No. 7 deals with the question of transferred properties. I understand that quite recently some satisfactory basis has been arrived at in respect to these properties.

The Premier: Merely with respect to the valuation.

Mr. BATH: Well, that has always been a stumbling block; it was a stumbling block at the Conference at which I attended. Now that the basis of valuation has been agreed upon I should think there ought to be no difficulty with regard to the allowance or payment for the properties; at least there will be no objection on the part of members as to the necessity for adjustment at the earliest possible moment of this matter of transferred properties.

The Treasurer: This scheme provides for their being handed over free of charge.

Mr. Hudson: In consideration of their taking over the debts.

The Premier: Which is no consideration at all.

Mr. BATH: I would just like to make a few general remarks in regard to the relationship of the States to the Commonwealth. To my mind there has been no greater source of friction; nothing which has done more to prevent amicable arrangements between the States and the Commonwealth than the continual outcry from State politicians, especially of the type of Carruthers, Wade, and Bent, against the Federal Government. One has only to examine the figures showing what has actually been returned by the Federal Government to the individual States to realise that the Commonwealth has treated the States very generously in regard to the return of surplus revenue; and to realise that there have been opportunities, and demands too, for the expenditure of more money in order to keep the departments and public property in an efficient state of repair than has been allowed by the Federal Treasurer; and that the money which should have gone in maintaining the efficiency of the postal, telegraphic and telephonic services has frequently been returned to the States in order that they might not suffer in revenue. The position of Western Australia has been entirely different. Western Australia in the beginning stipulated that she should be allowed five years of a special tariff applying to Western Australia only; and politicians in Western Australia knew that the five years must inevitably come to a conclusion, that at the end of that five years there would be a considerable reduction in revenue, and that if they were to be regardful of the State's future they would have to take the necessary steps during those five years to meet the falling-off bound to ensue on the termination of the sliding scale. Apart from that, throughout the Commonwealth we find that the States have had returned to them out of the one-fourth to which the Commonwealth was entitled under the Braddon clause—out of that one-fourth since 1901 the States have had £5,728,349. And all this is surplus which the Commonwealth could have retained. New South Wales received

£2,362,000, Victoria £1,518,000, Queensland £61,000, South Australia £527,000, Western Australia £1,100,000, and Tasmania £158,000. So that from these figures one can see that the States have been treated very well as far as the return of surplus revenue is concerned. Under the powers granted to Federation—and which they have a perfect right to use under the Constitution—it was inevitable that with the growth of Federation, with the development of the federal idea, and with their necessary effort to carry out the duties and obligations imposed upon them, the demand they made upon their portion of the customs and excise revenue would undoubtedly increase as the age of Federation increased. Now the Treasurer the other night accused me of being in favour of handing over the entire control of the State administration to the Federal Parliament; or he said I had given expression to that view. That was said in reply to a direct question by a member on this side of the House. It was entirely a misrepresentation of the views I have expressed. What I said was that the obvious failure by State Governments to rise to a sense of their obligations to keep pace with the growth of the democratic ideals in Western Australia was turning the opinions of many electors in this State and in other States towards the idea of Unification, or at least of a great growth of Federal power at the expense of the States. What I said was a fact which I have realised, coming as I do in contact with so many of the electors of this State. It was not an opinion which I myself was expressing: it was the statement of a fact which I have realised from contact with the electors of Western Australia. It is only necessary to ascertain the view of a very large number of electors as mirrored in the Labour papers and Labour organisations in the Eastern States to realise that the growth of this opinion is not confined to Western Australia, that it pervades the other States of the Commonwealth. For my part I have always been opposed to the centralisation of Government and of administration. I believe that within the confines of this State we have too much centralisation of authority and ad-

ministration, and that the one thing we need is that greater attention and greater scope should be given to local government. It does not matter how democratic your Constitution or governmental machinery may be, if you take the control away many miles beyond the direct purview or supervision of the people it will inevitably weaken the control of the people over the machinery of government. That has been realised in the United States of America where they started with a Constitution regarded as the very acme of perfection from the democratic point of view. Yet because of the centralisation of power and of authority, and the removal of members of Parliament and heads of departments from the direct control of the people who sent them there, we have seen growing up in the United States the influences of trusts and combines to the exclusion of all direct democratic control by the people over their representatives in Parliament, and over their administrative officers. And when I come forward as an ardent federationist I realise that in respect to many of the powers and functions of government it would be unwise to centralise them in the Federal Government or in the Federal city. I believe it would be injurious to the best interests of democracy. Under these circumstances, while I am a federationist I am certainly not by any stretch of imagination a unificationist who would concentrate the whole of the power in the Federal Government. Too often the charge is urged against individual members of Parliament and public men that they are parochial. Well, after all, in the region of the parish it is right to be parochial. It would be a wrong thing to bring the powers of the Commonwealth Government to bear to administer the affairs of the parish. And if we face the question without this prejudice, so often heard, of being a unificationist, or a State's righter, and look at the question from the point of view of what is good to hand over to the Federal Government and what is good for us to retain, we will avoid much of the friction which operates to the detriment not only of the Commonwealth but of the States. Take Switzerland for example, where they have

solved this question by the pyramidal idea, with the Confederation at the apex of the pyramid and the local Government at the base. Thus have they settled a problem never satisfactorily settled in any of the other confederations of the world. There is one thing I wish to refer to in respect to Federation. By reason of the fact that they derive their revenue from indirect sources they do not meet with that critical candour from the people which they would if their revenue came from direct taxation. There is a tendency on the part of Federation to extravagance in some directions in the expenditure of the revenues. In looking through the Federal Estimates I find that in some quarters they are building up expensive offices; and there does not seem to be the assumption of control and criticism on the part of Federal members which there ought to be. So far as I can discover there has not been any criticism or protest on the part of Federal members against the growth of administrative departments, of the piling in of offices into these departments and the consequent building up of expensive establishments. And in these circumstances, while a Federationist, I think we have to bear these facts in mind; and it is just as ardently foolish to say we can hand everything over to the Federal Government as it is to say that Federation is no good, and that we should secede. I think there is little else to add by way of criticism on this motion, and I will conclude by moving an amendment that the words "following portions of the" be inserted before "resolutions," in line 2, and that the preliminary resolution be struck out, and that resolutions 2 and 3 be struck out.

The Premier: I have no serious objection to the preliminary resolution being struck out and to dealing with the other resolutions seriatim.

Mr. SPEAKER: The first part of the amendment will be consequential if the latter portion be agreed to.

Mr. BATH: I move as an amendment—

That the words, "That this Conference views with apprehension the proposals of the Commonwealth Government embodied in the memorandum of

Sir William Lyne, and is of opinion that they will, if adopted, seriously affect the financial independence and solvency of the States, and further resolves—"be struck out.

Amendment passed.

Mr. BATH: I move as a further amendment—

That resolution 2—"That for the purpose of enabling the Federal Government to initiate a general scheme of old-age pensions, the State Governments will be agreeable to accept a smaller proportion of the customs and excise revenue than three-fourths, and thus supplement, if necessary, the amount which can be provided under the Commonwealth Surplus Revenue Bill," be struck out.

The PREMIER: It does not really matter what is decided on this point, but I am desirous of keeping faith with my colleagues at the Premiers' Conference by bringing forward simultaneously these resolutions adopted by the Conference. So far as the old-age pensions scheme is concerned, our idea was that it could have been brought into effect on the 1st of this month. If our scheme had been adopted and the operations of the Surplus Revenue Bill had been suspended there would have been sufficient funds to enable the Federal Government to initiate the payments from the first of this month. As a matter of fact, so far as New South Wales is concerned, it would only mean paying over to the Commonwealth, to enable the Commonwealth to administer their Act, the same amount as New South Wales is now paying under the State Act.

Mr. Underwood: Where were you going to get your power to do that? The Premiers had not that power.

The PREMIER: No, but we were going to submit it to Parliament.

Mr. Collier: The whole course of Federal legislation has been altered since then.

The PREMIER: The idea was to enable us to introduce the payments six months earlier than the Commonwealth can do under the Surplus Revenue Bill. Under that Bill they are not allocating

the whole of the surplus revenue for old-age pensions; the greater portion of it is going for defence.

Mr. Bolton: What is the use of talking of the 1st January now? We do not want that resolution in now.

Mr. BATH: So far as this resolution is concerned in itself I have no objection to it, because it is a declaration of willingness on the part of State politicians that I am pleased to see. I only wish it had come much earlier. My idea in proposing to strike out the resolution was that it is now useless in view of the fact that the Commonwealth Parliament have already legislated in this direction.

Mr. TROY: I do not think this amendment should be withdrawn, because it seems to be overloading the motion with matters that are of no effect. It is not a business way of doing things. The Federal Government provide a system that will come into operation from the 1st June next, yet here we are, knowing the Federal Government's intentions, passing a resolution such as this. It is not businesslike; it is absurd.

The Attorney General: Will the amount allocated by the Commonwealth produce sufficient money?

Mr. TROY: The thing has been done.

The Premier: The greater portion of it is allocated for defence.

The Attorney General: The present scheme will not produce the necessary money.

Mr. TROY: The Federal Government have to provide for old-age pensions and they must find the money. I am satisfied of the Federal Government's intentions, and I am satisfied we have old-age pensions in operation, but I do not want to see this resolution passed at this stage and going out with the approval of this Parliament.

Amendment put, and a division taken with the following result:—

Ayes	..	..	..	19
Noes	..	..	..	24

Majority against .. 5

AYES.

Mr. Angwin	Mr. McDowall
Mr. Bath	Mr. O'Loughlen
Mr. Bolton	Mr. Swan
Mr. Collier	Mr. Taylor
Mr. Gill	Mr. Underwood
Mr. Gourley	Mr. Walker
Mr. Heilmann	Mr. Ware
Mr. Holman	Mr. A. A. Wilson
Mr. Horan	Mr. Troy
Mr. Hudson	(Teller).

NOES.

Mr. Barpell	Mr. Keenan
Mr. Butcher	Mr. Layman
Mr. Carson	Mr. Male
Mr. Daglish	Mr. Mitchell
Mr. Davies	Mr. Monger
Mr. Draper	Mr. N. J. Moore
Mr. Foulkes	Mr. S. F. Moore
Mr. Gregory	Mr. Nanson
Mr. Hardwick	Mr. Osborn
Mr. Hayward	Mr. Price
Mr. Hopkins	Mr. F. Wilson
Mr. Jacoby	Mr. Gordon
	(Teller).

Amendment thus negatived.

Mr. BATH: I move a further amendment—

That resolution 3—"That no restriction having been placed by the Constitution upon the borrowing powers of the States, and further, for the reasons set out in resolution No. 1, the States should be the sole judges as to the raising of loans, within or without the Commonwealth, for the purpose of carrying on the work of internal development without interference by the Council of Finance, as proposed in the scheme of the Commonwealth Treasurer, or by any external authority"—be struck out.

Amendment put, and a division taken with the following result:—

Ayes	..	..	..	11
Noes	..	..	..	32

Majority against .. 21

AYES.

Mr. Bath	Mr. Taylor
Mr. Collier	Mr. Underwood
Mr. Heilmann	Mr. Ware
Mr. Hudson	Mr. A. A. Wilson
Mr. O'Loughlen	Mr. Troy
Mr. Swan	(Teller).

NOES.

Mr. Angwin	Mr. Horan
Mr. Barnett	Mr. Jacoby
Mr. Belton	Mr. Keenan
Mr. Butcher	Mr. Layman
Mr. Carson	Mr. Male
Mr. Daglish	Mr. McDowall
Mr. Davies	Mr. Mitchell
Mr. Draper	Mr. Monger
Mr. Foulkes	Mr. N. J. Moore
Mr. Gill	Mr. S. F. Moore
Mr. Gourley	Mr. Nanson
Mr. Gregory	Mr. Osborn
Mr. Hardwick	Mr. Price
Mr. Haywood	Mr. Watker
Mr. Holman	Mr. F. Wilson
Mr. Hopkins	Mr. Gordon

(Teller).

Amendment thus negatived

Mr. UNDERWOOD (Pilbara) : I intend to vote against the whole motion, for the reason that it is practically useless, and I enter my protest against the time of the House being wasted in discussing a motion which cannot possibly have any effect. No matter what we do, the Federal Parliament will decide as they please. Seeing that they are elected by the people to carry out these functions, they are entitled to do so, and if they do not do so, they will certainly lose the confidence of their electors, and subsequently their seats. I have no desire to go through the various paragraphs of the motion, but there are one or two which appear to me to be ridiculous. The one having reference to old-age pensions was, I am sure, merely inserted with a view of delaying the consummation of old-age pensions. The Premier says they were quite prepared to give the Commonwealth power to take this money, but as pointed out by interjection, the Premiers had no power to deal with the question in any way whatever. The Premiers are elected by the various States to transact business which the people desire to leave in the hands of the State Parliaments, but they are not entitled to interfere with the business the people have seen fit to delegate to the Federal members. No one elected the Premiers to that Conference; no one gave them power to deal with the question. The Premiers had no desire to give the money they spoke of in this resolution. Mr. Wade has proved himself right through his public career to be a gentleman whose

sole ambition is to heckle the Federal Parliament. He seems to have no other object in public life. His predecessor, Mr. Carruthers, was another gentleman of the same class. I am strongly in favour of a certain amount of the customs and excise revenue being returned to the States, and I am convinced that members of the Federal Parliament are also in favour of it. No matter what proposals have been brought forward in the past by various gentlemen, I am sure that when the matter comes before the Federal Parliament for consideration, it will be decided to return a certain amount of these moneys to the various States. Personally, I would prefer to see an extension of the present Braddon Clause. Let me ask, who was it that prevented that clause from being in the Constitution permanently? It was the then Premier of New South Wales, who wanted to make a name for himself by apparently being superior to anyone else, and who objected to it. There was no other reason why Mr. Reid should have opposed the clause which he termed the "Braddon blot," but now this very statesman and the newspapers which then supported him, and others who voted with him in getting the clause limited to only ten years, are the very people who are endeavouring to have it restored. We would be foolish indeed to be "had" a second time by following the lead of such gentlemen as Messrs. Wade and Reid, and other politicians who are backed up by the Sydney Press. Again, in regard to the restrictions on borrowing. There is no necessity whatever to assume that the proposals of Sir William Lyne or any other Federal member regarding State borrowing will prohibit it, but it will merely regulate it. I defy any man to say that the regulation of State borrowing would not be an advantage, a decided advantage, to the States. Unless something is done in this connection, unless the Federal Government take over the State debts, and make some restrictions as to State borrowing in the future, there is a very big financial difficulty ahead of all the Australian States. The position, as pointed out by the Leader of the Opposition, of one State having to pay back £14,000,000 in a very short time, while

others will be going on the London market at exactly the same time, is a very difficult one, and unless something is done by the Federal Parliament in preparation for that time, a very great trouble will have to be faced by the States. I, like the Leader of the Opposition, am not in favour of Unification, for I am against the Government of Australia being confined to one centre; but I am in favour of Unification for the purpose of reforming the State Parliaments. I am in favour of Unification for the purpose of getting a new State Constitution, and it is my intention to endeavour to persuade the people of Western Australia to adopt that course. I am convinced, and have been for some time, that it is absolutely impossible to pass democratic legislation in this Parliament, so long as we have a class Chamber to veto our legislation. I am also convinced for various reasons that it is practically impossible under the State Constitution to amend or improve another place, the Legislative Council. And I am certain that the only way of abolishing that House is by Unification; Unification on a system by which we could get a new State constitution, and for that purpose I am certainly a unificationist.

Question—that the motion as amended be agreed to—put and passed.

On motion by the Premier, the resolution was transmitted to the Council for concurrence.

ANNUAL ESTIMATES—1908-9.

In Committee of Supply.

Resumed from 18th December, 1908,
Mr. Daglish in the Chair.

Vote—*Lands and Surveys*, £105,167:

Mr. TROY said he was surprised at the Ministerial members not taking some measures with the view of defending the administration of the Lands Department against the charges made by the member for Guildford only a few evenings ago. He could bear out to some extent the strictures passed by that hon. member, because from the business that he had had to transact with that department he

had obtained experience of the manner in which several of the officers carried out their duties. He had no desire to condemn all the officers of the department because many of them were most capable men, earnest and attentive to their duties and very courteous to all with whom they came in contact. But there were several whose conduct in regard to their work could be described as nothing less than scandalous. There was no desire to mention names; members of the House whose business took them to the department or down Haystreet or St. George's-terrace must have met one gentleman occupying a high position in the department frequently at all hours of the day going into clubs to drink. Last year when the Estimates were being discussed members were surprised to find that the Premier intended to place this officer in charge of a very important branch of the department. It was the Premier's intention to decentralise the department and place that gentleman in charge of the new branch. The conduct of the officer however was most undesirable and he was a danger to the civil service generally, because occupying the high position that he did he set a bad example to his juniors. It could not be expected by Parliament that the junior officers of the Lands Department would carry out their duties earnestly and capably if they found that their seniors were in the habit of leaving their offices at all hours of the day and conducting their duties in a manner which was not by any means beyond reproach. There was no need to mention the name of the officer in question; he was well up in the department. No one knew how he got the position he filled unless it was by influence in the old days. Merit surely never placed him in the position that he filled. If the Premier wanted to provide against strictures such as those made by the member for Guildford he should take the earliest opportunity of sending this officer about his business or compelling him to give proper attention to his work. The Premier should recognise that this officer was not doing his duty and that in the interests of the de-

partment something should be done to compel him to pay closer attention to his work. When it was remarked how it came about that such an officer was able to retain his position the reply had been given that he could not be removed because if he were removed under the terms of his employment he would be entitled to a pension and if the Government gave him this pension they would sustain a loss. It would be much cheaper however to pay the officer a pension and do without his services altogether than keep him in an office where he was doing so much mischief by setting a bad example. On the other hand in connection with the business relations that he, as a member of Parliament, had with the department, it had been his pleasure to find many officers who were very courteous indeed. He had received every attention and found particularly as far as the chief clerk and the officer in his room were concerned that they were ever ready to give every consideration and assistance to the man whose business took him to the department. He would say a word also with regard to the conduct of the department and the arbitrary manner in which the Premier had made an order preventing members of the House from securing information there. It had always been understood that it was the glory of the Lands Department that any person could secure there whatever information he desired. He went to that department to endeavour to obtain information with regard to the land held where railways were being constructed and obtained the information he desired. The statements that he then made in public at the time of the elections were denied and he did not accept that denial because neither the Premier nor any of the Ministers of the Government who denied the statements on the public platform were ever able to give the denial in agreement with one another. One denied the statement in one manner and another Minister denied it in another manner. The information that he (Mr. Troy) gave to the public was obtained from an officer of the Lands Department who believed that he was entitled to give the information, and it was that certain persons had taken

up land in a district where a railway was to be built. That information was obtained by him not only from the Lands Department but also from other authentic sources. When the denials were made by the Premier and the Ministers, he went to the Lands Department and asked that the information which had been given to him verbally should be supplied to him in writing. He found on his next visit that a mandate had gone forth from the Premier that no information was to leave the department without the Premier's sanction. All that had been asked for was information which could not be called information of a secret nature. It was ordinary information which any person, a member of the House or anyone, should be able to obtain by application to the Lands Department. But because of the strictures he made prior to the general elections he found on his next visit that the Premier had issued instructions that no further information was to be given without his sanction. If he had to explain the whole of the proceeding he would have to say that when he asked the officer in the Lands Department whether he could secure the information, and if necessary he would be prepared to pay for a search, the officer replied, "Yes, certainly: anyone can go to the counter and get the information." On going to the counter however he found an entirely different state of affairs. The clerk there would have been too pleased to give the information, but he was suspicious and he (Mr. Troy) felt that some instructions had been given to him. The clerk's answer was, "I shall have to see the under secretary first." And then he went to the under secretary. Having been closeted with him for some time he returned and said, "I do not know whether we can give you this. If you put down in writing what you want we might be able to do so." He (Mr. Troy) then interviewed the under secretary, who told him that he would have to apply to the Premier for the information. He refused to ask the Premier because he considered that he was entitled to get the information in the ordinary way. Any member of the House should at least have the same privilege as any member of the

public, as far as obtaining information from the Lands Department was concerned. The Premier did his utmost to block the inquiry that was being made into the manner that the land was taken up in the State. In this connection it was his desire to refer to land held by one of the members of the other House who passed some strictures on Senator Needham recently, and who himself was concerned in land in a locality where a railway was to be built. On inquiry it was found that this particular gentleman who was so indignant regarding Senator Needham's statements, had a considerable quantity of land locked up, and if further inquiry were made it would be found that this same gentleman also held land in other parts of the State which was being put to very little use. It had been stated also that the Premier denied that certain persons had got special information regarding this land. And the Premier himself, when at Busselton during the recent election, had pointed out that whilst he (Mr. Troy) had made those statements about certain politicians who had secured land the member for Kanowna was the only member who had acquired a considerable area of land and whose land was within a mile and a-half of the proposed railway. The Premier on that occasion had said that he (Mr. Troy) had lied regarding the other politicians who had acquired land; and that he had passed over and ignored the land held by the member for Kanowna because that hon. member happened to be sitting on the same side of the House as himself (Mr. Troy). Now that the heat of the general election was over it would be only fair if the Premier did justice to the member for Kanowna by admitting that that member had never applied for land on the route of the proposed Wongan Hills railway. The member for Kanowna had applied for land in another district altogether, 40 or 50 miles away from the Wongan Hills. Yet the Premier had declared that he (Mr. Troy) had purposely overlooked the land held by the member for Kanowna, and had referred only to such holdings as had suited his purpose. He (Mr. Troy) wanted to say that any information he had imparted in this re-

spect was received from the Lands Department in the ordinary way. He still believed that that information was absolutely correct. If to-day some of those persons he had named were not holding land, at all events many opportunities had been given them to withdraw their applications. Then again, the Premier had told the people of Collie that in connection with Sir Walter James's application, it was not Sir Walter James who held the land but Sir Walter James's son. This was news to him (Mr. Troy) because he had not been aware that Sir Walter James had a son of sufficient age to take up land.

The Premier: It was not Sir Walter James's son. Sir Walter has not a son of the necessary age.

Mr. TROY: Even at so late a stage it was gratifying to hear the Premier make the admission. He (Mr. Troy) was convinced that the statements he had made, and which the Premier had denied, were absolutely correct. When at a later date he had desired to verify his statements he found that by the Premier's orders he was debarred from getting further information at the department. This was scarcely the way in which a public department should be conducted. Every member of the community should have the right to know how the department was being administered. He was not complaining about the land; he was complaining that the statements made by him had been contradicted by the Premier, even though the statements had come direct from the Lands Department.

Mr. TAYLOR: While he had but little to say he desired to point out to the Minister for Lands, who was also the Premier, that for the last two or three years one could not walk about in any part of Perth without tripping up against some disappointed seeker after land. A large number of goldfields people had settled on the land, and others desiring to do so had come to Perth in search of information. In turn they, under the direction of the Lands Department, had gone off to certain agricultural localities where they had met with bitter disappointments. They had made their applications. Their applications had been

delayed for months and months and some of the applicants had not yet even got their land. Those of them who took any interest in politics realised that it was absolutely impossible for any one Minister to fill the positions of Premier and Minister for Lands and do justice to both. The work of the Lands Department was a work almost too much for one man to look after as administrative head. He (Mr. Taylor) was not going to blame the Premier as Minister for Lands, because he recognised the nature of the task that hon. gentleman had set himself in attempting to fill both positions. Still it was necessary that the Government should be told of these things. No doubt disappointed land hunters had laid their complaints before members on the other side of the House, although perhaps not to the degree in which they had presented them to members of the Opposition; because all these people who were down from the goldfields in search of farms were not so well acquainted with the representatives of agricultural districts as they were with their own representatives. While on this question of land he wished to point to the very large areas of land, particularly in the Eastern Goldfields' districts, which were being held under pastoral leases for none but speculative purposes. There were miles and miles of fairly decent pastoral country taken up and held by large syndicates with not one hoof of stock. Other men might want them but they would want them for a long time unless the Minister were to devise some scheme to enforce the stocking regulations in respect to these areas. He (Mr. Taylor) knew of people who, having large herds in the Eastern States and especially in South Australia, had desired to remove their stock to Western Australia if only they could get sufficient pastoral country. He himself had recommended some of the area in the Eastern Goldfields districts; but it was found on inquiry that there was no possibility of getting any of it because it was all taken up and the rent being paid for it notwithstanding that it was not stocked. It was quite necessary that the Minister for Lands should go into this question and see that the people holding these

areas for speculative purposes under the pastoral leases should be made to comply with the stocking regulation. People who would not hold stock ought not to be allowed to hold pastoral areas to the exclusion of bona fide people who would stock up the country and so make it better for all concerned. With those areas to which he had referred stocked to their full capacity there would be no need to go to the expense of a Royal Commission on the question of meat supply. Those areas were not perhaps capable of carrying the quantity of stock that could be carried in certain parts of Queensland; but they were capable of carrying a very large number of cattle, and they had the advantage common to all new country of producing big bone and fine stock. In other words if they could not carry the number they could carry the weight. It was to be hoped the Premier would go into the question and see that those areas were stocked in accordance with the Act. He (Mr. Taylor) thought some provision should be made on the goldfields by which people could take up land in the same way as was possible in agricultural areas; some provision by which they could take up homestead leases on moderate terms and so be in a position to make homes. It seemed that at the present time there was no provision whatever by which this object could be achieved. He hoped that in future less would be heard of the difficulty experienced in getting land. Friends of his had told him that they had spent months of time and pounds of money in trying to get a bit of land. During the week immediately preceding Christmas a friend of his from the goldfields, who had taken up land, was notified that his rent was due, and a bill was sent him accordingly. Putting the bill in his pocket he had gone to the counter at the Lands Department, put down his money and the bill and said, "Here is my rent." To his astonishment the clerk had replied, "I think you are a little bit too soon; you had better come along in a month's time." The man had accordingly picked up his money and walked out.

Mr. Heitmann: And gone to the races?

Mr. TAYLOR: It was not certain whether he had gone to the races; had

he been like the hon. member he would in all probability have done so. He (Mr. Taylor) did not know whether this was a common occurrence, but was told him by one with whom he had prospected and worked for many years and one who would not come forward with a statement of this character unless it was true. If the Premier doubted the statement, the man was still in Perth. It was to be hoped the Premier would at least try to facilitate the settlement of our lands in future.

Mr. JACOBY: It was to be hoped the time would soon arrive when there would be less foundation for the complaints against the Lands Department that existed to-day and had existed for some years past. There was no desire to refer to any individuals, but certainly the complaint made by the member for Mount Margaret, when that hon. member referred to certain well-known officers of the department spending their time more in the clubs and hotels than in their offices, was well founded and was well known to be true by many men in the City. Anyone coming into contact with the department could not fail to be convinced that there was a great deal of disorganisation existing, and that was mainly because of the detention in the office of one or two men whose services should be dispensed with. Unless the Premier made up his mind that these men should be got rid of for the benefit of the department the complaints would be continued. Instances had come under his (Mr. Jacoby's) notice of most extraordinary actions on the part of the department, when one half of the department did not know what was being done by the other half of the department, though both were dealing with the same matter. We had statements made that economies had been effected in the department, but it was not so much economy that we wanted as more efficiency on the part of some of the officers. There were efficient men in the department who were a credit to the civil service of the State, but their work was entirely nullified by the fact that two or three men in responsible positions were absolutely unfitted

for the offices they held. He did not wish to mention names, but would certainly be forced to do so in the interests of the State when next dealing with the Lands Estimates in 12 months' time if some reform was not brought about or if there was not some rectification of the matter complained about. The Public Service Commissioner had said that the organisation of the department was extremely unsatisfactory, and it appeared from information that drifted to one that there had been a persistent endeavour on the part of some officers of the department—and one regretted the endeavour was supported to some extent by the Minister himself—to prevent the Public Service Commissioner making any investigation that might lead to some reform. It was a fact that the department needed some reformation; and though a great deal of work devolved on the Premier through holding two offices, he should take some step to throw out those men he must know were absolutely unfitted for the positions they occupied.

Mr. FOULKES: This was not the first time the Premier had heard the suggestion that he was possibly taking on more work than he could conveniently attend to. During the discussion of the Estimates of the Premier's office, the Premier had announced that the work of that office had increased three-fold to what it was four or five years ago; and it was a natural anticipation that during the next few years, considering the strained relations that might exist between the State Parliament and the Federal Parliament, whoever might be Premier would find that the work of the Premier's office would increase from year to year. Again, party politics being as they were, and owing to general elections having to take place more frequently than many members liked, it certainly meant that the Premier had to give more attention to the Premier's office. The Lands Department was the most important department in the State; but, unfortunately, the Premier had not been able to spare the time he would like to devote to it. We all knew that the Premier took a strong interest in the department

and that he had executed some good reforms; but, unfortunately, the Premier had not been able to find the necessary time to give it fuller attention, and for several weeks at a time was not able to go into it, so that he could not possibly tell who were the best officers of the department, nor see that any reform Parliament or he himself desired was put in force. The complaint was made by the member for Mount Magnet that papers could not be produced. In August last he (Mr. Foulkes) had desired to see a file of papers dealing with some land in his electorate. The file had been produced, but on asking for copies of different papers on the file he had been told that it was necessary to apply to the Premier. Unfortunately the Premier was away at the time and it was about five or six weeks before he (Mr. Foulkes) could get the copies, simply because the Premier was not able to attend to the Lands Department at the time. No doubt the Premier's time had been taken up by his work as Premier. In the long run the Premier had written apologising for the fact that the letter asking for the papers had been hung up in the Premier's office. The Lands Department, as previously remarked, was the most important with which we had to deal; but owing to the fact that the Minister in charge of it controlled another department, it meant, practically, that we had a Minister who at the most could only give half his time to it; and many members on the Government side of the House at any rate would be glad if the Premier could see that the time had arrived when some change should be made, and one of his colleagues asked to assist him by taking charge of this department. Many instances could be quoted where various matters had been affected by the Premier holding the two offices. There was a provision in railway Bills giving power to the Government to compulsorily purchase any land within 15 miles of railways constructed. After the passing of certain railway Bills the Premier issued instructions, as he was right in doing, to see what lands could be purchased along the particular railway lines constructed. One line constructed was from

Katanning to Kojonup. Happening to be at Kojonup one day he (Mr. Foulkes) had met one of the inspecting surveyors, and at the surveyor's request had given him leave to camp on his ground, the surveyor telling him that he would probably be there for a fortnight. The surveyor on being asked what work he was engaged on, said that he was finding out what areas of land between Katanning and Kojonup would have to be purchased on account of this clause in the railway Bill. This happened in the month of June. It would be remembered that this section provided that if any land was to be resumed it must be resumed within 12 months after the opening of the railway; and this particular railway having been opened in April of the previous year, this unhappy lands officer had come to the district about 14 months after the opening of the line. Of course, his (Mr. Foulkes') reply to the surveyor was, "Man alive, you are only about three months too late," and upon that the officer had gone straight back to Perth. This was only one instance to prove how necessary it was that we should have in the Lands Department a Minister able to give up his full time to the important work of the department. Members might consider it a comparatively unimportant instance, but it was most important that when railways were built due inquiries should be made within twelve months to ascertain whether there was any land that should be resumed. It was the wish of the House when the provision was put in the Bill that the Government should see if there were any large areas that should be resumed so that they might be cut up, and so that people might get land within a reasonable distance of the railway.

Mr. Angwin: Could not that be ascertained when the line is being surveyed?

Mr. FOULKES: Not very well. The engineering surveyors as a rule only dealt with the land within three or four miles of the route. We could hardly expect the engineering surveyors to make inquiries of the nature referred to. In regard to the reports made by the Public Service Commissioner concerning the Lands Department, it was said that the Commis-

sioner had no knowledge of the department and that he had not been in the department during the last twelve months. But it had to be remembered that the Commissioner, though he might not actually walk through the various rooms and corridors of the department, came into contact with scores of the officers engaged in the department. We all knew that many appeals had been made by various officers in the department with regard to their classification. It was through hearing these appeals that the Commissioner was enabled to acquire a thoroughly correct knowledge as to the merits and work of the officers engaged in the department, and thus he knew more about the work of the department than the Minister, because he had greater opportunities of coming into contact with every officer than the Minister had owing to the shortness of the time the Premier was able to give to the department. The Commissioner came into contact with all ranks of the officers engaged in the department, so that the Commissioner's opinion with regard to the department should be received with the greatest respect. The Commissioner for a long time had urged that there should be greater attention given to the administration of the department. The Premier had effected some reforms during the last year or two and must agree that there was room for still greater reform. It was to be hoped, therefore, that the Premier during recess would be able to see whether he could not induce one of his colleagues to relieve him of the administration of this department. Reference had been made to the difficulty experienced by people in obtaining land, and that difficulty was constantly increasing. As well as other members, he knew how frequently politicians were approached by those desirous of obtaining land, as many people who had neither the time nor the capital to devote three or four weeks in travelling about the country looking for a suitable block hoped to obtain one through the medium of their members, but they could receive no satisfaction. If it were desired that the land should be settled, drastic reforms must take place in the direction of providing informa-

tion as to what land was available for settlement. At the present time people had to go thirty, forty, and in some cases as much as sixty miles away from the railway before they could find a suitable block. Those people were at the mercy of the land guides, and it was very difficult in some districts to get suitable men to fill those positions. In many cases really suitable men were not obtained to do the work.

Mr. Bath : Some of them have taken people to land which had been taken up for 12 months.

Mr. FOULKES : There was not sufficient control exercised over the land guides, and repeatedly people had been taken to inspect a block which had been refused by 10 or 12 persons previously, and the guides knew well there was no chance of the land being taken up owing to its pooriness. The system of remunerating the guides was bad, for they were allowed so much a day, he thought one pound a day, for every individual taken out. It did not matter to the guides whether the land was settled or not, and the fact that they were paid so much per day might lead them into the temptation of taking would-be settlers further out than was necessary and to blocks which had already been refused by other persons. Some time ago he had asked that a better system be initiated and during the last six months stricter supervision had taken place over these officials. Still more supervision was required. It was necessary to construct more agricultural railways, and it was essential also that the land selection branch should be put on a proper administrative footing.

Mr. NANSON : It was satisfactory to hear the remarks made by the members for Claremont and Swan as to the strictures passed by the Public Service Commissioner on the Lands Department. If we were to accept the statement of the Minister for Lands, made no doubt with the utmost good faith, everything with regard to the administration of the Lands Department was on the most satisfactory footing, but if on the contrary we turned to the report of the Public Service Commissioner, we found criticism indulged in by that gentleman under, he presumed,

a high sense of responsibility, which would lead us to believe that the Lands Department of all the departments was in the least satisfactory condition. The Committee were bound to pay particular attention to anything that might be said by the Public Service Commissioner as to the various public departments of the State. The Commissioner worked under an Act passed by Parliament, and whether we agreed with everything that fell from that officer or not, yet we could not afford to treat what he said with indifference. His reports deserved, in the interests of the country apart from the competency of the officer, careful investigation, and required from the Minister controlling the department something approaching an adequate answer. It was to be regretted that when the Minister for Lands was making what in many respects was a very admirable statement as to the work of his department, he said so very little with regard to the administrative work of the officers. We heard a great deal about the transactions of the department, as to what was being done in regard to land settlement, and it was all very gratifying, but we heard very little about the internal workings of the department. If we looked at the last report of the Public Service Commissioner we would find he told us that the department which gave him the most concern was the Lands Department. He went further and pointed out that he had referred to this department in his two previous reports and yet in his third annual report he was compelled to state that matters remained practically as heretofore. There was no more serious indictment against the Minister or against the department than the fact that the Public Service Commissioner, for the third year running, had to inform the Committee that a department with which he found fault some two or three years ago and to which he called particular attention, was in the same condition to-day as when he first brought the matter under the notice of the Committee. He gave one instance which certainly demanded an explanation, for he pointed out that in connection with the accounts branch, although a competent account-

ant, who had done good work in re-organising the public works accounts under adverse circumstances, had been transferred to the Lands Department over three years ago, still he had been so hampered by circumstances over which he had no control that the work of re-organisation had made very slow progress indeed. He also said that some of the so-called ledgers which never had been put in proper order were still being used. This matter was not one to joke about, for it was serious when we found that an accountant who had done admirable work in reorganising the Works Department was put in the Lands Department three years ago, and yet during the last few weeks the Public Service Commissioner reported that that officer had been so hampered that matters had remained practically where they were when he was appointed. The Minister made some reference to the question when he was introducing his Estimates, and had pointed out that at last these labours were nearing completion, and he hoped that within two months the new system of accounts would be inaugurated. If the inner history of the relationship between the Lands Department and the Public Service Commissioner was available to the Committee, we would find that during the past two years or more we had had the Commissioner pulling one way and the Lands Department officials pulling the other way. If there had not been some tension of that description, if we had had the department working loyally with the Commissioner, would anyone suppose for a moment there would have been the delays to which the Commissioner referred? We could never hope to put the public service upon an adequate and satisfactory footing unless there was complete harmony and effort between the Commissioner on the one hand and the department on the other. The Committee would have seriously to take into consideration whether something should not be done to strengthen the hands of the Commissioner, so that he would be able to bring a larger amount of pressure to bear upon the department in order to bring it up to date and compel the officers to deal with the affairs of the department in a

business-like manner. If it took three years before the slightest trace of results accrued in this department, how long would it take at that rate for the public service to be brought into a condition satisfactory to this House and to the country at large? The Public Service Commissioner made some further recommendations with regard to the control of business in the department. He would not deal with what that officer said about the decentralisation scheme beyond mentioning it in the hope that the Premier in replying to the criticisms passed upon the department would not only reply to what had been said in this Chamber, but would make some sort of reply to what was perhaps even more important, the remarks made by the Public Service Commissioner. As to the cost of administering the department, the Commissioner pointed out that in the Lands Department there was unnecessary expenditure, and he gave as an instance the publication twice a year of the large rent list, the compilation of which was no small undertaking and involved one way and the other a considerable expenditure. It would be well if the Minister were to throw a little light on that particular matter. It was to be gathered from the Commissioner's report that in Queensland the rent list was published once a year, and the Commissioner asked why it was not possible to do the same thing here. No doubt there were other reforms that might be made also. If the Minister could not see eye to eye with the Public Service Commissioner, at all events the latter's remarks demanded an answer, so as to show where the Commissioner was wrong and the Minister was right. He did not desire to suggest that the Commissioner was infallible, but it was our duty to support that officer until we were convinced that he was making a recommendation that was impracticable. Several hon. members had referred to their own experiences and experiences of others in regard to this department, and there were members who if they wished to draw upon their own experiences could furnish many instances of mistakes made by the department, and the delays that occurred in transacting its business.

It was not his intention to refer to the mistakes that had come under his notice; he recognised that in a department which had a large volume of business to deal with, a certain proportion of error was bound to creep in, but something might be done in order to get a move on the department in the matter of answering correspondence. Just to quote one instance: on the 5th December last he wrote to the department on a perfectly simple matter about reserving a block of land in a newly declared townsite, for the purpose of a public hall, not a very difficult question to deal with, one that might almost have been answered off-hand. After waiting ten days a reply came on a printed form acknowledging the receipt of the letter and saying that the matter would receive consideration. That was the last he had heard of the simple matter, but one could only wonder if it took the department all that time to deal with a matter of what one might call almost absolute routine, how long would it take the department to deal with questions which were of a difficult nature and required much consideration. He regretted it had been necessary for him in common with other members to speak in what might seem a somewhat grudging spirit as to the administration of this department. He recognised fully all that the Minister for Lands had done in regard to pushing forward land settlement, and in what he had said he did not wish to detract in the slightest degree from the Minister's splendid efforts in this direction, but it was essential that the department should be brought up to the highest standard of efficiency, and it could not but be noticed that in the past there had not been that harmony of relations existing between the Public Service Commissioner and the Minister. He hoped the Minister for Lands would be able to assure members that if friction had existed in the past, harmonious relations between the Commissioner and himself would exist in the future, and that they would work together to bring the department up to date, and that there would be a similar state of things with regard to the other departments of the public service.

Mr. UNDERWOOD : This was practically the only department worthy of any great consideration that Parliament had to deal with. It was undoubtedly the most important of all, and unless we had progress in agricultural and pastoral settlement, then the State would be bound to stagnate. Up to the present he was sorry to say there had not been much agricultural advance. Notwithstanding the remarks of the previous speaker regarding the splendid effort of the Minister for Lands as far as progress was concerned, his (Mr. Underwood's) contention was, that we were not making any progress whatever. In fact, this was about the slowest State in the Commonwealth in the way of agricultural settlement. There was a vast difference between selling land and settling land. The present Government and past Governments had sold the land, and although they had been selling it for the last ten years, although we had been assured that there had been unbounded progress in agricultural development, that great increases had taken place, it was found on looking through the *Statistical Abstract*, that last year we imported agricultural and dairy produce to the extent of £927,000. After ten years of unbounded progress, we found we were still importing about one million pounds worth of produce into this great agricultural State. Members had been advised and told by the member for Katanning that they should not speak in derogatory terms of the State. There was no desire to do so, but at the same time it was well that members should know the truth, and that we should know where we stood, and if we had an ill, we should endeavour to remedy it. The fact that we were still importing agricultural produce, showed that there was something wrong. It was not the fault of the land; the land was as good, particularly for wheat growing, as in any part of the Commonwealth, and yet we found that for the first ten months of 1908 we imported more wheat and the products of wheat, than we exported. The report of the secretary for Agriculture stated that—

“Wheat for grain advanced by 29,316 acres . . . The past year was notable for the establishment of an

export trade in wheat and flour, valued at £100,000, and this factor for all succeeding time will assure our farmers the London prices for their product.”

The statistician, in the *Statistical Abstract*, showed that we exported wheat to the extent of £45,000, and we imported wheat to the extent of £631; bran, pollard and sharps, to the extent of £34,219; flour, to the extent of £17,852, leaving an excess of imports over exports of wheat and the products of wheat, of £7,697. He did not know why officers should be allowed to issue a report such as the first he had quoted, when the statistician gave different figures with regard to our exports. In addition to the fact that the imports exceeded exports on the products mentioned, we also imported oats to the value of £42,748; potatoes to the extent of £57,157; onions to the extent of £14,501; and butter—of course he admitted we could not yet produce it—but it was worthy of note that we imported butter to the extent of £318,762, and then we were told that we were advancing by leaps and bounds after ten years of strenuous effort of the lands ministers. Notwithstanding the fact that we had splendid land in the State, we were not able to keep 270,000 people in agricultural produce, but were importing almost as much as we were growing. This convinced him that there was something wrong in the administration. This stagnation could not go on in the State, neither this nor any other State in Australia could afford to stagnate; all must progress, or there would be the possible chance of some other nation coming along and entirely removing us as a White Australia from the map of the world; therefore, he contended, the present Government had failed; the present system had failed, and private enterprise which had been given great scope in this matter of land settlement, had miserably failed also. That being so, it would be well for the country to try not only a new policy in land settlement, but a new Administration. Again, there was very disappointing information coming to hand through the recent public report of the lands inspectors regarding the estimate of this year's crop, particularly in regard to the quantity of land

under cultivation. In 1907^½ the increase in land under cultivation was only 30,000 acres; in 1908, the increase was only somewhere about 50,000 acres, and reckoning it up, going on at the rate of 50,000 acres annually to get the land already alienated under crop, would take two or three hundred years. Although we said we wanted loans to build agricultural railways, what he contended was, that we required law and administration to force the land alongside the present railways to be brought into use, and so give the existing railways produce to carry, before we started talking about loans and building more railways. The question of land was closely allied to immigration. He did not desire to anticipate any remarks he might have to make upon the question of immigration at a later stage, but he just wished to say, notwithstanding that thousands of pounds were being spent annually by this State in inducing agricultural immigrants to come to the country, the result had been most depressing, and it was certainly a discredit to the State, with the lands it possessed, that we could not produce sufficient for our own requirements. Several suggestions had been made to remedy this state of affairs. The member for Beverley had suggested survey before selection, but what we wanted was a clause in our Act, that the land must be used after it was selected, and the question of whether survey should be made before or after, was not a factor worth considering to any great extent. The question was in regard to the use of the land which had been selected, and in that connection he wished to say a few words as to the administration of the department. It had been said that there was general dissatisfaction with the administration. One point he wished to emphasise was in regard to the Premier's statement that the conditions on which the land was sold were only enforced if the holder had not a reasonable excuse. Parliament had passed an Act providing conditions for lands sold under conditional purchase, and the Premier had entirely annulled the effort made in this direction by inserting on his own responsibility a clause providing for the acceptance of a reasonable

excuse. He (Mr. Underwood) would like to ask what was a reasonable excuse? Would not an excuse vary to a very great extent with the opinions of the excusee or the person who had to receive the excuse. The shaking of hands would be a reasonable excuse with some people, or the free buying of spirituous liquors. It was a most dangerous position for, after all, who was the excuse to be made to? The officers of the Lands Department, the lands inspectors, the land guides and other officials were only human. Was it not possible that a few pounds might make all the difference between a reasonable and an unreasonable excuse? It was wrong to lead the officers of the department into temptation. In this Parliament prayers were offered each day that members might not be led into temptation, and to be consistent Ministers should avoid leading their officers into temptation. He had been surprised that the Minister for Lands, in introducing his Estimates, should have made no mention whatever of several cases which he (Mr. Underwood) had brought before him earlier in the season—cases which demanded a reply. It was not to the credit of the House that charges of corruption should be made: still, when a case was brought before a Minister the member bringing that case was surely entitled to a reply, and if the reply were not forthcoming that member had nothing left but his voice and his power of accusation. He (Mr. Underwood) would repeat the instance of the Nullagine case. A man at Nullagine had applied for pastoral land gazetted as vacant. The applicant had seen the *Government Gazette* notice almost a month after it was published. He had telegraphed to the under secretary asking for a verification of the notice and the under secretary had replied that the land was open for selection. The applicant had thereupon telegraphed his money down. Subsequently he was informed that his application could not be received until the land was forfeited. This too, notwithstanding that it had been gazetted as having been forfeited. In that same communication it was intimated that the land had then been forfeited. The applicant was then told to fill up his application form when it

would be considered. The next he had heard was that the land had been withdrawn from selection. Then he was informed that applications received up to a certain date would be considered simultaneously. A little later he had received notice that the applications would be considered by the lands board in Perth. His expenses for the journey to Perth would amount to about £100, whereas the annual rental of the land was £5. At the expiration of 13 months the applicant was informed that the land board had given the land to somebody else. It was a case that demanded a reply, and if no reply were forthcoming he (Mr. Underwood) would have to form his own conclusions, whether they offended or pleased. He had another instance—he had many of them, but there was one which he wished to bring forward. It had to do with land at Lake Austin. Early in August one Burgess had applied for 9,000 acres and was informed that his application could not be accepted as it was 11,000 acres below the minimum. On the 31st August the Clarkson Brothers had applied for 16,000 acres; and on October 14th they amended the application to 20,000 acres to conform with the Act. Burgess on learning of this, informed the under secretary, who recommended that the land—which had never been withdrawn—should be opened after the 1st of December. Clarksons' agent had then written to the Minister giving the facts of the case. This letter was made into a separate file with a recommendation to the under secretary that the land be gazetted as open from the 1st December. In response to the *Gazette* notice six applications for the land were received. Among them was that of Burgess. Another applicant was one Pearce. On the 23rd of December the lands board had sat and heard evidence. Clarksons' agent pointed out that the land had never been withdrawn, and therefore that his application of the 14th October was prior to all others. Nevertheless the board had granted the land to Pearce.

Mr. Troy: Why he owns half the country.

Mr. UNDERWOOD: The more the case was considered the clearer did it become that the land should have been

allocated to the Clarkson Brothers whose application was indisputably a prior one. If the Premier cared to reply to that case he (Mr. Underwood) would be glad to hear him. Again, there was a block of land in the Avon district marked vacant on the plan issued at the Northam office. A man had applied for this and was told that he could not get it. A few weeks afterwards Munyard, of Munyard and Kenworthy, had applied for the land and got it. The land clearly had been vacant all the time. It must have been vacant when the first man applied for it although it was refused him and held for Munyard who was a big storekeeper, while the other man was merely an axeman. That was another case demanding a reply. If the Minister for Lands should decline to reply to that then no charge of corruption was too strong to make against the department. He (Mr. Underwood) could only say that if it were not replied to he certainly would make charges of corruption. There was a great amount of disorganisation in the office in Perth. One instance he had experienced himself. On making application for a couple of blocks of land he was told that a stamp was required—a shilling revenue stamp. Having fixed up everything else the clerk said to him, "You had better go and get the stamp." To this he (Mr. Underwood) replied, "What about your getting it?" The clerk said, "You must get it yourself," directing him to an office across the street. He (Mr. Underwood) accordingly left the Government office, crossed the road, entered the office of a private land and finance agent named Lefroy, purchased the stamp, brought it back into the Government office and got the clerk to lick it and cancel it. That was business—pure financial business. It served to show the business methods of the department. Again, the question of inquiries generally should be more easily get-at-able than was the case in the office at Perth. A man wanting to pay money would require a thorough knowledge of the buildings to know where to go. He would be a clever man who could find the right apartment at the third attempt. If there were any place that should be standing on the

front street it was the office where money was to be received. Coming to the question of the cost of the department, he had found that the total estimated receipts amounted to £254,000; of this £157,000 was derived from sales, the remainder representing rent. The department had sold on terms last year over one million acres of land; payment was coming in for that million acres. The estimated expense in the Lands Department amounted to £105,000, and of the Agricultural Department £33,000, giving a total of £138,000; so that on the land sold, exclusive of rent we collected, after selling over a million acres of land, we had only £19,000 profit. It was a most disastrous result, considering it in connection with matters already pointed out in regard to the importation of agricultural produce. It was his experience that the money paid to land guides was absolutely wasted. Land guides had informed him that it was no use sending people to them; they had no land to show the people. They said there was no land within 20 miles of a railway or the route of a proposed railway. One land guide had a man out four days at a considerable expense to the Government, and during the time did not show the man one block that was any good and was vacant. He had shown the man thousands of acres held, but had not shown one acre of good, reasonable land that was not held by other people. One man had heard of a block of land that had been missed out in a by-way, and the position of the block having been explained to him had gone to a land guide to get him to show him the block, but the land guide had the man out two days and could not find the block. So the man went back to the person who informed him and got him to point it out. We paid this land guide 30s. a day. The trouble was these land guides had no land to show the people; so it was time we knocked them off. Another matter on which we could certainly curtail our expenditure was in regard to land inspectors. As the Premier had told us, inspections, so far as improvements were concerned, were absolutely null. The Premier had nullified them by introducing the clause of

reasonable excuse; and if there was no intention of enforcing the conditions, the inspectors were not required, because all they were paid for was to see that conditions were enforced. We could do away with the land guides, and practically with all the land inspectors; and if these alterations were made, we would at least save a little more money.

The PREMIER (in reply): One realised that this was the proper time for criticism to be directed against the department if members found, as the result of their experience, that matters were not working exactly as they thought they should be in the different branches of the department. But this was a department that was brought more in touch with the public than any other department of the State. When we realised that there were over 40,000 clients of the department, it would be seen that there were many occasions when possibly there was a certain amount of friction between the department and the various people desirous of settling on the land; and when we realised the tremendous impetus given to land settlement during the last few years, members would see that it was not the easiest thing in the world to satisfy all those who came along to settle on the land. During the last six months alone there had been 3,351 approvals issued of an acreage of over 1,107,000 acres as against 1,142,000 acres in the preceding 12 months, and this would give some idea of the extent of the operations of the department. The fact that it was necessary to have large areas surveyed before selection in order to obviate delays had impressed him (the Premier) more than ever as being a policy that must be pursued more vigorously than it had been in the past. It was the only opportunity we had of satisfying selectors, to let them see the land and the boundaries of the land they must eventually occupy, because then they were in a position to know whether they were satisfied or not. Under free selection there had been cases where unscrupulous land guides had shown different persons the same area of land. It was hardly necessary to say that where a

matter like this was brought under the notice of the department steps were at once taken to dispense with the services of the particular guide concerned. Criticism of the department was welcomed. It was a department in which he was intensely interested. Had that not been the case he would have, during the last year, taken the advice of some members of the Chamber and transferred the administration of the department to some Minister who possibly had more time. He had only been able to keep pace with the work of the department by working paritically the whole seven days of the week. He had not spared himself to see that the work of the department was carried out in a proper manner; and though he had not been able to devote himself to the administration of the department as closely as he would have liked, still on many occasions he had been responsible for introducing reforms that enabled the work to be expeditiously done. It was said the other night that the question of saving a few thousand pounds was absolutely immaterial, but he would remind members that the cost of the administration had been brought down during the last three years from 80 per cent. to 42 per cent., which surely was some evidence that economies had been effected in the department. However, he realised that, where the future of the country was so largely dependent on successful land settlement, to be too economical would be a bad policy. In regard to strictures levied against several officers of the department, on one occasion he had taken the opportunity of writing a strong minute in regard to one officer who had been seen in the streets more often than he should have been; but in a department like this it very often happened that some officers had to leave their offices to consult the Public Service Commissioner or the Crown Law Department; and there were occasions when possibly members of Parliament might think that these officers were neglecting their duties, when, as a matter of fact, the officers might be attending to departmental affairs.

Mr. Taylor: The appointment must not be at the club.

The PREMIER: It did not necessarily follow that it should be at the club. The hon. member must be a frequenter of clubs to see the officers at the clubs so often. In regard to the question of correspondence, one of the greatest reforms in that regard had been effected during the last 12 months. He had had to bring the matter under those responsible in a very strong minute which caused some consternation in the department.

Mr. Foulkes: I fancy they have got over their consternation now.

The PREMIER: The minute was as follows:—

"It is with much regret that I have to bring so emphatically under your notice the fact that correspondence from settlers and others is absolutely ignored by certain officers of the department. It is no exaggeration to say that I receive at least one, and sometimes as many as three letters a day from people complaining that although they have repeatedly written and referred to previous letters they fail to elicit any response from the department."

He had told the people in the country that in cases of delay he would be only too pleased if they would write personally to him, because he would see that the matters were expeditiously attended to. It was the only opportunity Ministers had. It was a certainty a Minister could not be in every sub-branch of a department. The minute proceeded—

"It is not too much to say that this state of affairs is not only bringing the department into disrepute but also the Government. Now matters have reached such a stage that I must ask you to take the matter in hand personally, with a view to giving me some definite recommendation that will once and for all put matters on a proper basis. As a first step I wish instructions at once issued to every officer dealing with correspondence to examine every jacket afloat with a view to ascertaining whether there

are any letters remaining unanswered which can possibly be dealt with. In order that there may be no unnecessary delay these officers must be prepared to work overtime until such work is completed. When this preliminary work is completed I will then look to you for some scheme which will rectify matters in the future and save me from the humiliating position of having to send an evasive reply to inquirers when complaining of the manner in which their correspondence has been treated by the department. Please have this minute registered and a new file started, in order that I may keep track of what is being done."

As a result of that the under secretary had sent out a circular to the various departments, containing a copy of the minute; and later on a reform was instituted, which had the effect of enabling the department to locate unanswered correspondence.

Mr. Jacoby: They want another like that now.

The PREMIER: A circular was sent to each department to see how delays could be obviated. The correspondence comprised about 135,000 letters last year, so it necessarily followed that some systematic procedure had to be adopted to avoid unnecessary delay. He had also written the following minute:—

"I have read the minutes by the various heads on this subject of delays in dealing with correspondence with interest. The suggestions of Mr. Odell appeal to me as being very sound, and from the tenor of yours and the chief clerk's minute, I take it that they are in accord with your views, and that, therefore, definite instructions will be issued to have the recommendations given effect to. In addition, I should be glad if you would issue instructions to the heads of rooms to set aside one special day each week on which they will personally ascertain from the officers in their respective rooms, who deal with the correspondence, whether they have any letters that could be replied to, if not definitely, at least tentatively. By this

arrangement, together with the additional safeguard of the tabs, I feel that the danger of correspondence being inadvertently overlooked, or the officers dropping back into a 'don't care' style, will be greatly obviated. Also, it will throw the onus directly on the head of the room to show that, as far as his own officers are concerned, no delay has occurred in dealing with correspondence. If it is impossible to deal with the outward correspondence in the ordinary office hours, then either the officers will have to work overtime, or additional assistance obtained. If the work cannot be done with the ordinary staff then we must make proper arrangements to cope with it. In any case, however, the arrears must be overtaken without any further delay. When the work is once brought up to date as far as practicable, I hope every effort will be made to keep the work from getting into arrears again. This can best be done by your keeping closely in touch with the heads of the rooms, either directly or through the chief clerk, in order to obviate the tendency there undoubtedly is to drop back into the old groove. Under the proposed new system the direct responsibility will now be on the heads of the rooms, and it should be an easy matter for you to see that they properly discharge their duties. I can quite understand how difficult it is for you, with the great amount of work which falls on you, personally to keep in close personal touch with the working of the various branches; but it is such an important matter that it should be done, even at the expense of other work. I believe Mr. Odell struck a key-note when he referred to the delays that occur in the clearing of the trays, and I hope that you will draw particular attention to it when giving effect to your other recommendations. I should be glad to have a further report in, say, a month's time in order that I may be able to judge what effect the innovation has had on the general work of the department."

That was dated the 31st May. He had read this minute to show members that

although many of them had said they considered he had too much work to do with the combined Offices of Premier and Minister for Lands, still, although he could not visit every branch of the department, he kept fairly well in touch with the work done. He had also had an opportunity of doing away with the delays which previously existed in regard to applications, and had written as follows on this question:—

"Is it not about time the Lands Selection Branch shook off a little of its apathy and indifference and endeavoured to impart a little more business acumen into its dealings with the public?"

In connection with that matter he had spent one Saturday and Sunday in going through the grazing lease applications, and found that although various inspectors' reports had been in the office some five or six or seven weeks, they had not been sent on for his approval. He had accordingly pointed out how necessary it was that more expeditious means should be introduced to deal with grazing lease applications. The system of dealing with straightforward applications was altered and the new system was due not to Mr. Withers, as had been said on several occasions, but to Mr. Wigglesworth to whom credit for the innovation was entirely due. Mr. Withers' name was not mentioned at all on the file. It would be seen by the minute he wrote he had mentioned it was a pity that officers who had been controlling that branch of the department for many years had not seen fit to make a recommendation for an improvement so simple in itself and which should surely have appealed to them without it being necessary to bring it under their particular notice. In that connection he had written the following minute:—

"This is distressing enough for anything, and I could not pick a more apt example of the dreadful delays that are occurring in connection with these grazing leases. Were these matters only dealt with in a systematic way there would be no necessity for the letters from selectors as to when their applications would be approved. I am

well aware of the congestion of work in the various inspector's districts: owing to the rapid increase of selection I know it is a matter of impossibility for one inspector to do the work of two, consequently some reports take months to come to hand, but two new men have just been appointed, and I shall shortly appoint more, but this is no reason why matters should be further delayed once the report is received in the office. The system of dealing with straightforward (L.P.) applications lately initiated by the chief clerk—an idea which if ever in the minds of the responsible officers of the land selection branch never found expression either verbally or on paper is an excellent one, yet withal so simple that the wonder is it was never suggested before by those immediately in charge. Under this system I understand instructions for inspection are expedited, but an alteration in regard to the after procedure must now take place. In future these grazing leases must be dealt with systematically, and the next case of delay that is brought to my notice where the matter is straightforward I shall seek an explanation for. Immediately a report is received it should be stamped (I notice some are stamped, some not), then handed into the record room, the finding of grazing lease files being deemed a special work; passed by hand to the officer in charge of inspectors' instructions in the selection division, who should again pass by hand to the head of the branch for his recommendation (this matter he must consider apart from his routine work), then passed by hand again to the chief clerk who will speedily let me have them. When approved they will be sent by hand to the selection branch for passing on plan and Ex. Co. minute, and returned with schedule to my clerk who will be responsible for seeing that they go through the earliest Ex. Co. sitting. I cannot understand why these suggestions for the better expedition of applications do not emanate from the division concerned; officers of many years' standing are in charge.

who should have needed no suggestion, especially after precisely the same method had been adopted in regard to ordinary C.P's. I desire the chief clerk to put the matter in hand and initiate a card system which will show actual dates of receipt by every officer dealing with these leases, so that we shall in future see in whose hands things have been delayed. Every week's delay saved is something for the selector who in many cases looks on a month as a year."

That minute was dated the 21st October. It was not necessary perhaps for him to have referred to the file, but he desired members to see that although he had had extra work placed on his shoulders, he had been able to keep in touch with the administration of the department.

Mr. Heitmann : Not sufficiently, according to the complaints.

The PREMIER : With 45,000 clients it was a difficult matter to avoid a certain amount of complaining. There were black sheep in every fold and possibly there were men in the department not energetic and interested in their work; but on the other hand there were some of the most loyal civil servants in Western Australia in the department. The only difficulty was that one could not recognise their services as one would like. They received their automatic increases whether they worked earnestly in the interests of the department, or were merely content to drop in from nine to four, and took no interest in their work.

Mr. Heitmann : Pass them out.

The PREMIER : That was practically the work of the Public Service Commissioner.

Mr. Foulkes : Have you reported them to the Public Service Commissioner?

Mr. Troy : Have you adopted his recommendations as to some of the officers?

The PREMIER was in a better position to judge of the value of the men in the department than the Public Service Commissioner. This he said with all due respect to that officer. He had to take the responsibility in Parliament. It had been stated that he had endeavoured to browbeat the Public Service Commissioner, but that was ab-

solutely incorrect. He was satisfied that if Mr. Jull were approached he would say that so far as they were personally concerned they were on the best of terms. On occasions they differed, and if a Minister were absolutely satisfied that one man was fitted for a position and the Commissioner considered that he was not, surely it was only natural that the Minister would push forward his recommendation as far as he could, even against that officer. As to decentralisation, the Public Service Commissioner considered that was unnecessary. On the contrary he (the Premier) as a practical man, an old surveyor, and one who had been mixed up with land all his life, considered that for expeditious dealing with land it was necessary that decentralisation should be introduced. Hours and days had been wasted in a controversy between the Public Service Commissioner and himself on the question. What did members wish him to do? If he was satisfied that it was advantageous to the department that an innovation should be made surely the Minister should be allowed to have his opinion rather than that he should absolutely submit to the Public Service Commissioner's recommendation. He had every respect for Mr. Jull and was satisfied that he made every recommendation honestly, but surely they might differ. In the present case he differed from the Public Service Commissioner and any man worth the name of man would differ on matters of policy. There were differences of opinion in this House on many questions. So far as decentralisation was concerned that was a matter purely of policy. When applications were not dealt with expeditiously who took the blame? The Minister for Lands and the Lands Department. Under the policy of survey before selection a representative of the Minister visited the various centres and took applications and on a certain day if there were no two applications for the same block he could approve of the applications being granted. Surely that was greatly in the interests of the department. In the case of a dispute a board could be con-

stituted, consisting of the representative of the Minister, the district land agent, and a reputable settler. In those cases applications were dealt with simultaneously and a decision arrived at at once. Under the former system where there were two or more applicants, the applicants had to travel all the way from the country and await the pleasure of the Simultaneous Application Board before the application could be dealt with. Surely the Minister who took an interest in the work of his department, and hon. members would not deny that he took an interest in the department, should use every effort to bring about expedition in connection with applications. The disadvantage was, that a man had to come from Narrogin or Katanning to give evidence; that increased the cost considerably, and certainly, it was much more expeditious and economical for the applications to be dealt with locally. He only mentioned these facts as evidence of the instances where the Public Service Commissioner and himself differed. The Commissioner and he were on the most friendly terms, and he was always anxious to secure that officer's advice, but there were cases where they would differ and where they must continue to differ.

Mr. Hopkins: The Commissioner knew nothing about such matters.

The PREMIER had been freely criticised that evening, and he was taking the opportunity of putting forward his case. The Commissioner had criticised the Lands Department in his report, and surely he (the Premier) should say a few remarks in regard to the other side of the question.

Mr. Foulkes: Would the Premier lay the papers on the Table of the House?

The PREMIER: There was not the least objection to presenting the papers to Parliament as far as the decentralisation scheme was concerned. Members would then have an opportunity of judging for themselves.

Mr. Foulkes: Also the Public Service Commissioner's suggestion with regard to the administration of the Lands Department?

The PREMIER: Yes, if he could lay his hands on them.

Several interjections.

The PREMIER: It was impossible for him to carry on a conversation with more than one member at a time.

Mr. Foulkes: Never mind the others, will the Premier deal with me?

The CHAIRMAN: Order.

The PREMIER: With regard to the expedition introduced, as far as straightforward applications were concerned, last month constituted a record. There were 641 applications, representing 270,534 acres. Out of a total of 262 conditional purchase blocks approved in December, no fewer than 191 were straightforward; that was, applications were made and approval issued in the one month. Approvals of such straightforward were issued now in four or five days; that was an innovation which the Leader of the Opposition would admit must be of advantage to the State, and was a great improvement on any system carried out in the department before.

Mr. Bath: How did it affect other applications?

The PREMIER: It did not affect them to their disadvantage at all. In the case of an application being received for one particular district, for instance Avon, the one or two officers entrusted with the particular applications from that district, would deal with it. They had a knowledge of the plans of the district, and were seised of the facts in connection with the adjoining land, and consequently they took an interest in the district. Previously, such an application would be dealt with in a general way, and officers in the head office, would be diving into various branches searching for the working plans. Now, an officer dealing with an application in his own district looked up his litho; he knew everything in connection with the plan; consequently he could deal with the particular application much more expeditiously than was formerly the case where there were a whole lot of applications to be dealt with in a general way, and one particular officer had to deal with all the lithos. He desired to take the present opportunity of dealing with one or two remarks

made by the member for Guildford, more especially in connection with the statement that a certain amount of collusion must have existed between the officer of a department and his son, which led to a certain block of land being taken up in close proximity to the railway.

Mr. Collier: The member for Guildford did not say collusion between an officer and his son; he said between an officer in the department and the person who got the licence.

The PREMIER: Certainly the officer was much concerned about it. He (the Premier) was of opinion that the member for Guildford had referred to the officer and his son.

Mr. Bath: I asked the member for Guildford the direct question as to whether he meant the paternal relative, and the member for Guildford replied, "No!"

Mr. Collier: It was shown in *Hansard* that the member for Guildford did not refer to the father at all.

The PREMIER: The facts of that particular transaction were as follows:—A certain block of land held by H. J. Kent was taken up at Wickepin in September, 1901; the member for Guildford inferred that if this man who took up the land, the son of the officer of the Lands Department, had not been advised beforehand, he would not have taken up land in that particular locality. On the 9th June, a transfer of five acres was lodged and registered and approved from Kent to H. C. Johnston. This H. C. Johnston was the son of the Surveyor General of the State, and was also a brother of E. B. Johnston, land agent at Narrogin. Tenders for the Narrogin-Wickepin Railway were called in the *Government Gazette* on the 27th March, 1908; that was to say, some ten weeks prior to this transfer being made, while the railway station site itself was surveyed prior to that date. Instructions had been issued by the Surveyor General for the survey of a Government townsite on the 25th March, whereas the land was transferred on the 9th June. Therefore, it was publicly known ten weeks before Kent's transfer was received. Any charge of collusion was therefore absolutely with-

out foundation. On the 12th June, three days after the transfer, town lots were thrown open and on the same day the Surveyor General, the father of the man the land was transferred to, recommended the making of a road on the opposite side of the Railway to enhance the value of the Government blocks. If necessary, he was prepared to have the inquiry suggested by the member for Guildford. If members thought it advisable that there should be the inquiry, he would be only too pleased to have it made. The files were available; he had gone through them, and he was satisfied there could not possibly have been collusion; at the same time in the interests of the officer concerned, he would be prepared to have an inquiry instituted. Mr. Johnston, the Surveyor General, was one of the oldest and most respected officers of the department.

[*Mr. Taylor took the Chair.*]

Mr. Bath: No reference whatever was made to him.

The PREMIER: The hon. member had said, "the son of an officer in the department."

Mr. Gordon: Just one of the usual blackguardly statements from that side of the house.

Mr. Underwood: Is the hon. member in order making an interjection of that character?

Mr. A. A. Wilson: I ask him to withdraw; he is the biggest blackguard here.

The CHAIRMAN: If the hon. member said it—

Mr. Gordon: If I said it I shall withdraw.

The PREMIER: The hon. member had said distinctly that it was the son of an officer apparently in possession of some inside information. He (the Premier) would read it from *Hansard*—

"The son of an officer of the Lands Department, apparently in possession of some inside information, had secured the freehold to five acres of conditional purchase land in close proximity to the terminus of a railway. . . . One question was as to how he had obtained the information which would lead to his picking upon that particular piece

of land Right at the terminus of the line this son of an officer of the Lands Department was building an hotel on the five acres of land which he had secured. The whole thing seemed to be absolutely wrong and could have been made possible only through collusion between officers of the department and those outside."

If the hon. member had not meant it he ought to withdraw it. It had caused considerable pain to an officer whom everybody respected; an officer absolutely straight, and one who, had he been other than straight, could have made a fortune for himself. For an officer in such a position must have inside information, and it was gratifying that he (the Premier) should know of no occasion on which any officer of the department had taken advantage of information gained to benefit himself. He hoped that the Leader of the Opposition was right when he said that the member for Guildford had not intended any insinuation as far as the Surveyor-General was concerned. And he hoped further that the member for Guildford would withdraw his remarks.

Mr. Troy: There is no necessity for a withdrawal.

The PREMIER: At least the hon. member might make an explanation. He (the Premier) did not know that there was any other matter he could touch on at the present time. He could only say that in the near future the price of land would have to be increased.

Mr. Troy: There were other accusations made by the member for Guildford. There was the transfer of more than the maximum amount of land.

The PREMIER: In that case no name had been mentioned, consequently it was difficult to institute any inquiry. The only name that had presented itself to him was that of Mr. Wilkie, who had acquired more than the maximum amount. He had inquired into that and found that the under secretary had intimated to Mr. Wilkie that he must either relinquish the surplus or transfer it, in order to reduce the total area.

Mr. Troy: You might make inquiries as to the land held by Piesse.

Mr. Hopkins: That was an error made in the department.

The PREMIER: There were occasions when mistakes of the kind were made in the department. It was permissible for a man to take up 1,000 acres of land and alternatively 2,500 acres of grazing land, and sometimes in endeavouring to keep the proportion the maximum was in error exceeded. However, he would make inquiries about the case now referred to.

Mr. Troy: Not Mr. Piesse, M.L.A.

The PREMIER: That was the difficulty about a vague charge of the kind. There were so many obstacles in the way of making a satisfactory inquiry. However, he was out to stop anything of the sort and whenever he could get on to the track of an irregularity he would follow it up.

Mr. Troy: Make inquiries as to how Rentoul and his partner got beyond their maximum.

The PREMIER: It seemed to him that in future the Government would have to receive more for the land than it was charging at the present time. We were to-day alienating land for from 10s. to £1 per acre—land similar in quality to what was being sold at £5 in the Eastern States.

Mr. Hopkins: How much was spent on it?

The PREMIER: In some cases very little had been spent on it. Up near Wimmera he had seen land sold at from £5 to £6 per acre which was not a bit better than land sold in Western Australia, at from 10s. to £1 per acre.

Mr. Walker: How far from the capital?

The PREMIER: The land he referred to was within a couple of hundred miles of the capital. This was a matter which, with the Minister for Agriculture, he was going into at the present time.

Mr. Swan: I am afraid you are rather late.

The PREMIER: Ministers realised that the future of Western Australia was wrapped up in the agricultural development and that it would be necessary to formulate a scheme to put before Parliament—a scheme which would entail a radical amendment of existing laws. He hoped that such a scheme would be announced within the next few months.

As a preliminary it would be absolutely necessary to secure more surveyors in order to keep the survey ahead of the selection. That led him to another point upon which he was not in accord with the Public Service Commissioner, namely the remuneration paid to surveyors. When the classification was made several names, particularly those of Messrs. Terry, Fox, and one or two other surveyors, had been treated with scant respect by the Commissioner, who had valued their services at a very low rate. As one having opportunities of knowing the work these men were doing he (the Premier) considered that the value the Commissioner had placed on their services was absolutely out of proportion to the value of their work. As a matter of fact the same thing had happened in connection with the Engineer-in-Chief. It was very little encouragement for a man who had been receiving £1,200 a year for years, and who was responsible for the expenditure of nearly a million pounds a year, to find that it was proposed to reduce him by £200. The State had lost several good surveyors. There was a demand for these men in Queensland and other places, and it necessarily followed that except they were in receipt of a decent salary they would not remain in the State.

Mr. Swan : You have lost them from other departments for the same reason.

The PREMIER was only pointing out those that came under his special knowledge. Men like Mr. Terry became specialists. It was not every man who could on horseback traverse and classify two or three millions of acres of land in a few months. Men like Mr. Terry were worth looking after. Of course, there were surveyors who were absolutely mechanical men, who could run a line, turn a right angle and so on, and whose interest then ceased ; but there were men who were prepared to give the head of the department every possible information.

Mr. Jacoby : How will you deal with them under the classification ?

The PREMIER : The only way one could see was to give them some extra bonus. But there was such a difference

between surveyors ; there were surveyors and surveyors. Those men who could go about with eyes open and send in reports as to the advisability of making provision for water supply here or recommending in another place a reserve for classification and survey before selection, were men we should endeavour to encourage as far as possible. The member for Mount Magnet (Mr. Troy) had referred to the fact that he was unable to secure some information. The only instruction given in this regard was that in case of returns and applications for files these should be made to the head of the department. There was no reason why any member should not secure information that could be supplied at the counter, but where returns were asked for it was only fair that the Minister controlling the department should have an opportunity of issuing instructions. He was not aware of any occasion where information asked for by an hon. member had not been given. The member for Greenough had spoken of the land lists, and said that the Public Service Commissioner was of opinion that these lists might be issued once in twelve months instead of twice. No doubt it would effect a considerable saving, but it might be at the expense of inconveniencing people dealing with the department. In any case, he would make it his duty to confer with the under secretary to see whether the innovation might not be made. There had been a dispute in the past in regard to the method of keeping accounts, as to whether the old system should be adopted, or whether the department should go in for the more modern card system. A board, consisting of five officers who were qualified to give an opinion, had been appointed, and had advised that the card system should be instituted. The suggestion was not acceptable to Mr. Keltly, the accountant, but after due consideration it had been given effect to. That had been the only friction arising he had known of. There were over 40,000 accounts on the books of the department, and he believed they would be all up-to-date within the next few weeks. He thanked those members who had been good enough to express appreciation of

the work done, but he realised that it was the opportunity to criticise the department and the opportunity for the Minister to see where the weak points were, and, if possible, to make any alteration he considered advisable in the interest of the department.

[Mr. Daglish resumed the Chair.] . . .

This concluded the general debate on the Lands Estimates; items were discussed as follow :—

Lands, Salaries, £28,008.

Item, Clerks, Lands Selection Branch, £5,863 :

Mr. BATH: Some goldfields people desirous of settling on the land had called at the Northam office and secured a plan of land around Tammin. The plan was marked as up-to-date; but, as a matter of fact, a number of blocks taken up and approved did not appear on it.

The PREMIER: That should not occur. The system adopted was every fortnight or month to exchange the plans from the agencies with the working plans of the department. Of course, lithographs were only issued once a year, and in issuing a lithograph, such as that referred to by the hon. member, it should have been the duty of the officer at Northam to sketch on it from the working plans all the information available. What the hon. member complained of had happened more than once. It occurred where officers were not acquainted with their work as much as they should be. He would make a note of the matter. A man who did this was not fit to be in the position. The member for Mount Margaret had referred to the fact that goldfields men had come down and been disappointed. To do away with that his (the Premier's) desire was to allocate from the land now being surveyed before selection a certain number of blocks for certain goldfields districts. Then an officer with authority to approve would visit the different goldfields districts and explain to would-be selectors, passing from one town to another. On returning to a town previously visited this officer would receive applications for any of the blocks allocated for the particular place and would give approval at once. Of

course, this could only be done by surveying before selection, and that was why he was anxious to get a decent area surveyed before selection. By this system the goldfields people would know the land they were applying for, and the amount that would be advanced by the Agricultural Bank, and the cost of the land.

Mr. FOULKES: A complaint had been made by Mr. Wade, who wrote to the Lands Department on the 18th December. He and a party went to the Doodlakine or the Kellerberrin district accompanied by a land guide who pointed out land that was available for selection. Subsequently, when the surveyor arrived, he reported that the land had been selected six months previously, and Mr. Wade and party were informed that the land guide had made a practice since the previous April of showing that land to anyone who went into the district. He was drawing at the time £1 a day for each person who applied. Notwithstanding that Mr. Wade wrote to the department on the 18th December, he had received no satisfactory explanation. The only information he had was that Mr. Farmer had sent a communication to the land agent at Northam asking that inquiries should be made into the matter.

Mr. COLLIER: In April last a friend of his asked him to make inquiries at the Lands Department as to whether a certain block in the Northam district was available for selection. Inquiries were made, and he found that there was a block of 1,000 acres forfeited in 1906. He sent that information to his friend, who immediately went to the Northam office and applied for the block. He was told that it was available and he put up the necessary money. Subsequently however, he was informed that the land had not been forfeited, and was not available for selection. On a further visit to the Perth Lands Office he (Mr. Collier) was told that the land was available for selection and his friend applied for it in the following July. In October last however, he had not received approval of the application and he did not know whether it had yet been obtained. The reason given for the delay was that there were not sufficient inspectors.

Mr. HOPKINS : There was no remedy for the ever-increasing delays except by the adoption of the decentralisation scheme introduced by Dr. Jameson. Was that scheme being persevered with despite the efforts of the Public Service Commissioner, who was not qualified to decide on a question of that sort ? Dr. Jameson and all the Ministers who succeeded him were in favour of the decentralisation scheme.

Mr. HEITMANN : Numerous complaints had recently been made to the Minister as to this branch of the department, but no notice had been taken of them. The member for Pilbara had made specific charges against the department, which meant either huge mistakes or corruption. He desired again to draw attention to Clarkson's application. What was the reason why the land was granted to Mr. Pearce as against the application of other individuals who desired the land ? Mr. Clarkson originally applied for it and his application was in order, but he was suddenly notified that the land was withdrawn from selection. What were the qualifications of the successful applicant ? Was he given the land because he was the holder of thousands of acres of land in the State ? If that were so it was a very wrong qualification to accept. The Minister should inform us what were the special qualifications entitling the successful applicant to the land. He had recently paid a visit to the South-West and had ascertained that the people on the Stirling Estate were suffering considerable hardships, chiefly owing to the very high price they had been compelled to pay for the land. The quality of the land had been misrepresented by the department. Some of the settlers had paid as much as £12 an acre for the land which they were now using for grazing purposes.

Mr. Hopkins : The Government paid one pound an acre for the land.

Mr. HEITMANN : It was quite a wrong policy for the Government to try and make a profit out of transactions of this kind. The selectors were told when they took up the land that in the first year they would be able to get a return of 10 tons of potatoes per acre. The

result was that the unfortunate individuals went there and started growing potatoes. In the first year they did not even have the cost of the seed they put in. The work in connection with the drainage scheme was a huge picnic for a few, and he had been told that the scheme had failed.

Mr. Hopkins : Then the Government should pay for it.

The CHAIRMAN : The hon. member was wandering from the item. We could not have another general debate.

Mr. HEITMANN : His desire was just to point out that these people were really undergoing hardships.

Mr. Layman : There was not a man on the estate who could not easily sell out at the amount he had paid, plus the value of the improvements.

Mr. HEITMANN : We wanted to settle the people ; we did not want them to leave. The member who interjected had obtained a slice of the country at a reasonable cost and which could not have been got by the average selector.

Mr. Layman : He had to take the last selection.

Mr. HEITMANN : The desire was to point out under the heading " Land Selection " that classification was not what it should be. Blocks had been surveyed even as small as 20 acres.

The CHAIRMAN : The hon member must confine himself to the items. No matter affecting the general administration of the department could be discussed under the item. The hon. member must confine himself to the item ; we could not have a general discussion on land administration under each subdivision.

Mr. HEITMANN : There was no wish to go further except to point out that the Chairman had already allowed something that was foreign to the particular item.

Mr. WALKER : With regard to selection and classification, it happened that when a selector took up a piece of land which might include first, second, or third-class land, he often found when he got on the land that the classification did not contain the 500 acres of good land, and the thousand acres of grazing land which he was under the impression he had taken

up, but he found that the selection contained only 100 or 200 acres of good land, and the rest was third-class land. This complaint had been brought under his notice by people in difficulties. After having gone over the land and gauged the quality of it, they had asked the department to reclassify it, and these people had been asked by the department to pay a deposit on the cost of the reclassification; and then practically they had to forfeit the land, and run the risk of getting it back again. That information had been given to him by selectors who had personally applied and sent down their money to the department. After the reclassification the application became practically a new one. If the department had made an error in the classification, the reclassification paid for by the selector should secure the land for him. The Minister for Lands might give some explanation.

Mr. ANGWIN: In the event of land being applied for in pastoral areas, how long would it be before such land was ready for selection?

The PREMIER: In a district where there were pastoral leases, it was necessary before the land could be thrown open that twelve months' notice in some cases be given to the pastoral lessees before a selection could be made or the land taken up, although preliminary work could be carried on in the interval. With regard to the complaint made by the member for Kanowna, he believed the practice was in a case where reclassification was necessary, that a reclassification was made on a fee being deposited of one or two guineas. In this particular case a reclassification was not asked for, because the selector was afraid that if instructions were issued for a new classification, in the meantime his original application would be forfeited.

Member: It was forfeited, and he had to go before the land board.

The PREMIER: That was in the case of more than one applicant for the block. In the case of the member referred to, apparently the selection was taken up without the selector seeing the country. Selections were often taken up from the rough classification shown on the plan.

In any case if the member submitted the name of the individual, the matter would be inquired into.

Mr. WALKER: The man's name was Main, and his selection was close to Swamp Well. On going over the land, Main had found that he had far more third-class than first-class country; in consequence of this he had desired a reclassification. He was informed by the department, however, that after the reclassification he would have to go before the land board, and might, as a result, lose his selection. In preference to this, although feeling that an injustice was being done him, he had decided to accept the land as it was.

Progress reported.

House adjourned at 10.32 p.m.

Legislative Assembly,

Wednesday, 6th January, 1909.

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

PAPERS PRESENTED.

By the Premier: 1, Report of Proceedings by the Registrar of Friendly Societies to 31st December, 1907. 2, Amended by-law passed by the Municipality of the city of Perth.

By the Minister for Works: 1, Report of the Public Works Department for 1907-08.