

ment. I am prepared to let this thing go through, and to strike out the clause on the understanding that the methods I have indicated shall be carried out. As for the exemptions for children, I say that is not a question of policy at all.

The CHAIRMAN: The question is as to striking out of Clause 29.

Hon. A. SANDERSON: Well I will postpone any further remarks until we reach the alternative proposal.

Clause put and negatived.

Clauses 30, 31—agreed to.

Clause 32—Application of amendments made by this Act:

Hon. A. LOVEKIN: A clerical error has been made in this clause. I move an amendment—

That in line 3 "18th" be struck out and "1st" inserted in lieu.

Amendment put and passed; the clause, as amended, agreed to.

Clause 33—agreed to.

New Clauses:

Hon. A. LOVEKIN: I move—

That the following new clause be added—
"Section 31 of the principal Act is amended by adding to Subsection (3) the words:—"unless the Commissioner is satisfied that the payments have been made bona fide in the course of business and for services rendered."

New clause put and passed.

Hon. A. LOVEKIN: I move—

That the following new clause be added—
"Section 19 of the principal Act is amended by (a.) Adding to subsection 10 the following words:—"Or any pension paid to the widow, relatives or dependents of a deceased soldier or sailor killed during the war, or who has died from injuries received, or sickness contracted, during the war, or any pensioner under the Invalid and Old Age Pensions Act, 1908." (b.) adding new subsection as follows:—
11. The income of any society or association not carried on for the purpose of profit or gain to the individual members thereof established for the purpose of promoting the development of the agricultural, pastoral, horticultural, viticultural, stock raising, manufacturing, or industrial resources of Western Australia. 12. The income of any society or association of a public character established for the promotion of scientific research. (c.) By striking out the words "subsections (1) to (6) hereof," in the first line of the paragraph, and inserting in lieu thereof the words 'this section.'"

With the exception of Subclause 12 the amendments follow the Federal Act, and Subclause 12 is on similar lines to the provision in that Act.

New clause put and passed.

Hon. A. LOVEKIN: The next proposal of the select committee comes to the crux of the Bill. We propose to delete Section 30 of the principal Act and insert a number of other amendments. In order to make the position clear, we have set out in our report the whole clause as it will stand with the amendments proposed and the portions of the original section which have been unaltered.

Hon. H. STEWART: I ask the Leader of the House to report progress, so that we may be able to study the amendments and be prepared to discuss it to-morrow.

Hon. F. H. HARRIS: I support that suggestion.

The Minister for Education: I do not want any hon. member to discuss the proposal without understanding it.

Progress reported.

House adjourned at 12.50 a.m. (Thursday).

Legislative Assembly,

Wednesday, 11th January, 1922.

	Page
Questions: Metropolitan Water Supply ...	2914
Fire risk, Narrogin ...	2915
Workers' Homes, freshhold ...	2915
Cascade Estate, clearing ...	2915
State Smelter, receipts in suspense ...	2915
Bill: Licensing Act Amendment, all stages ...	2915
Stamp, Council's Message ...	2921
Agricultural Lands Purchase Act Amendment, all stages ...	2922
Loan, all stages ...	2922
Appropriation, returned ...	2944
Motion: Kendenup Estate, Government assistance	2923

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

QUESTION—METROPOLITAN WATER SUPPLY.

Mr. MacCallum SMITH (without notice) asked the Minister for Works: How long will it be before the Minister can supply the people of North Perth and Mount Lawley with decent drinking water?

The MINISTER FOR WORKS replied: I believe they are getting decent drinking water now. It is the intention of the department that the supply shall continue. Occasionally there is in the mains an accumulation of a harmless sediment, during which time the water is not quite as clear as at other times.

QUESTION—FIRE RISK, NARROGIN.

Mr. JOHNSTON asked the Premier: 1, In view of the disastrous fire at Narrogin last Sunday, will the Government refer the question of providing adequate protection against similar occurrences in Narrogin in future to the W.A. Fire Brigades Board, with a view to the immediate establishment of a fire brigade at Narrogin? 2, Could the possibility of utilising water from the railway water supply at Narrogin for fire protection be investigated, pending the completion of the Narrogin town water supply?

The PREMIER replied: 1, This is a matter for the Fire Brigades Board and the municipality of Narrogin to settle. 2, Yes.

QUESTION—WORKERS' HOMES, FREEHOLD.

Mr. JOHNSTON asked the Premier: 1, Are the Government aware that the owners of workers' homes under a leasehold title are anxious to secure the same option of converting their leases into freehold which has already been given to the holders of leasehold town lots? 2, Do the Government intend to introduce legislation on this subject? 3, If so, when?

The PREMIER replied: 1, Requests have been received indicating that lessees, in the metropolitan district particularly, desire to convert leasehold titles to freehold. 2, The matter will be considered during recess. 3, Answered by No. 2.

QUESTION—CASCADE ESTATE, CLEARING.

Mr. J. H. SMITH asked the Premier: 1, Is it a fact that clearing land on Cascade estate, near Bridgetown, is costing soldier settlers over £23 per acre, the work being carried out by Government tractor and tree-pulling gang? 2, Is he aware that old settlers in the district state that the work can be done by hand labour at from £6 to £8 per acre, and are prepared to swear same before commission of inquiry? 3, Will he appoint a committee of practical men to inquire into truth or otherwise of these statements. 4, If committee find that such an unduly high cost is being imposed on soldier settlers, does he intend to make such a refund as will reduce cost of clearing to a reasonable amount?

The PREMIER replied: 1, Yes. 2, No. 3, The matter is now the subject of inquiry by the Agricultural Bank. 4, Any further action will depend on the result of such investigations.

QUESTION—STATE SMELTER, RECEIPTS IN SUSPENSE.

Mr. CORBOY asked the Premier: What portion of the amount standing to the credit of "State Smelter Receipts in Suspense"

represents refunds of advances, and what amount is for excess working costs?

The PREMIER replied: As this case is sub judice, I am advised that the question ought not be answered.

BILL—LICENSING ACT AMENDMENT.

All stages.

Introduced by the Premier and read a first time.

Second Reading.

The PREMIER (Hon. Sir James Mitchell—Northam) [4.38] in moving the second reading said: As hon. members know, the Licensing Bill brought down some weeks ago has been referred to a select committee. It seems right that until we get the report of that select committee the issue of licenses should be suspended. The Bill proposes that it shall be unlawful for any licensing court to grant, before the 31st December, 1922, any new licenses except licenses for eating houses, boarding-houses, lodging-houses, billiard tables or occasional licenses. Under the Bill no new hotel or club license will be granted in any district until the report of the select committee has been considered. I think the House ought to have an opportunity for dealing with this question of licenses and the question of whether or not we should set up an unlimited number of clubs. In any case it means only a delay until we get the report of the select committee on the other Bill. I have brought down the Bill out of a sense of duty to the House and to the community, and on the suggestion of a member of the House, who is also a member of the licensing court, and who has called attention to the fact that under a decision of the High Court an application for a club license cannot properly be refused except on the score of unsuitability of buildings. No injury will be done by the passing of the Bill. I move—

That the Bill be now read a second time.

Mr. UNDERWOOD (Pilbara) [4.44]: The Bill is quite unnecessary. There is no chance of any licensing court issuing a license except it be urgently required. A new license might be just as urgently required during the coming year as in any other year. Mr. Mann: But the court cannot refuse an application for a club license.

Mr. UNDERWOOD: I do not know why members are so solid against clubs. A club is a co-operative society. I am prepared to meet the publicans on the question of the establishment of clubs. If the Premier will put it forward that this is simply an attempt to block clubs, then we shall be prepared to deal with it on the question of clubs versus pubs. There will be no mistake as to where I shall be; I shall be voting for the clubs. There are laid down in the Act restrictions whereby the licensing bench cannot grant a

license except it is approved by the residents and there is a petition signed, and many other safeguards imposed. It may occur in some parts of Western Australia, and we have 975,000 square miles in the State, but it will not occur in Perth. The Premier says that the hotel-keepers in Perth are quite agreeable to this.

The Premier: I said nothing of the sort.

Mr. UNDERWOOD: Are they going to frame our licensing Bills? Are they the only people on earth?

The Premier: I have not said anything of the sort. I object to that.

Mr. UNDERWOOD: I gathered that from his remarks.

The Colonial Secretary: A member of the licensing bench.

Mr. UNDERWOOD: Of the licensing bench in Perth. Probably the publicans had a chat with a member of the licensing bench. This Bill is unnecessary. Our licensing benches have done their work well during the last 10 years. If a new license is necessary in the back country, and the people want it, I do not see why we should oppose it, or why 1922 should be different from 1921 or 1917.

Mr. MacCallum Smith: It will take 12 months in which to build a public house.

Mr. UNDERWOOD: The hon. member has seen pubs built in much less time than that. In this State we may get a big population in a centre at any time. If the people there sign a petition that they want an hotel, why should we refuse their application?

Mr. Lutey: Cannot a license be transferred?

Mr. UNDERWOOD: It is possible to transfer a license already and this makes the Bill all the more unnecessary. It is utterly useless, and I do not know why we should be bothered with it now.

Mr. O'LOGHLEN (Forrest) [4.49]: I support the Bill, for the reason that for the next 12 months, I want to take the power out of the hands of the licensing bench, which has been operating during recent months. One of the objects of the Bill is to prevent a de-licensed house being converted into a club. I do not know that I should have any valid objection to the establishment of a club in some localities where an hotel has been de-licensed. The licensing benches I refer to have shown their glaring incompetence to such an extent that the House cannot have any confidence in them in the future. I believe, after the select committee has fully inquired into the licensing question and presented its report, it will be possible to set up a different system. I disagree with the member for Pilbara (Mr. Underwood) when he says that for the last decade the licensing benches have done magnificent work, and have only granted licenses where they are required.

Mr. Underwood: I did not use the word "magnificent."

Mr. O'LOGHLEN: That may be so. In reducing licenses they have set up a position that no democracy should stand for. They

have gone against the weight of evidence. We had an extraordinary position in the Great Southern of an hotel being closed up by the licensing bench, although it was miles away from any other hotel.

Hon. W. C. Angwin: They may have closed up the wrong place.

Mr. O'LOGHLEN: The owner of the hotel was away and knew nothing about it. He is a hard working man and did not know much about running an hotel.

The Premier: Where was that?

Mr. O'LOGHLEN: At Popanyinning.

Mr. Mann: It has been opened again since then.

Mr. O'LOGHLEN: The owner appealed and the license was restored. His lawyer pleaded that there had been no adverse police report against any hotel in the district, and that there should be no reduction there notwithstanding the vote for reduction. Is there a more glaring case than that recorded at Claremont? A residential hotel, which cost an enormous sum to build, was wiped out by the licensing bench and a wine saloon, which gave no accommodation to the public, was allowed to carry on. The member for Claremont (Mr. J. Thomson) gave evidence on behalf of the wine saloon.

Mr. J. Thomson: You know all about my evidence.

Mr. O'LOGHLEN: The hon. member happened to be mayor of that municipality and his town clerk is a member of the licensing bench. I do not know that many town clerks would be likely to run counter to the evidence of their mayors. At many other places, too, hotels which cost an enormous sum to build, and which afforded accommodation to the public, have been obliterated by a stroke of the pen, but other hotels allowed to continue.

Mr. J. Thomson: Some of them do not provide public conveniences.

Mr. O'LOGHLEN: They may have been badly conducted, but that is the fault of the bench. I hope we shall be able to take this power from them. If an hotel is badly conducted, the licensing bench should see that a different state of affairs exists. They should insist upon the licensing laws being carried into effect.

Mr. Johnston: Take the Arthur River.

Mr. O'LOGHLEN: I could quote a dozen instances.

Mr. J. Thomson: What is the use of bringing in this niffing Bill now?

Mr. O'LOGHLEN: I hope the Bill will go through. It will suit me, if it takes away the power from incompetent magistrates on the licensing bench for the next 12 months. After that, some better system may be evolved that will prompt these men to be guided by the weight of evidence.

Mr. J. Thomson: They must give way to the weight of evidence.

Mr. O'LOGHLEN: If the hon. member will tell this House that a residential hotel, which has cost £12,000, should be wiped out in favour of a wine saloon, I shall be pleased

to listen to him. The object of the licensing law should be to eliminate drinking dens wherever possible, and encourage those houses which give accommodation to the public.

Mr. J. H. Smith: Cut out Parliament House.

Mr. O'LOGHLEN: Where members get the cheapest meal in the world?

Mr. Underwood: You are getting wide of the Bill.

Mr. O'LOGHLEN: If I were as wide of a subject as the hon. member, I should be pulled up.

Mr. Underwood: You have not said anything about the Bill.

Mr. O'LOGHLEN: A know-all and wise-acre like the hon. member makes the Chamber flash with his genius when he gets up. The Bill provides that there shall be no new licenses granted for 12 months. I support the Bill in the hope that we shall get some better system for the allocation of licenses during the ensuing months.

Mr. J. H. SMITH (Nelson) [4.55]: I oppose the Bill. It has been introduced with the object of gulling unsophisticated members. There is a big punch behind it. Possibly some member of the W.C.T.U. has induced the Premier to introduce this Bill. I hope members will not be taken in by it. Some mining area or rich find may cause a big centre to open up but this Bill prohibits the licensing bench from granting a license there. The Premier has left out the clause dealing with the 15-mile radius. He has laid it down that no new license shall be granted. That is wrong. There is some underground influence at work about which we are not supposed to know anything. If 5,000 settlers congregated at Kendenup, how would they be able to get a license? Provision has been made for churches there, and churches and licensed houses must go together. Suppose we settle 100,000 people in the South-West, and build railways connecting them up with the markets. How are they to be accommodated if no new licenses are to be granted, irrespective of the distance of one licensed premises from another? The Bill is an unfair one and it was not wise of the Premier to introduce it at this late hour. I believe it aims at the destruction of the present licensing law. As the Leader of the Opposition would say, there is the unseen hand behind it: or the clutching hand. I warn members to be careful about what they do. They should give due consideration to the Bill before voting for it. There is something behind it that I cannot understand, but the Premier in his wisdom does understand. Why has he wiped out the provision for the 15-mile radius?

Mr. MacCallum Smith: You think it is loaded?

Mr. J. H. SMITH: Yes, in both barrels. I am astonished at the member for Forrest (Mr. O'Loghlen), knowing the position in the South-West, supporting this Bill.

Mr. O'Loghlen: It is a well-watered country.

Mr. J. H. SMITH: The settlers there will be deprived not only in the summer, but in the cold winter of the means of getting refreshment when they need it. I intend to vote against the Bill.

Mr. J. THOMSON (Claremont) [5.0]: I would not have risen to say anything about this Bill but for the fact that my friend opposite has cast a reflection on the Claremont Licensing Bench.

Mr. O'Loghlen: And those of other places.

Mr. J. THOMSON: Let me inform him that the Town Clerk of Claremont was in that district 20 years ago. He was also Mayor of Claremont many years ago.

Mr. Lambert: That is no recommendation.

Mr. J. THOMSON: He is one of the respected men in Claremont, perhaps one of the best respected there, and it is not right that members of this House should cast any reflection on a citizen like the present Town Clerk of Claremont. We know too that he is a teetotaler and a justice of the peace. With regard to the wine saloons and the Brighton and Nedlands hotels, I am proud to say that I gave evidence in favour of the wine saloons. The man who owns the wine saloon at Claremont—

Mr. Teesdale: Is a dago.

Mr. J. THOMSON: No.

Mr. Teesdale: Thank heaven.

Mr. J. THOMSON: He was a policeman.

Mr. Munsie: You have settled your case now, Jock.

Mr. J. THOMSON: He was a policeman in Sydney for 20 years and retired with a splendid character. He has been in Claremont for many years and is chairman of the United Friendly Societies, which is something.

Mr. O'Loghlen: He is a handy man to have about.

Hon. P. Collier: He will influence a few votes, as chairman of the Friendly Societies.

Mr. J. THOMSON: The Leader of the Opposition knows that most of the members of the Friendly Societies belong to the Labour Party. It may be that at the next election I may be looking for their votes, and I may be a follower of the Leader of the Opposition. What I wish to say is that I am proud of the evidence I gave in connection with the hotels. If the member for Forrest desires to know something about the Brighton Hotel and about the Nedlands Hotel, I can show him some interesting letters I have had from people who have stayed there. Some friends of mine put up at the Brighton Hotel three years ago, and I am glad to say that that was one of the hotels I was instrumental in getting wiped out. I am opposed to the Bill. I do not know why the Premier should bring in piffling legislation of this kind at the end of the session unless, as the member for Nelson said, there is something behind it.

Mr. LAMBERT (Coolgardie) [3.5]: I intend to vote against the Bill.

The Premier: Well vote against it; that will be all right.

Mr. LAMBERT: I will speak against it too. I am quite prepared to support licensing reform, but I am not prepared to support piecemeal legislation of this description. Let us take as an instance, the Nedlands hotel. So far as I can gather there was nothing in the evidence against the conduct of that hotel. The trouble so far as that hotel was concerned was that it was so geographically situated that it could take advantage of the defects in the licensing law. Not one word was said against the conduct of the hotel. Now I believe it is possible to convert that hotel, which has cost the owner some thousands of pounds, into a club. I do not know why the people of Nedlands have not as much right to a club as those who squat down in the Weld Club or any other club.

Mr. Boyland: Do the people of Nedlands want it?

Mr. LAMBERT: They have a right to say by the fact that they subscribe to the membership of the club, as to whether they desire it.

Mr. Mann: What is the use of local option if you convert every closed hotel into a club?

Mr. LAMBERT: There is usually a great difference between the conduct of clubs and the conduct of hotels.

Hon. W. C. Angwin interjected.

Mr. LAMBERT: The member for North-East Fremantle has a wide knowledge of clubs; he frequents them so extensively.

Hon. W. C. Angwin: No, but I know you.

Mr. LAMBERT: The hon. member only thinks he knows me. His knowledge of these matters is so wide that he can speak with that sound wisdom and authority that should command respect. Irrespective of that knowledge and his unflinching views upon this subject, the House at this late hour is not justified in tinkering with a big question of this description. The Premier is presuming too much upon the good nature of hon. members when he asks within a few hours of the close of the session that we should pass a Bill of this nature. It is wrong, and I hope hon. members will have some regard to the Statute in force to-day, and because one or two clubs may crop up, not rashly pass this Bill which, through the slipshod manner of submitting legislation for the improvement of the liquor trade, the Government may wish to re-enact at a future time.

Mr. MacCallum Smith: It is intended to bring down a comprehensive measure next year.

Mr. LAMBERT: I have heard all about the comprehensive measures for years past. I am against piecemeal legislation and the tinkering nonsense of this description which has been displayed so shockingly during the past few months in the House. If the Premier requires licensing legislation, let us sit until we can deal with it in a proper manner. I hope no Act will be passed which will be

directed against any single individual. If the Nedlands people desire a club at Nedlands, they have as much right to one as the Perth people have to the Perth Club, the Celtic Club or any other. If the conduct of clubs is wrong, the position can be remedied when we are considering the licensing laws of the State. But why, as sensible men should we, within a few hours of the closing of the session, pass legislation of the nature which may have a far reaching effect. I hope hon. members will exercise common sense and vote against the second reading of the Bill.

Hon. W. C. ANGWIN (North-East Fremantle) [5.10]: As I said yesterday I am in the unfortunate position of not being endowed with the common sense possessed by my friend the member for Coolgardie (Mr. Lambert). We must not overlook the fact that some 10 or 11 years ago we put certain powers into the hands of the people, and they were that they should say through the ballot box whether they desired licenses or not, or whether the number of licenses should be increased or decreased. In several districts the people decided through the ballot box that the number of licenses should be reduced, and I maintain that after the decision given in that way, it is our duty as a Parliament, to see that that decision is respected. It is our duty to see that the law is upheld, and we should not leave any loophole by which we may give any person the opportunity to wipe out the decision created by Parliament and by the people through an Act of Parliament. That being so, the Premier, instead of being condemned for introducing legislation of this kind should be commended. In all probability some persons have spoken rather hastily by giving expression to their wishes through the columns of the Press, and have shown that they intend to evade the Act by securing club licenses. As the Act stands to-day it is a matter of impossibility for a Licensing Bench to refuse a club license for premises which are suitable. Therefore, there is only one course for Parliament to adopt and that is to prohibit for the time being, and until Parliament declares otherwise, the further issue of licenses. Personally, I have a complaint to make, and that is in regard to the last clause in the Bill. If that clause is struck out it will be a good Bill. The increase in population which we may expect, will level up things to such an extent, that there may not be any need for a great reduction in the number of licenses. No doubt it may be necessary occasionally to bring in legislation in respect to outback districts, but those places will not be affected during the next six months. The member for Nelson need not be afraid that there will be such a big influx of settlers in the South-West as to warrant attention from the Licensing Bench. The Premier is quite justified owing to existing conditions in introducing the Bill. Regarding the statements which have been made as to the licensing magistrates, it may be that some of them have not shown sound

judgment. If I were on the licensing bench I would close every wine shop before I closed an hotel.

Members: Hear, hear!

Hon. W. C. ANGWIN: I think the wine shops are worse than the hotels, and that, in the circumstances, the magistrates committed an error of judgment.

Hon. P. Collier: A shocking error of judgment.

Hon. W. C. ANGWIN: Probably they think they have done right, but that does not do away with the desires of the public as expressed by the recent vote. Because a magistrate makes an error, that does not dispose of the intention of the people as disclosed through the ballot box. We should see that everything possible is done to comply with the views expressed on that occasion. The Bill before the House will achieve that end. In Committee, it is my intention to move an amendment to extend the Bill to 1932 instead of 1922.

Mr. PICKERING (Sussex) [5.17]: In bringing forward this Bill, I do not think it was in the Premier's mind to prevent the erection of a new hotel in a country district should the occasion arise, but, as indicated by the member for Forrest (Mr. O'Loughlin), to prevent the transfer of licenses respecting premises which have been delicensed and converted into clubs. I am with the Premier in that attitude because if, for instance, the people at Nedlands and those living about the Brighton Hotel felt that clubs were so necessary, they would have taken action long before this. It is difficult to believe that all at once action should have been taken by these people when the hotels were wiped out. It is quite possible that there may be many parts of the State where accommodation will have to be provided before amending legislation comes into force. Although Parliament may meet next July or August, we know that any measure passed during the session will not come into force until towards the end of the year. That would mean that, should the occasion arise when it is necessary that a hotel shall be erected in some part of the State, the applicant will not be able to receive the necessary approval of the licensing authorities. Hon. members who travel through the State and have to stay where there are no hotels, are fully aware of the type of accommodation provided at those centres. The accommodation is by no means suitable. In the circumstances, we have no right to pass a Bill which will prevent the erection of hotels in such places where they are required.

Mr. Lambert: This is a miserable sop to prohibition.

Hon. W. C. Angwin: You are one yourself.

Mr. PICKERING: A licensing bench requires the expenditure of from £5,000 to £7,000 in respect of hotels erected in the country districts, and no one would embark

upon such a proposition unless there was a reasonable demand for such accommodation. If the Premier was genuine, as I think he should have been, in placing the Bill before the House—

The Premier: Do you think anyone would be such a lunatic as to bring a Licensing Bill down here now?

Hon. P. Collier: You are quite right.

Mr. PICKERING: Dealing with Clause 2—

Hon. P. Collier: If the Bill only contained one clause, it would be just the same!

Mr. PICKERING: I would like to know what will be the position under that clause, of a license like that of the hotel at Narrogin which was destroyed by fire the other day.

The Premier: They still have their license.

Mr. PICKERING: The effect of the clause will be to prevent the provision of accommodation which is seriously required at Narrogin. It is difficult to get good accommodation at any time and to prevent the building being re-erected, would be a serious disadvantage to the centre.

Hon. P. Collier: If there were a revival at Busselton, it might affect the position.

Mr. PICKERING: During the summer months at Busselton, the hotel accommodation is all too inadequate. I do not know whether the license applies to the premises or to the ground but I trust the Premier will be prepared to accept an amendment which will make this apply to clubs only or failing that—

Mr. SPEAKER: The hon. member can deal with that matter in Committee.

Mr. PICKERING: I trust the Premier will agree to an amendment to this clause.

Hon. T. WALKER (Kanowna) [5.21]: In spite of what has been said regarding the Bill being brought forward at such a late stage of the session, it seems to me that the Bill is consequent upon the conduct of the House itself. We passed the second reading stage of the Licensing Act Amendment Bill, but at the last moment, because of the debatable nature of the measure, and—

Hon. P. Collier: The hot weather.

Hon. T. WALKER: Perhaps, too, because of the hot weather, and of the approach of the end of the session, this House in its wisdom referred the Bill to a select committee.

Mr. Munsie: Which meant killing it.

Hon. T. WALKER: It may mean killing it or it may not, but if the investigation takes place by the select committee, transformed into an honorary Royal Commission, then in all probability information will be available at the very commencement of next session to enable us to deal with the measure.

Mr. Chesson: We could not have a better Commission drawn than one from the members of this House.

Hon. T. WALKER: That may be so, but that is the course adopted by the Chamber. The Licensing Bill is merely suspended, and

it leaves the general public and the publicans as well, in a quandary as to what will ultimately be the licensing laws of the land. The Bill, if it becomes law, will impose new conditions upon the public and upon licensed premises. It is a revenue measure intended for revenue purposes. In order to conserve the present position and that there may be no inroads into the number of licensed premises existing, a measure of the kind before the House is necessary. Until the main Licensing Bill is passed or rejected, licensing matters should be as they are. The whole future of the licensing laws of Western Australia depends upon that measure, and if the Bill is to be suspended, it is only right that we should hold up transactions regarding licensed premises until we know the fate of that measure. The Bill before hon. members at the present time proposes to do nothing more nor less than that. We know there are always people alive to any chance to drive a coach and four through an Act of Parliament or proposed Act of Parliament, and it is common knowledge that hotel licenses which have been forfeited may be restored in another name.

Mr. Lambert: But that is amongst themselves.

Hon. T. WALKER: That does not matter. There are other people who have common sense besides the hon. member. The hon. member's observation of the affairs of the world teaches him that it is not desirable to prevent the sale of liquor in one way and to permit the same thing to be done in another way. In other words, it merely amounts to a change of name; the sale of liquor in an hotel has been prohibited and the sale of the same liquor from the same brewery and from the same spirit merchants can be carried on in clubs.

Mr. Lambert: And sold to their own members.

Hon. T. WALKER: The effect is the same, for it is the sale of liquor.

Mr. Lambert: It only applies to club licenses, and you know it.

Hon. T. WALKER: Never mind; it has to do with prohibition, at which the hon. member has seen fit to sneer.

Hon. W. C. Angwin: He is a prohibitionist himself.

Hon. T. WALKER: I do not know what he is.

Mr. Lambert: Will you try to find out?

Hon. T. WALKER: I will. I always try to find out the depth and strength of a man to see what is in him, but if the hon. member's logic is to be discovered in his remarks, then I am bewildered.

Mr. Lambert: It is common sense.

Hon. T. WALKER: If the hon. member has given us a sample of his common sense, when he advances the club sale of liquor as against the hotel sale of liquor, then I very much question the quality of his common sense; it is too common for me. I want a better brand of common sense than that.

Mr. Lambert: I said—

Mr. SPEAKER: Order! The hon. member for Coolgardie must keep order.

Mr. Lambert interjected.

Hon. T. WALKER: No amount of sophistry can alter this position.

Mr. Lambert: Can you tell me—

Hon. T. WALKER: I am not holding a conversation with the member for Coolgardie.

Mr. SPEAKER: Order! Will the hon. member address the Chair?

Hon. T. WALKER: I am endeavouring to do so, but if the member for Coolgardie is permitted to—

Mr. SPEAKER: If the member for Coolgardie will not keep order, I will take other measures.

Hon. T. WALKER: This Bill is absolutely essential on account of the action of the House itself. If we postpone legislation pending inquiries, it must be obvious that until such inquiries are made, the licensing laws, are, so to speak, sub judice. The licensing laws will remain as they are, and we will do nothing until we otherwise decide. If the Bill is not passed, then the issue is not postponed. New hotel licenses can be granted and altogether, the effect of the proposed new law will be evaded. The object of the measure is to prevent the subterfuge of calling an hotel a club, and, under that guise, selling liquor which otherwise could not be sold. That is all this measure seeks to secure. We have called a halt to the liquor law for the time being, until we can resume consideration of the Licensing Act Amendment Bill in the light of additional information which may be presented to the House. I think the Premier is wise. To call it a piffling Bill is wrong. It is in the briefest possible form what is necessary. It simply suspends judgment and action until we can deal with the Bill still before the Chamber. This was the only time when it could be introduced. It has been introduced only since the select committee were appointed, and the committee have not had time to inquire or make a report. Therefore, there was no alternative. That course having been adopted by the House against the desire of the Premier, he was compelled to reason, "If you hang this Bill up without killing it, we must take steps to prevent anyone taking advantage of the licensing laws to the detriment of that measure when it does become law." He could only do it after that step had been taken. It could not have been done before, there was no reason for it before. The reason having arisen only within the last week, he takes the first opportunity to produce the measure. I trust that the Bill will be carried in the interests of the trade and of everybody concerned, particularly the public because, as the member for North-East Fremantle (Hon. W. C. Angwin) has said, if there be any menace in the sale of liquor, there is a greater menace in its sale under the guise of a club than that of a hotel. The hotels are under police supervision; the clubs

are immune. The publican's general license is liable to forfeiture for illegal sale of liquor or misconduct of the house. The club has its shutters down, and so long as the law remains as it is, no one knows or can know what happens within. It is to prevent that more dangerous form of the sale of liquor in the interim that this Bill is proposed.

Question put and passed.

Bill read a second time.

In Committee.

Mr. Stubbs in the Chair; the Premier in charge of the Bill.

Clause 1—agreed to.

Clause 2—Granting of new licenses suspended:

Mr. LAMBERT: While the present legislation relating to clubs is in existence, no particular district should be debarred from having a properly conducted club. I move an amendment—

That the words "or to register any club for or" be struck out.

Hon. W. C. Angwin: Then why not strike out hotels?

Mr. LAMBERT: This is a matter of regulating the liquor traffic and, in my opinion, that can best be done in properly conducted and regulated clubs.

Mr. Mann: You know the police have no control over clubs as they have over hotels.

Mr. LAMBERT: They have sufficient control, but I know they do not exercise it. The recent referendum did not apply to club licenses. A properly conducted club is preferable to many of the hotels.

Mr. MUNSIE: I oppose the amendment. The member for Coolgardie is tackling the wrong portion of the clause. Some consideration should be given to the vote at the recent referendum. Some districts voted reduction and others continuance. Because there has been introduced a Bill which every member knew from the outset would not be passed, we should not adopt such legislation as this.

Mr. O'Loughlen: No district carried increase.

Mr. MUNSIE: But continuance was carried.

Mr. O'Loughlen: This Bill will not affect that.

Mr. MUNSIE: If this Bill is passed, I take it that licenses cannot be transferred.

Mr. Willcock: That is not so.

Mr. MUNSIE: I shall not be one to cast a vote to permit anyone to get behind the wishes of the people. Where reduction has been carried, effect has been given to the vote. If there is any blame with regard to the places actually closed, it rests with the licensing benches or with those who produced the evidence. That a hotel which has been closed might be reopened as a club will never receive my sanction. This Bill is capable of being made a reasonable measure.

Mr. LAMBERT: In the Nedlands district there are 400 residents, and 8,000 or 9,000 people voted in that area. The Nedlands people had every right to resent that place being made a boozing resort by people from all over the metropolitan area, but they should have the right to run a club there if they so desire. The police would have the opportunity to veto the application if there were insufficient members to form a club. I know the man who bought the hotel premises.

Hon. W. C. Angwin: He knew the Licensing Act when he bought them.

Mr. LAMBERT: Yes, but he was unfortunate in that the Nedlands Hotel was made a boozing resort for the metropolitan area.

Mr. Munsie: The people should not have been supplied.

Mr. LAMBERT: The licensee complied with the letter of the Act. If sufficient people desire to conduct a club, they have a right under the Licensing Act to do so regardless of the nonsensical views held by prohibitionists or anyone else. Whilst the existing Act permits that right in certain districts, all other districts should enjoy the same right.

Amendment put and negatived.

Mr. J. H. SMITH: I move an amendment—

That the following be added to the clause:—"or to licenses issued under Section 45 of the principal Act."

Amendment put and passed; the clause, as amended, agreed to.

Clause 3—Duration of Act:

Hon. W. C. ANGWIN: In view of the amendment just made in Clause 2, Clause 3 is not required. Most members will agree with me that no more hotels will be needed in the metropolitan area for the next 10 years.

Mr. O'Loughlen: I do not agree with you; more accommodation is required.

Hon. W. C. ANGWIN: If the persons now holding licenses in Perth were compelled to provide the accommodation that they ought to provide, there would be no need for any more hotels during the next 10 years. The only inducement to the Government to deal further with the licensing law would be the obtaining of additional revenue from the liquor trade. If Clause 3 is deleted, there will be no occasion for Parliament to deal with the licensing law for the next 10 years.

Clause put and passed.

Title—agreed to.

Bill reported with an amendment, and the report adopted.

Read a third time and transmitted to the Council.

BILL—STAMP.

Council's Message.

Messages received from the Council notifying that it did not press its amendment to the Bill, and that the Bill had been read a third time and passed by the Council.

BILL—AGRICULTURAL LANDS PURCHASE ACT AMENDMENT.

All Stages.

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

First Reading.

Bill introduced by the Premier, and read a first time.

Second Reading.

The PREMIER (Hon. Sir James Mitchell—Northam) [5.57] in moving the second reading said: This measure is introduced for the purpose of enabling land purchased by soldiers to come under the Agricultural Lands Purchase Act, 1909. Land may be purchased for soldiers either under the provisions of that Act, or under Section 5 of the Land Act. The latter course has been pursued in connection with soldier settlement since 1918. Whilst Section 5 of the Land Act has thus been availed of, all the formalities required by the Agricultural Lands Purchase Act have also been observed. I now ask the House to agree that such purchases shall be made under the Agricultural Lands Purchase Act. One point is that in connection with purchases under that Act, land is sold with one year's interest capitalised. For instance, if £1,000 worth of land is purchased, interest for one year is added to that capital value of £1,000 at the time the sale is made. Of course, it takes some time to sell the land and give the soldier possession of it.

Hon. P. Collier: That is, under the Agricultural Lands Purchase Act?

The PREMIER: Yes. Under Section 5 of the Land Act that provision, of course, does not apply. The procedure of capitalising one year's interest at the time of the purchase of land is right and advisable. In the case of a sale effected under Section 5 of the Land Act, the interest would have to be charged to revenue, and repayment of that interest would have to be made to revenue, and would be spread over a shorter period than that provided under the Agricultural Lands Purchase Act. Under the Land Act repayment must be made within 30 years, whereas under the Lands Purchase Act it may be spread over 40 years. However, that is not so much the point just now. The Lands Purchase Act has always been used for the purchase of land. The House voted the money for the soldiers' settlement, and that money had been used. It is necessary to increase the capital to £1,200,000 to enable the money spent on soldier settlement to be brought under the Lands Purchase Act if the House approve my request that all this land should be treated under the one Act.

Hon. P. Collier: The Bill makes it retrospective also.

The PREMIER: Yes; the money has been spent. It is only increasing the authority by £600,000. We are not increasing the expendi-

ture. The money has been spent, but it is not right to have it under Section 5. Not until recently did I learn that this method was being employed.

Hon. P. Collier: It was an oversight that the proposed action was not taken from the beginning.

The PREMIER: Yes. Personally, I am sorry it happened, because the Lands Purchase Act sets up a limit of £600,000 and for want of funds this land could not have been purchased. By special vote Parliament has approved of the purchases for soldier settlement.

Hon. P. Collier: If you want to increase the amount beyond £1,200,000 you will have to come to Parliament and get authority.

The PREMIER: Yes, certainly. I am now seeking authority for £200,000, the amount placed on the Estimates. All I am asking the House to agree to is to bring soldier settlement under the Lands Purchase Act, as it should have been from the first. We have used the Act for the sale of that land, and I now ask the House to ratify it. I move—

That the Bill be now read a second time.

Question put and passed..

Bill read a second time.

In Committee, etc.

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

Read a third time and transmitted to the Council.

BILL—LOAN.

All Stages.

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

First Reading.

Introduced by the Premier and read a first time.

Second Reading.

The PREMIER AND TREASURER (Hon. Sir James Mitchell—Northam) [6.8] in moving the second reading said: I am asking the House to authorise the raising of money for the works recently agreed to in the Loan Estimates. The Loan Estimates do not authorise me to raise money, and so it becomes necessary that I should ask the House to approve the Loan Bill, under which to raise money for the carrying out of those works. We have authority to raise money sufficient for our needs, but the money for these works must be specifically raised for the specific purpose. I move—

That the Bill be now read a second time.

Question put and passed.

Bill read a second time.

In Committee.

Mr. Stubbs in the Chair. The Premier in charge of the Bill.

Clauses 1 to 6—agreed to.

First Schedule:

Hon. W. C. ANGWIN: This is merely to authorise the raising of certain money. Sometimes the amounts so raised exceed the amounts on the Estimates, in order to avoid going too often on the market. In connection with harbour works, I notice there is only £100,000 set down here, of which Fremantle will get £50,000. Presently something will have to be done with the Fremantle harbour.

The Premier: There is no doubt about that.

Hon. W. C. ANGWIN: On the Fremantle bridge last year, one line had to be closed for a considerable time owing to the dangerous state of the bridge, and for weeks men were working there day and night. We do not know how soon it will be necessary to repeat that. Also, the new bridge must be gone on with. I should have liked to see the Premier ask for authority in the Bill to raise money for the provision of a better water supply for the metropolitan area.

The Premier: We have authority.

Hon. W. C. ANGWIN: Only to a very small extent. It would have served to show the people that the Government were anxious to make a start in that direction. Both these matters are of urgency.

The PREMIER: I realise that both these matters are urgent, and I promise the hon. member they shall not be overlooked.

Schedule put and passed.

Second and third schedules—agreed to.

Preamble, Title—agreed to.

Bill reported without amendment, and the report adopted.

Read a third time and transmitted to the Council.

Sitting suspended from 6.15 to 7.30 p.m.

MOTION—KENDENUP ESTATE, GOVERNMENT ASSISTANCE.

To inquire by Commission.

Mr. MANN (Perth) [7.35]: I move—

That in view of—(a) the application by Mr. De Garis for financial assistance by the Government to his undertaking at Kendenup; (b) the petition of the settlers in support of that application; and (c) the statements in the Press relating to the affairs of the companies formed to acquire and develop the estate, this House is of opinion that it is desirable that a commissioner, being an accountant and person suitable to the Government, should be appointed to inquire into any report to the Government upon the affairs of the com-

panies, and of Mr. De Garis, the promoter; and to advise to what extent, if at all, and in what manner, assistance should be rendered; to the intent that, if so advised, the Government may render such assistance as in their discretion they may think fit.

It is not my desire that this motion should be regarded as hostile to the previous decision of the Government. What I desire is that inquiries should be made in order that the most complete investigation may place the Government in full possession of the facts concerning Kendenup and its administration, with a view to enabling them to reverse their previous decision. The history of Kendenup so far as this motion is concerned dates back to 1920. In December of that year Mr. De Garis purchased the Kendenup estate for £50,000. Debentures were issued to the amount of £150,000. Only £130,000 worth were applied for, and 11,000 were issued on terms. Some £13,200 was surrendered for land clearing, etc., which left the company with £106,800 in cash to account for.

Mr. Johnston: It is a large sum.

Mr. MANN: Not considering the size of the venture and the amount of work which has been done in so short a space of time. Of the £106,800, £10,600 was borrowed, and the company at present owe £8,700 to unsecured creditors. Interest on debentures to the amount of £4,500 has been paid. The money realised from the sale of debentures was expended as follows:—£50,000 for the property, and the balance, £80,000, in developing the property and works consisting of the following:—Brickworks and equipment; the establishment of a dehydration plant and equipment; hotel quarters, staff quarters, stores, wooden and brick residences, tile plant, railway siding, 13 miles of telephone installation, office equipment, saw bench and engine, oil engine and shearing plant, harness, saddlery, roads and bridges, clearing of town and factory sites, dams, wells, crops and improvements, surveys, subdivisions, livestock, stores in hand, cash advances to settlers, and the purchasing of gratuity bonds from soldiers.

The Premier: These are not shown in the schedule of assets.

Mr. MANN: I am assured that this is correct.

The Minister for Works: What did they spend on advertising?

Mr. MANN: Seventeen thousand pounds.

Mr. Pickering: What did the aeroplane flights cost?

Mr. MANN: That was part of the advertising.

Mr. Corboy: And paid for by De Garis personally.

Mr. MANN: It was an excellent advertisement. During the short period that the Kendenup company has operated on the estate, 162 settlers have been comfortably settled on their holdings and are in a prosperous way. Homes to the number of 105 have

been erected, and 1,200 acres of land are producing. The population numbers 571.

Mr. Troy: How do you know they are prosperous?

Mr. MANN: Because they are delivering goods for which they are receiving payment.

Mr. J. H. Smith: From whom are they receiving payment?

Mr. MANN: From the Kendenup packing company.

Mr. J. H. Smith: Who are they?

The Minister for Mines: Let the hon. member explain the position.

Mr. MANN: These 162 settlers have been settled at a cost of about £742 per man. The company finds it is up against it financially. These settlers have made their homes on the estate. I spent a day at Kendenup, and saw as much as it was possible to do in that time. I saw settlers who went there in February and March of last year, and when I was there in December they had portion of their holdings cleared, homes erected, and were on the eve of delivering produce to the company and making good.

Mr. J. H. Smith: What has been produced?

Mr. MANN: One settler had four acres of potatoes and three had four acres of tomatoes.

Mr. J. H. Smith: What was the price?

Mr. MANN: They are guaranteed £10 a ton.

Mr. J. H. Smith: Who guarantees it?

Mr. MANN: The Kendenup packing company and they are being paid.

Mr. J. H. Smith: Who is paying the money?

Mr. SPEAKER: Order! Question time has passed.

Mr. MANN: In order that the position of these settlers may be secured, it is necessary that a sum of money should be found. If the Government are not in a position to find it, as they have stated, it is difficult to know what the position of the settlers will ultimately be. Sooner or later the Government will have to go to the assistance of these people. It would be much better that they should do so now before any crash comes, than after discredit has been brought upon the settlement. No matter how we may try to cover it up, or what representations are made, discredit to Kendenup means discredit to Western Australia.

Mr. J. H. Smith: Who brought the discredit?

Hon. T. Walker: The Bullfinch.

Mr. MANN: It must mean discredit to Western Australia.

Hon. W. C. Angwin: Would that not apply to every company who made a mess of things?

Mr. MANN: There is more than a mere company involved. There are 162 settlers, who appeared to me to be on the eve of prosperity. The company controlling the estate has done wonderful work. Under the guidance of the experts these settlers have made greater strides and more progress than one would have thought possible. Most of the settlers have their own homes and have cleared upwards of 20 acres of land each, and have put in crops of potatoes and peas, etc. This is what we saw last December. I want an inquiry to see if the position at Kendenup justifies the Government in taking a hand and rendering assistance to these

settlers. I am not asking for more than that. I feel sure an independent inquiry will satisfy the Government that the position generally will justify them in going to the assistance of these settlers. I doubt whether any settlers could have done so much with the amount of money expended as has been done at Kendenup, and I think that the error has been that they endeavoured to develop Kendenup with insufficient capital. The venture was too big for the amount of money at the disposal of the promoters. Everything would have gone well, however, but for the sudden stoppage of the sale of land and the sale of debentures.

Mr. O'Loughlin: Have you any knowledge of the progress sales from month to month?

Mr. MANN: Up to October the sales of land and debentures were good and were adequate to meet the financial aspect of the situation. In October, however, an attack was made upon Mr. DeGaris in the Melbourne papers and through-out Victoria, and the effect of that was to check the sales to such an extent that it reduced Kendenup to its present position.

Mr. Underwood: That does not cut much ice.

Mr. MANN: Whether it does or does not, the facts are as I have stated them, that up to that time Kendenup was going along well and the settlers were satisfied. The settlers are quite satisfied to-day. Hon. members have had an opportunity of seeing the petition signed by all the settlers on the estate and no one will suggest that pressure could have been brought to bear on any one of the signatories.

Mr. J. H. Smith: Can you give us the original cost of the land and the sale price of the blocks?

Mr. MANN: The original price was about £1 per acre. The sale price varied according to the value of the land and the position.

Mr. J. H. Smith: What did the settlers pay?

Mr. MANN: The prices were according to the value and the position of the blocks.

Mr. J. H. Smith: What was the minimum price?

Mr. MANN: At Kendenup there are 43 soldiers settled on the land, and they have been established there without any cost whatever to the Government. The company financed those soldiers and helped them to make their holdings reproductive. Kendenup has done a good deal for Western Australia. Before the establishment of the settlement the railway revenue from the Kendenup station was but a few pounds per annum. Now it has reached the substantial sum of about £10,000 annually. The settlement which has taken place there has increased the value of adjoining properties and buyers have come from the Eastern States and purchased surrounding areas at Mt. Barker and elsewhere at enhanced prices.

The Minister for Works: Can you give us some of the prices?

Mr. MANN: One estate, Wicklow, was sold for £11,600. Capecup was sold for £16,000 and Lyndhurst for £8,500.

Mr. Pickering: Who bought these properties?

Mr. MANN: Eastern buyers. It has been suggested that Hyem & Hester, the agents, received £7,500 for the sale of £15,000 worth of land. That is not the position at all. The

position is that they received £7,500 for the sale of £181,000 worth of land. The £15,000 was the first deposit paid by the purchasers, but the commission was earned on the bigger amount I have stated.

Mr. Wilson: Have you sold £181,000 worth of land?

Mr. MANN: That is the value of the land disposed of.

Mr. Underwood: How many acres?

Mr. MANN: Hyem & Hester have to carry out their contract for a period of ten years and their total commission does not exceed 2½ per cent., which is not out of the way.

Hon. T. Walker: What is the average price per acre?

Mr. MANN: I cannot say, but the prices run from about £2 to about £20 per acre. I have put the facts as I have been able to obtain them and I do not know that I can say anything more than this, that when De Garis floated the Kendenup company he was hailed as a great deliverer.

Mr. J. H. Smith: By whom?

Mr. MANN: Everybody was prepared to fall down and almost worship him.

Members: No.

Mr. MANN: At any rate many people were prepared to pay homage to him, and to-day because he has met with a little adversity everybody wants to declare him to be a failure.

Members: No.

Mr. MANN: Quite a number of people are prepared to say that he is a failure and some go to the extent of declaring him to be a fraud. I submit that De Garis is not a fraud, that he started a genuine proposition, that his effort was wonderful, and that he has failed for the reason of the bitter opposition displayed in Victoria, which opposition affected his financial position. Probably De Garis would have pulled through, but for that unexpected and uncalled for opposition in Melbourne in October last.

Mr. J. H. Smith: Grant Hervey.

Mr. MANN: For what reason Hervey did this I am not in a position to say.

Mr. Underwood: Anyone who can be knocked out by Grant Hervey is not much class.

The Minister for Mines: But who was backing Grant Hervey? Hervey has not got a feather to fly with himself.

Mr. MANN: I submit that had it not been for this unexpected trouble in Melbourne, De Garis would have pulled through successfully. If he had done so, everybody would have acclaimed him a wonderful man. Now because this adversity has overtaken him, instead of standing behind him and giving him a push along, many people want to condemn him and abandon him. The motion is a reasonable one and cannot do any harm, but rather will tend towards the re-establishment of confidence in De Garis. The final outcome I trust will be that the Government will reverse their decision.

The PREMIER (Hon. Sir James Mitchell—Northam) [7-58]: I do not know that we need be so much concerned about De Garis himself in this matter. It is true that he wishes to be regarded as a public benefactor, but we are not so much concerned with him as we are about the settlers on the Kendenup estate. Figures have been presented to us and, so far as they

provide the history of the undertaking, they are very illuminating. It has to be remembered that the Kendenup Development Company, so far as I can judge, had no capital at all. I do not know that they ever possessed a penny of capital. I do not think they did. At any rate, they bought an estate and stock for £50,000. On the strength of that amount, debentures were applied for amounting to £131,000, a large proportion of which sum was contributed in Melbourne. Of those debentures, £13,200 have been surrendered to pay for the clearing of land; £11,000 is still due by way of instalments on debentures, which leaves outstanding £106,800. The debentures constituted a very attractive investment because they not only carried guaranteed interest at 8 per cent. but provided that the debenture holders, when the land sales were completed, would get £50 for every £100 invested. This means that on £131,000 worth of debentures, there would be for distribution £65,500. On the face of it, it was a wonderfully attractive investment. In addition to that, there are other moneys that the company has to collect for advances against debentures, bringing the total liabilities, if the company were wound up to-day, to £130,600. The estate was bought for £50,000. I have already informed hon. members that 8 per cent. was guaranteed for 5 years. Of that period, one year has gone. That means there is 4 years interest guaranteed, which runs out to the total of £43,200, apart from the £65,500, which of course, depends upon the profits that may be made by the company. The liabilities seem to me to be £174,000, that is, of course, including interest on debentures for four years. These figures show that £50,000 has been spent on the estate in improvements. That being so, I have no doubt that Mr. De Garis made the best of this position when presenting the figures to us. Again, £100,000 would seem to be invested in the purchase of the property, plant, and improvements. If these figures be accepted, there seems to be £30,000 still to be accounted for. That is a very considerable amount. It would seem as though £17,000 has been spent in advertising. On account of the sale of land, £15,300 was returned as deposits. This estate provides no means of revenue that I know of except through the sale of land, and that money must be used to pay interest on the debentures, for it will be agreed that the money received on account of the sale of land must carry the expenses of the concern. The balance sheet is well worth the attention of members. The liabilities including £65,500 to debenture holders as bonuses, are set out at £239,300. On the other side there is the value of the property, which, after deducting these various items, is set out at £450,000, and the value of the improvements is set out at £50,000. This is a very wonderful country if, in a short few months, the sum of £50,000 spent in the purchase of an estate can be converted into an asset of £400,000! I do not know anywhere in the world where that can be done. It is true that the surplus shown is £211,000.

Mr. Underwood: The alleged surplus.

The PREMIER: If we have the £400,000 as against the £50,000, we have an anticipated profit, after paying commission, of about £350,000.

Hon. W. C. Angwin: What about the high price of land at 30s. an acre?

The PREMIER: That is the position disclosed by the balance-sheet. Of the estate, 12,252 acres have been sold for £150,630.

Hon. T. Walker: What is the average?

The PREMIER: Roughly from £12 to £12 10s. per acre?

The Minister for Works: For land that cost £1 per acre.

The PREMIER: Of course, that is spread over 10 years and does not carry any interest. Town blocks numbering 276 and comprising 69 acres, have been sold for £27,920 and 11 factory sites, covering 22 acres, at £2,928, or, in all, 12,343 acres have been sold for £181,548. Of that amount £15,300 was paid as deposits, and of that first payment £7,650 was paid away as commission. It is anticipated that the next payment will amount to £16,600, which will be paid early this year. From that amount a further £4,600 has to be paid to the agents as commission. Of course, as the member for Perth (Mr. Mann) has pointed out, the commission is on £181,000 odd which represents the value of the land sold.

Mr. Mann: It works out at less than 5 per cent.

The PREMIER: That may be so, but if we take the figures together, it represents now about £1 per acre for the sale of land, which is just about what the land cost.

Mr. Mann: It works out at about 7s. on the whole of the land sold.

The PREMIER: The payment for commission will amount to about £12,250 as against the 12,343 acres of land sold. Taking the land sold, the commission agent is entitled to take his commission and on that basis it does not represent a very big percentage of commission, but it is a fact that it works out at just about the cost of the land. I have placed these facts before hon. members and they are taken from the figures presented to me and to this House in connection with this application. I am always very loth to discuss some of the affairs of the country in this Chamber, but in this case we are forced into that position. First there was the application; secondly, the papers were asked for, I think at the instigation of Mr. De Garis.

Mr. Pickering: Not at his instigation!

Mr. J. H. Smith: It may have been.

The PREMIER: At any rate, I spoke to him and asked if he had any objection to the papers being produced and he said he had none. On top of all this, there was the motion moved by the member for Perth. I am perfectly ready to admit that we have been well advertised in the Eastern States during the past few months. I do not know what the advertisement will be during the next few months; but the fact remains that we have been well advertised in recent months. I am perfectly ready to admit that there are a number of first class settlers at Kendenup. It is said that they total 160. We saw a number of them when we were recently through the South-West, and I admit that some of the crops we saw were really good. In many instances, the land is capable of producing good crops. There is no shadow of doubt about that. Of course, those crops were in small areas. I

admit frankly that these people are doing good work.

Mr. Mann: Great progress has been made within a short time.

The PREMIER: Yes, satisfactory progress is shown for the time, but not any unusually rapid progress if we have regard for the money that must have been spent there. Each of the settlers had some money, and he has spent that in producing his crops. Those crops were certainly not extensive, but it is wonderful to see what improvement has been made during the six months on an estate where no crops were ever grown. We admit that aspect quite frankly. We admit that the establishment of the dehydrator will be of considerable advantage to the settlers if their guarantee is maintained, and if their produce can be bought at the price set out by the packing company. If that position is maintained there is no doubt that these settlers will be in a better position than ordinary settlers. It remains to be seen if the packing company can continue their efforts during the next 10 years. At any rate, the company are purchasing the settlers' goods now and treating them at their plants. A good deal of work has been done in connection with the brick kilns, and generally a great amount of work has been carried out on the estate.

Mr. O'Loghlen: If the company can maintain the guarantee of their prices, the settlers should succeed.

The PREMIER: Yes. I admit that Mr. De Garis has said that £50,000 had been spent in connection with the settlement but I think he understated the expenditure at Kendenup. Mr. De Garis has presented a balance sheet regarding his own affairs in support of his guarantee for a loan of £31,000. I do not propose to discuss the balance sheet submitted by him regarding his own affairs. It is sufficient to consider the affairs of the company. A good deal has been published in the newspapers recently and petitions have been presented to this House in support of an application for assistance. I am perfectly certain, however, that the security offered is not sufficient to warrant any Government affording the assistance requested. There is no doubt about that point. Further than that, I do not think we would be justified in making any advance on the figures presented to us, quite apart from the question of the security. I have explained how the balance sheet is made up, and I do not wish to go through that aspect again. Hon. members have had it before them and it seems to me to disclose an extraordinary state of affairs, for so much money appears to have gone somewhere.

Mr. Pickering: Do you think £30,000 would be sufficient assistance?

The PREMIER: I do not know the difference between the money actually expended on the estate and that received, but it seems to be fairly considerable. I do not know quite how much will be necessary. I do not know whether £30,000 will carry the venture through. I do know that if this £9,000 a year is to be paid to the debenture holders, it must come from the sale of land. Of course, the speedy sale of land depends on the confidence

of the people in the venture, and I suppose confidence in the venture must have been considerably shaken by this time.

Mr. Lambert: Provided satisfactory arrangements were made with the debenture holders, I suppose there would be no objection to the advance.

The PREMIER: If the debenture holders are willing to give first security over the property, I take it that no financial house would refuse to advance the £30,000. The debenture holders, however, have the property.

Mr. Harrison: If you made the advance, you would be securing the debenture holders and not the settlers.

Hon. T. Walker: That is the point.

The PREMIER: We cannot alter the position as it is. We cannot remedy the matter by discussing it. All the letters which have appeared in the newspapers do not change the position in the slightest. In fact the letters seem to show that the people at Kendenup hardly realise what the position is. Mr. De Garis is a clever man. The people may have implicit faith in him, but if Mr. De Garis is to meet his obligations year by year, he must do so from the funds which come from the sale of land at the settlement. I know enough of land settlement to be aware that if the settlers are to pay this enormous price for land, they must get the prices scheduled for their produce.

Mr. Pickering: Do you think they have any hope?

The PREMIER: We have already seen by these figures that the estate was purchased at £1 an acre, and it is expected to realise an average approaching £12 10s. an acre. I do not know that the people of this country would be justified in saying to any man, whether he belonged to this State or came from the East, that the Government should help him to buy land at £1 an acre to sell at £12 10s. an acre. I do not think the House would be justified in agreeing to a proposition of that sort. Up to the time of receiving this application from Mr. De Garis, that was no concern of ours. I thought that the Kendenup company had a considerable amount of money behind them, but we find now that no money has been put into the venture at all. In addition to the Kendenup company there is the packing company. Again, this company was established with very little capital. We are told that the produce treated in the dehydrator is already sold at prices which are satisfactory and will enable the packing company to pay the growers the prices agreed upon. This might be so; I hope it is.

Mr. Harrison: What are the prices guaranteed?

The PREMIER: They have guaranteed certain prices for vegetables for 10 years and for fruit for 15 years. We are told that there is this guarantee of purchase by someone outside. The packing company have no capital, they must depend upon the sale of the produce they treat. If the sale by the packing company to the people in the East, who are supposed to purchase it, is being

made under an agreement well-established, binding and satisfactory, the company might be able to carry on. But it is a strange thing that the Kendenup company were formed without a penny of capital and that the packing company have very little capital. Yet the Kendenup company were able to issue £150,000 worth of debentures in a few months against a property bought for £50,000. I can quite understand that Mr. De Garis has done good work in the East; he is very well known there, but we have to face the position as we find it here. I do not pretend to know whether, if £30,000 were advanced, the companies could pull through and keep their agreement with the settlers.

Mr. Mann: Do not you think it is worth inquiring into?

The PREMIER: Presumably Mr. De Garis has produced to us the fullest information possible, because he came to us for an advance. I do not know what will be gained by further inquiry. I wish to say here that I am not averse to an inquiry, but I do not know what can be gained by it. Further, I am not concerned very much about Mr. De Garis—he is quite able to look after himself—but I am concerned about the people at Kendenup. I am not greatly concerned about the advertisement this State will get if the venture fails, because the position must be understood even by the people in the East. Of course, it is a bad thing to have any failures in the State, but in this case the happenings are so strange that I have no doubt they will be well known to the public of Australia, and indeed of the world, in a very short time. Here we have a man who comes into this State and apparently puts not a farthing into the venture, and can do all that has been done by Mr. De Garis, not only in the way of raising money but of advertising the estate. Yet he does not hesitate to come to this House and tell us that, after paying far more for commission on the sale of the land than the property cost, this £50,000 purchase is going to return him £400,000. The land we saw is certainly good land and capable of producing all one would wish, but the whole of the estate is not good land. I am very loth to discuss this matter at all. It is very unusual for the House to be called upon to discuss the private affairs of people; but now that it has been forced upon our attention, we are bound to discuss it, at any rate to the extent I have done. It is not right that the people of the country should be deceived in this matter, and it is not right that the settlers should be deceived.

Mr. Underwood: That is why I want an inquiry.

The PREMIER: When this application was made we went very carefully into the matter. My colleague the Minister for Railways, who represents the district, was anxious that the matter should be given very careful consideration, because of the settlers there. We did give the matter careful consideration, and Cabinet decided that they

could not possibly assist the company. It is quite evident to me that the position should be made thoroughly clear to the people who purchased land at Kendenup. It may be that when it has been made quite clear, they will be quite satisfied.

Mr. Pickering: Have they any chance of getting their titles?

The PREMIER: When they pay for their land, they will get the title deeds from the debenture holders. So far as I have discussed the matter with Mr. De Garis, he has been perfectly frank and has not hesitated to produce the figures I have here and to answer any questions I have asked. I do not suggest for a moment that he has not made the position quite clear to the people of Kendenup, but perhaps it would be as well if they could by some means be accurately informed with regard to the position generally. I do not know that it is any part of the business of the House to inquire into a matter of this kind. If it were not for the fact that there are settlers at Kendenup, I should very strenuously oppose any such inquiry. However, one cannot but regard the future of 160 people, principally our own people, with concern. I have told the House the position as I understand it. Perhaps in this State we are not used to this sort of thing, but it certainly does make strange reading. I am sorry that the venture did not succeed in pulling through without trouble. I believe that if care had been exercised from the start in the expenditure of money in the several directions that money went, the venture might have pulled through. If the people on that estate can be properly informed of the position, then it is for them to determine what their future work is to be. It is always quite possible in matters of this kind for the position to drift from bad to worse. It is very easy for this to happen in this case, because so far as I can see the expenses of running the estate and the interest on the debentures must come out of the sales of land, and of course if land is not sold fairly freely the position of the company cannot improve.

Mr. Mansie: What was the total area of the estate?

The PREMIER: The total area was 47,000 acres; 12,000 odd acres have been sold and 35,000 odd acres remain to be sold. Of course it is not all first class land. The House must determine whether this inquiry is to be held or not. If an inquiry be held, it must surely be into the financial position. The valuation of the land, and the assets would have to be very carefully considered. We are told that war bonds have been purchased. They do not appear in the list of assets.

Mr. Mann: I have been assured of that.

Mr. Underwood: They make a song of that.

The PREMIER: If the House determines to have an inquiry, it must be a careful inquiry into the position also of the packing company in order that we may know just

where they stand. The future of the settlers depends on the good faith of the company and their ability to carry out their contract.

Hon. T. WALKER (Kanowna) [8.28]: The House and the country must compliment the Premier for the light he has thrown upon this question. The calm, dispassionate, informative speech he has delivered must enable every one of us to form a definite conclusion as to the value of the motion submitted by the member for Perth (Mr. Mann). The Premier has told us that the Government have already investigated this matter—and their opportunities for inquiry must be greater than those of any outside inquirer—and have been obliged, with all due consideration and sympathy for the settlers who have spent their little lots at Kendenup, to turn down the request of Mr. De Garis and his company. If that be so, surely that is sufficient, unless we want to move a vote of confidence or want of confidence in the Government. It implies that.

Mr. Underwood: It does not.

Hon. T. WALKER: If the Government have made the necessary inquiries, if they have gone carefully into the matter and found themselves obliged to turn down the application of Mr. De Garis for funds, and we then say that they have not made sufficient inquiry, and that we want another inquiry, then that is an expression of want of confidence in the Government. If it is not that, what is it?

Mr. Pickering: We often ask for a Royal Commission.

Hon. T. WALKER: We ask too often.

Mr. Mann: The Premier does not accept this motion as one of want of confidence.

Hon. T. WALKER: That does not matter. We are getting very complaisant in that respect. There is the danger. Those are the rocks we are running on. There is never objection raised to any demand for inquiry. Whatsoever will relieve the Government of responsibility is accepted. It is taken for granted that inquiry represents a help to the Government, instead of representing an expression of lack of confidence in their ability to conduct the affairs of the country. Strictly speaking, responsible government ought not to exist on delegated powers, or on the inquiries of others. Ministers should take a stand; they should be prepared to stop where they are, or else to fall by virtue of the policy they adopt, or the administrative acts that come from their hands.

Mr. Underwood: They should never inquire.

Hon. T. WALKER: No; every matter should be submitted to all outside. If there be nothing to be added to the statements furnished by Mr. De Garis and by the company, the thing is at an end. We have heard the Premier's statements quoting, not the result of his inquiries or of the inquiries of his officers, but the statement, literally, of De Garis. That statement amounts to an ab-

solute condemnation, not of the scheme, but of the management of the scheme; amounts to an absolute proof of the insecurity of the company. I feel as much as any member of the House for the settlers. They are the victims. Ultimately, I feel sure, the State will have to come to the assistance of some if not all of the settlers; but not whilst the debenture holders and the company run this concern. Already the Premier has told us of £50,000, according to advertisement and prospectus, transformed into an asset of over £400,000, before ever there has been anything done.

Mr. Mann: There has been a lot done.

Hon. T. WALKER: I speak of the prospectus; and the prospectus does not say that. I say that the very prospectus, the very method of advertising on sea, under sea, on land and in the heavens, up in the air between State and State, is the advertising of a show man, and not of a legitimate investor. Money has gone for that; £17,000 is accounted for in that manner. We do not know how much more has gone in the same way. It is by the buyers of the land on the Kendenup estate that all this is to be paid for. The buyers of the land are the beasts of burden in the matter.

Mr. Pickering: They always are.

Hon. T. WALKER: I know that unfortunately such things occur. Shall we agree to make the position worse? If any speculator, any adventurous financier, desirous of suddenly becoming rich by means of glowing prospectuses as in this instance, comes into our State, and gets our people to believe in him and to settle on his land, is it to be the duty of the State, when the bubble has burst, to come to his assistance? Do we come to that duty in the case of a mining boom, which is of a similar character to this enterprise? For the poor speculator in mining, the man with a few pounds who puts his all into a mining boom—do we find the proprietors of the mines or the directors of companies coming to this House to ask Parliament to make good the deficiencies of the mines?

Mr. Mann: The two cases are hardly analogous.

Hon. T. WALKER: They are. Gold mining and gold development have in the past done as much for Western Australia as agricultural development has done. But Parliament does not come to the assistance of promoters of mines.

Mr. Mann: But here are 162 settlers.

Hon. T. WALKER: One hundred and sixty-two investors, and many times that number, poor men and prospectors, have gone to the wall in connection with mining booms just as in this instance; but who thinks of going to their assistance? Mining directors would not have the temerity to approach this House and ask that the State make good their defalcations or deficiencies. Is there a precedent for what is asked by this motion? This is a private speculation.

Mr. Mann: There is a precedent in Victoria. The Victorian Government assisted the Chaffey Bros., of Mildura.

Hon. T. WALKER: But that is denied.

Mr. Mann: It is a fact all the same.

Hon. T. WALKER: Before the Victorian Government gave any assistance to the Mildura settlers, those settlers endured great hardships. The poor people at Mildura were all but starved out.

Mr. Angelo: You would not have that happen here?

Mr. Mann: Would it not be a good thing if we could prevent that here?

Hon. T. WALKER: There is one way of preventing such things. As the hon. member knows, our company laws provide a penalty for the issue of a false prospectus. It is fraud.

Mr. Mann: That does not enter into the question.

Mr. Underwood: It does not save the victims.

Hon. T. WALKER: I know that. But the directors can be punished.

Mr. Underwood: That does not help the victims at all.

Hon. T. WALKER: What has that to do with this case? We should straight away prevent men from gambling with the lives of our citizens in the way that has been done here. It is more than the money of the settlers that is in question. The settlers have more than their money to lose at Kendenup. Their hearts may be broken; their souls as it were, drained.

Mr. Lambert: So have the hearts of State settlers been broken.

Hon. T. WALKER: Never in the same way.

Mr. Lambert: They get bad seasons, as you know.

Hon. T. WALKER: I know; but bad seasons are not designed attempts to overcapitalise a venture and make the poor settlers pay for it. There is the whole difference. Bad seasons, ship wrecks, and those things which are called acts of God, are unavoidable in any enterprise.

Mr. Lambert: Do you contend—

Hon. T. WALKER: I am not going to hold a conversation with the hon. member.

Mr. SPEAKER: Order! Hon. members must keep order.

Hon. T. WALKER: I decidedly object to this proposition of the member for Perth as an innovation.

Mr. Johnston: It is a demand for inquiry.

Hon. T. WALKER: I say it is an innovation. It is a demand for an inquiry with a view—we cannot disguise this—of inducing the Government, by all kinds of specious pretexts, to come to the assistance of what is practically admitted to be a bankrupt company. If we can do it for one, why not for all? What special virtue is there in this speculation to make it the particular care of the Government?

Mr. Angelo: There are 500 odd settlers.

Capt. Carter: Five hundred and forty people were settled there last year.

Mr. SPEAKER: Order! The member for Kanowna may proceed.

Hon. T. WALKER: I am with everyone who talks of helping the settlers. But are the settlers asking?

Mr. Mann: Yes. They signed a petition.

Hon. T. WALKER: They are helping De Garis and the debenture holders to ask for help. We are being asked on behalf of those who want eight per cent. guarantee, who desire the bonus, the increment in price. We are asked to help those who raised the value of the land, good, bad, or indifferent, from £1 per acre to £12 10s. per acre.

Mr. Underwood: The settlers are in difficulties, too. Do not forget that.

Hon. T. WALKER: Then let us find a way of helping the settlers when those others have gone out.

Mr. Mann: Then it will be too late.

Hon. T. WALKER: Not too late. I certainly will never give my vote even for an inquiry, after the disclosures contained in the statement made by the Premier to-night—as calm and deliberate and considered and informative a statement as ever came from the Premier's lips. After that, we cannot hold a further inquiry. We cannot encourage this company any longer. That we shall have to help the settlers I am positive. It is a cruel position they are in. They are the only ones whom I pity. They are passing through a terrible ordeal. They were led on. Illusions like pictures were painted to them. There they were—happy and hopeful and trusting and believing. Now they are entirely dependent upon this company. This company has already shown its incapacity to carry on. If this £30,000 is advanced to the company, what might not happen in the future? We must not encourage this sort of thing. Anybody could start a company, get a few people into difficulties and then say to the Government, "You must come to our assistance, in order to help those people." Let us put aside this request as one unfit for consideration. If we are to appoint an independent inquiry to investigate the position and advise the Government, what is the good of a Government, seeing that the Government have already made inquiries and come to a definite conclusion? Surely the Government are capable of coming to a sound decision on the facts. Yet it is proposed that an independent man should be appointed to tell the Government what to do, how the people's money is to be spent.

The Minister for Mines: That is not quite the point.

Hon. T. WALKER: Well, what point would the hon. member have me touch upon?

The Minister for Mines: The very thing you are urging, that those equally interested should know the true position. That is the point.

Hon. T. WALKER: If the Premier's speech is published to-morrow, as it will be,

every man in the State will know it. What more is there to be said, beyond what the Premier has placed before the House? Does the hon. member want an inquiry to induce the Government to lend money in such circumstances? What good can an inquiry do, when we have the assurance of the Government that they have gone thoroughly into the question?

Mr. Mann: There is the position of the settlers.

Hon. T. WALKER: Yes. A man gets money in the expectation that he will look after his wife. He spends it all rashly upon himself in entertainment, or in some other way, and in consequence his wife comes to want. Then he has the temerity to come along and say, "I want as much more given to me, or lent to me." And when people say "We cannot trust you any more," he replies, "But look at my poor wife; what is she to do?" He has brought it upon his wife, and in the same way the company has brought it upon the settlers. I say again the settlers will have to be looked after, but we must first rid the settlers of the grip of the debenture holders and of the company. When those people are cleared off and the settlers are our care, we shall know how to relieve them. But just now we cannot do one single thing to help them without putting it first through the coffers of those who are supreme in the company. That is the position.

The Minister for Works: Like the Old Man of the Sea on Sinbad.

Hon. T. WALKER: That is so. I trust the House will not be led away by any sentiment for the settlers—we all wish to help them—to assist this company whose rash speculations have brought it to this humiliating crisis, that it has the temerity to ask the House to depart from all known principles and advance it a loan with which to carry its extravagance further.

Hon. W. C. ANGWIN (North-East Fremantle) [8.51]: I cannot agree with the sentiments expressed by my colleague. Through Kendenup, Western Australia has had better advertisements in the Eastern States than ever before. We know the class of advertisement the State will get if this venture proves a failure.

Mr. Pickering: Which it is.

Hon. W. C. ANGWIN: I am not going to say that it is a failure. The company is in financial difficulties.

The Colonial Secretary: Lending it £30,000 will not save it.

Hon. W. C. ANGWIN: From the statement made by the Premier to-night, I form the opinion that the Government have not prosecuted all necessary inquiries in regard to the request put up to them.

Mr. O'Loughlin: They have not had opportunity.

Hon. W. C. ANGWIN: No, they have not had time to go into it thoroughly.

The Colonial Secretary: We had De Garis's statement.

Hon. W. C. ANGWIN: The Government turned down the application on the figures placed before them. The Premier gave us most of them to-night. However, that is not the object of the motion. I do not agree with the whole of the motion. I am opposed to the appointment of a commissioner to advise the Government. If I were sitting behind the Government and thought the Government were not fit to carry on the affairs of the country, I would cross to this side of the House.

The Minister for Mines: That is proved by your being there.

Hon. W. C. ANGWIN: The Government have given a decision purely on the figures placed before them. If further inquiry were made by the Government, is it not possible that the debenture holders would see that, if Kendenup fails, their money would be lost?

The Minister for Works: Not entirely.

Hon. W. C. ANGWIN: No, but mostly; all except the value of the land. If the Government would go a little beyond the question of pounds shillings and pence submitted to them they might possibly make arrangements with the debenture holders under which even the money those people have invested in the land might be set aside as security for the proposed assistance.

The Minister for Works: Is it not for the debenture holders to make the offer?

Hon. W. C. ANGWIN: If there be anything likely to besmirch the honour of the State, it is the duty of the Government to look into every hole and corner with a view to preventing it. The member for Perth (Mr. Mann) put up as sole argument for assistance the fact that there are 162 settlers at Kendenup. In such circumstances it is necessary that the Government should go further and ascertain whether or not the price paid by the settlers for the land is so high that it will be impossible for them to make good. If this were found to be so, the Government might possibly lay it down as a condition to the granting of assistance that the price of the land to the settlers should be reduced. In my opinion £400,000 is a ridiculous value to place on the land. Only yesterday an estate agent told me he had a fairly well developed block adjoining Kendenup, and that he would sell it for £2 per acre. There may be at Kendenup picked areas worth a fairly high price, but taking the land on its average value, it is not worth anything like the prices charged. Since the motion was moved I have tried to arrive at the estimated value of land along the Great Southern railway line. I thought I could not do better than take the opinion of a man who has had practical experience in the matter, and who, for many years, held the position of Government land officer on the Great Southern line, as to the value of these lands. I found on looking up "Hansard" that the member for Williams-Narrogin (Mr. John-

ston) was very indignant because the Government had not reduced all the land there to 15s. an acre.

Mr. Johnston: It has always been the policy of the country to give cheap land.

Hon. W. C. ANGWIN: We can form a very fair opinion of the average value of land in that district from the view of the hon. member. When the Government placed a price of 25s. on the land down there he said it was an exorbitant price.

Mr. Johnston: That is for what had been left after 60 years of settlement.

Hon. W. C. ANGWIN: The hon. member was dealing with land that had already been alienated from the Crown, and he wanted it all reduced to 15s.

The Minister for Mines: That was without any guarantee of an assured market at good prices.

Mr. Johnston: It was plenty for the settler to pay for it.

Hon. W. C. ANGWIN: The hon. member condemned the present Premier for inflating the value of the land. The Minister for Mines also was at loggerheads with him over the matter.

Mr. Johnston: That was before he joined up with us.

The Minister for Mines: You are drawing upon your imagination.

Hon. W. C. ANGWIN: The member for Perth desires that a Commissioner should be appointed to inquire into this matter. We have in the Government expert officers who could do this work. We also have in the Ministry men who for the time being have the confidence of the majority of the electorates of the State. The hon. member gave reasons for some outside person being appointed to advise the Government.

Mr. Johnston: He could be a Government officer.

Hon. W. C. ANGWIN: The hon. member did not say so. He said "I am certain if an independent inquiry is made it will give satisfaction."

Mr. Johnston: He should be a Government officer.

Hon. W. C. ANGWIN: After the years of experience I have had I am opposed to these independent inquiries. The matter is between the State and the company. The Government must protect the finances of the State. While our Constitution remains as it is we have no right to hand an inquiry of this description to any independent person. If the Government desire it they can do so.

Mr. Angelo: What do you mean by an independent person?

Hon. W. C. ANGWIN: Some person outside Parliament, who has no control over the finances, and who will have no interest in how the money is to be raised or how the payments are to be met.

Mr. Sampson: That is not in the motion.

Hon. W. C. ANGWIN: The hon. member does not give his reasons in the motion itself.

Mr. Johnston: The Under Treasurer might be appointed.

Hon. W. C. ANGWIN: Anyone could be appointed, but that is not the intention of the hon. member.

Mr. Mann: I did not intend otherwise.

Hon. W. C. ANGWIN: I had intended to move an amendment to strike out the words dealing with the appointment of independent persons, and providing that the Government should obtain a report, but I will not do so. Every inquiry should be made into the position.

Mr. Pickering: By the Government?

Hon. W. C. ANGWIN: Yes. If the Government can see their way clear, consistent with safeguarding the finances of the State, they can give assistance under the Industries Assistance Act.

The Minister for Mines: Do you think they have the power?

Hon. W. C. ANGWIN: I think so. We did not hesitate to make an advance of £40,000 or £50,000 to a timber company, or to take the responsibility of so doing. If the Government feel justified, with due regard to the interests of the State, in assisting the settlement with a view to making it a success it is the duty of the Government to do so. We cannot afford, as a State, to let an opportunity slip by of proving that our lands are suitable for closer settlement. I am not upholding the methods employed in this case.

Mr. Pickering: We have been proving that departmentally.

Hon. W. C. ANGWIN: Not to the same extent. We as a Government, so to speak, have been very timid over small holdings. It is only since the Kendenup estate was started in this way that we have entertained the idea of giving people in the South-West anything less than 100 acres of land. In many cases we felt that 160 acres was not sufficient. If we can demonstrate that upon 12 acres a man can keep his wife and family we have room, not for hundreds of thousands, but for millions of people.

Mr. SPEAKER: The hon. member had better keep to the motion.

Hon. W. C. ANGWIN: I was only pointing out the advantage it would be to the State if we could prove this. It is my intention to support the motion, believing that the Government will give every consideration to the matter. I have confidence enough in the Government to say that if they turn the matter down after further investigation, and after looking carefully into it, we as a House should support them in their action.

Mr. UNDERWOOD (Pilbara) [9.10]: If I speak to the motion can I move an amendment at the conclusion of my remarks?

Mr. SPEAKER: If the hon. member speaks to the motion may move an amendment at the conclusion of his remarks, but he may not discuss his amendment.

Mr. UNDERWOOD: I support the motion for the inquiry. The Government took the

correct action in turning down the application they have turned down. In supporting the motion I may not be logical in expressing this opinion. I have very little faith in the De Garis company, but am greatly concerned over the 162 settlers, representing a population of 500 people, who are down at Kendenup. Without any authority the Fairbridge Farm School people brought boys to Western Australia, and when their funds ran out they said to the Government, "You have got to keep them." De Garis has done something similar. When we get to the bottom of things we shall find it will be necessary for us to look after these 500 people. First of all we have to find out whether the land is capable of keeping them, and whether the promises that have been made by the vendor as to taking their produce are being fulfilled. We then have to find out whether the soil is favourable to that class of culture, and whether, when wells are sunk at Kendenup, the water is brackish or fresh. We must find out all these things before actually dealing with the settlers themselves.

The Minister for Mines: I wish we had a water supply for Perth such as they have at Kendenup.

Mr. UNDERWOOD: I will leave De Garis out of the question. He is a circumstance not worthy of consideration. Our concern is the situation of these settlers. The Government should make the most minute inquiry concerning the company. I do not accept the motion as a direction to the Government to advance £30,000. I should be sorry to see the Government, without having a great deal more knowledge than they now possess, lend £3, let alone £30,000. We should have an inquiry. There has been a great deal said about the difficulties which have been brought about because Grant Hervey wrote some rude remarks.

Mr. Pickering: For which he was tarred and feathered.

Mr. UNDERWOOD: Nothing that Grant Hervey could write would do much harm.

Mr. Johnston: It is easy to pull down.

Mr. UNDERWOOD: I have heard statements made that the Eastern States—Victoria and South Australia particularly, are always prepared to damn Western Australia.

Mr. Lambert: The leading papers do it day and night.

Mr. UNDERWOOD: The leading papers do not mean a struck match. Never was there more silly falsehood spoken.

Mr. Lambert: What about the Melbourne "Age"?

Mr. UNDERWOOD: When we get a bit of oil shale from Kimberley, where do we go for money? When we get a bit of rubbish from down Bremer Bay way, where do we go for money? Have they ever turned us down? As a matter of absolute and positive fact the Eastern States have never turned down the Western State. They have sent us money and men, including myself. If I had a good mica proposition—

Mr. Pickering: Which you have.

Mr. UNDERWOOD: I would go straight over to Melbourne and I would get money to develop it.

Mr. SPEAKER: I do not think mica is referred to in the motion.

Mr. UNDERWOOD: I am answering statements which have been made that the cause of this debacle has been the Eastern States.

Mr. Mann: The Eastern Press.

Mr. UNDERWOOD: And that the Eastern States are opposed to the development of Western Australia. I am entitled to reply to that.

The Minister for Agriculture: Eastern prejudice against Western enterprise.

Mr. UNDERWOOD: These statements are so obviously silly that one should not take a moment's notice of them.

Mr. Munsie: But they come here and get our money.

Mr. UNDERWOOD: If you go to Melbourne or to Adelaide with a Western Australian proposition and they turn it down, that proposition must be crook. It is no use putting it down to prejudice against Western Australia. And when Mr. De Garis comes along and tells the tale that he has failed because of the prejudice against Western Australia, well even an ordinary individual who has not been to a University knows better. I hope the Government will approve of the motion and that they will appoint a commissioner to inquire about those settlers who are at Kendenup. They are the people who are coming to us sooner or later, and the sooner we know how they are situated the better we shall be able to deal with them. If Kendenup is not good enough for them to live on, take them off it. Do not allow Kendenup to be a lingering, dying settlement.

The Minister for Mines: Kendenup is all right.

Mr. UNDERWOOD: The Government should make all the necessary inquiries, not with the view of assisting De Garis, but with the view of looking after the 500 settlers who are down there.

Mr. LAMBERT (Coolgardie) [9.20]: I do not know that there need be a great deal of heat or a great display of rhetoric in discussing a matter of this description. The general consensus is one of sympathy with the proposition which has not developed to the extent we hoped it would develop. We must be thankful to the Premier for his usual frankness and his transparent honesty in trying to at least give hon. members a clear appreciation of the position and the influences which led up to the refusal of the Government to grant this money. I think that on the facts presented to him he had no other alternative, but I would not go into the rhetoric used by the member for Kanowna, in speaking against the appointment of an independent commissioner to thoroughly inquire into the proposition. I regret that the member for Kanowna, in what one would characterise as a fairly damning speech, should have gone right off the track,

so far as the main essentials are concerned. In the first instance we are not primarily interested in the affairs of Mr. De Garis; we are not primarily interested in the affairs of the Kendenup company; we are not primarily interested in the affairs of the debenture holders of that concern, but it has been rightly said that we should be concerned about those people who have settled at Kendenup and who rightly or wrongly had confidence in the scheme, and who have confidence in it to-day. The position to my mind, so far as the House is concerned, is one of deciding whether we should go beyond the ordinary inquiry to be made by the Government in arriving at a decision as to whether this is a safe proposition on which to advance a sum of money on any supposition whatever—whether it be one of development or of safeguarding the interests of those who have settled there or not concerns us very little. To my mind there has been a case made out for further inquiry, and that inquiry should also embrace the fact whether the proposition as has been presented to the Treasurer is one on which he can advance money. If it is not one on which he can advance money on the present basis, taking into account the shareholders in the Kendenup Company, and the debenture holders in the company, he should then indicate in what direction if any an alteration should be made in the constitution of the company, probably in the annual charge on the debenture holders, and say whether we could go to the rescue of the proposition or not. It is rather regrettable that we should have had so much opposition shown by the member for Kanowna because somebody comes here with sufficient enterprise and sufficient organising ability to settle a big area of land. Mr. De Garis may have been wrong in his conception of the value of the land. Perhaps the value is such that should not have been paid by the settler. I do not know. I do know, however, that Mr. De Garis commanded a big financial following and it is pleasing to know that the Premier declared that he had been open and frank in his relations with the Government. Mr. De Garis laid all his cards on the table. The member for Kanowna practically told us that this concern was a fraud, that it had been over-advertised and over-boomed. What is all our scheme of immigration to-day? What has it been in the past?

Mr. J. H. Smith: We do not charge £12 10s. an acre for land.

Mr. LAMBERT: It does not matter whether you charge £1 or £12 an acre.

Mr. Troy: It does matter; it is a vital matter.

Mr. LAMBERT: It is merely a matter of relative values. I am not saying that the land at Kendenup is worth £12 an acre, any more than I am saying that the land in the hon. member's district is worth having for the picking up. Some of it is not.

Mr. J. H. Smith: I have always advocated giving people land.

Mr. LAMBERT: Unfortunately, Kendenup is not quite close enough to Bridgetown to suit the hon. member. But I am not concerned whether it is Bridgetown, Kendenup or anywhere else. I am concerned about the development of this country. I spent two days at Kendenup, and I had the pleasure of the company of the member for Roebourne, and during those two days I never had a difference with him.

The Minister for Mines: That is a record.

Mr. Munsie: What a remarkable experience!

Mr. LAMBERT: One of the leading citizens in the Mt. Barker district convinced me that there was no doubt about the productiveness of the soil at Kendenup, and this I take it has a direct bearing on the motion.

Mr. Troy: There are millions of acres in Western Australia like it.

Mr. LAMBERT: I believe the land at Kendenup equals, if it does not excel some of the land which is so productive around Mt. Barker. Let me again refer to the remarks of the member for Kanowna. I regret to think that there are men in this House who do not know how hard it is to battle on a farm on their own. When a big scheme of this kind is launched—

Mr. Troy: You did not fly to Kendenup.

Mr. LAMBERT: I did not. Some people of course must be spectacular. If we were all stodgy and commonplace, if we were to sit back and drift on, what sort of a community would we be? We would never have any policy and we certainly would never have an immigration policy. Is that to be our attitude? On the other hand, the methods of to-day are different. Different methods are adopted by Governments all over the world. That should be clear to any hon. member. Mr. De Garis has, within his lights, acted as honestly as may be in encouraging this scheme, and although he may be wrong in his calculations as to what he considered necessary to finance this very ambitious scheme, no one can doubt his usefulness as a citizen of Western Australia. I intend to refer to the remarks of the member for Kanowna (Hon. T. Walker). He said in effect "Let the Kendenup Company go bankrupt! Let the debenture holders go to the devil! When they are down and out, we, as a State, can step in as their guardian."

Member: How many shares have you got?

Mr. LAMBERT: I have not any shares at all. This is not the attitude of the House generally. The attitude adopted by the member for Kanowna was not a manly one.

The Minister for Agriculture: It was not a womanly attitude.

Mr. LAMBERT: That is not so.

The Minister for Agriculture: The member for West Perth is not here.

Mr. LAMBERT: She has a very worthy prototype in the person who is speaking now.

Mr. Marshall: That is up against yourself, and you deserve it.

Mr. LAMBERT: It is not a manly attitude for the House to say to any company, no matter whether we agree with the formation of the company or not, that when it is down and out, when we see the debenture holders grovelling and struggling because the promoter benefits from the transaction, that we shall wait till that individual is thrown out of it and then come to the assistance of those who are a direct charge upon the State. That is not a fair and business-like course to adopt.

Mr. Troy: What would business men do in such cases?

Mr. LAMBERT: The hon. member should know. He is a fairly successful business man.

Mr. Troy: No.

Mr. LAMBERT: With all due regard to the inquiries which have been made and this decision of Cabinet, Parliament as a whole can take a wider view of the question. I think the Government were justified, on the figures presented to them, in not handing over this money indiscriminately to the company without consulting Parliament. The Premier has been sufficiently frank to come to Parliament, and Mr. De Garis has set out his position plainly too. He has adopted the attitude that he desires the matter thoroughly discussed and ventilated on the floor of the House, permitting the whole ramifications of this concern to be thoroughly investigated. Mr. De Garis must feel that the affairs of the company will stand the fiery test of criticism in this Chamber. I believe Mr. De Garis has sufficient faith in Parliament to thoroughly investigate the matter, and if Mr. De Garis has sufficient faith in Parliament, surely Parliament should have sufficient faith in him to agree to afford him an independent inquiry. Then we may be able, on a business basis, having regard to the relationship of the company to the interests of the State, to advance money to tide over the company through their troubles temporarily. In view of the financial effect, I think the House would be justified in adopting that course. It is merely a business question. If, as suggested by the member for Kanowna, we were to adopt the unmanly attitude of waiting till the settlers were dispirited and broken-hearted before we came to their assistance, it would not be worthy of the spirit which has been behind the development of our lands generally. We should not turn down what has been one of the biggest developmental schemes the State has known. Parliament must recognise the position and help the settlers on the Kendenup estate. I hope, for the good name of this State, that we shall be able to adopt that course. I hope we will be as courageous in our attitude towards this scheme as we have been regarding the development of the State generally, and thus assist in the progress of the company so that the venture may prove successful. To regard this proposition in the category of one which has to go through a banker's hands, is, I think, not in the interests of the State.

The MINISTER FOR MINES (Hon. J. Scaddan—Albany) [9.37]: I desire to express my views principally as member for the district in which the Kendenup estate is situated. I want to take this opportunity of setting aside what may be the impression created in the public minds as to the position of Kendenup and the land there. It has been suggested that the land in that part of the State is valueless. I do not hold that view, because Kendenup is an estate that has been operated for many years and a fairly decent fortune has been made out of it.

Mr. J. H. Smith: Not at £12 10s. per acre?

The MINISTER FOR MINES: I will deal with that aspect later.

Mr. Johnston: We have to look to the house on the hill in West Perth to know what was made out of Kendenup.

The MINISTER FOR MINES: Mr. De Garis, with others, considered the question of purchasing the Kendenup estate and secured an option over it for £50,000, with some stock. In order to properly develop the estate, it was necessary not only to provide money for the purchase of the property, but for other purposes, including improvements, advertising, and so on, to make it possible for settlers to go upon the estate. A company was formed known as the Kendenup Development Company. That company had no capital of its own. It went on the market, however, and sought money by issuing debentures which carried eight per cent. interest guaranteed and the company undertook, after the land had been inspected by men who knew the value of our lands compared with similar lands in the other States, to pay what represented a bonus to the debenture holders when all the blocks were sold. Had the venture been the success Mr. De Garis and, I believe, most hon. members hoped, would be the case, the debenture holders in the company, of which Mr. De Garis is the principal shareholder, would have divided a considerable sum by way of profits. I think most of us would have been delighted if Mr. De Garis had made the profits he anticipated, because it would not only have meant much to the development of Western Australia, but would have been a fine lead to other closer settlement schemes in various parts of the State. I regret exceedingly that this has not proved successful. Particularly do I regret it as member for the district. What I am afraid of is that the publicity received by this matter and the statements made through the Press and by members of Parliament, will create the impression that it will not be possible for success to be achieved now. We live in an age when if any person in public or private life makes a success or otherwise of anything attempted, he is likely to get a packet of powders. If he makes a failure of anything attempted, it is likely that the packet of powder would contain arsenic and that he will be advised to take it. There is not much recognition accorded the man, even if he succeeds. After all, there are many men not far from Parliament who have not tried to do much. If a

man fails, he has at least attempted something; and even the man who fails, may have achieved something. It has been asserted that Kendenup cannot possibly carry a burden of £12 10s. per acre. That is not the question at issue at all. It is a question of what can be obtained for the products from the land.

Mr. Angelo: It is the collateral advantage.

The MINISTER FOR MINES: As a matter of fact, I think the people who are now producing so much at Mildura could hardly give their land away a few years ago, whereas now it commands a price running into hundreds.

Mr. Davies: But the water supply is the main question.

The MINISTER FOR MINES: The water supply is not the secret of success at Kendenup.

Mr. Troy: It is the essence of success there.

The MINISTER FOR MINES: It may be one of the essences of success, but it is not the only point.

Members: Yes it is.

The MINISTER FOR MINES: One of the underlying reasons for the success achieved at Kendenup was the organising of the selling department, enabling the settlers to dispose of their products quickly.

Mr. J. Thomson: Dispose of the products to whom? To De Garis?

The MINISTER FOR MINES: It does not matter a twopenny damn to whom, but it is the question of being able to dispose of the products that counts with the settlers. This increases the value of the land. Does any hon. member know of any other proposition where the value has increased 300 per cent. in so short a period? It would be all right if war time prices were continuing, but to achieve such a result in more normal times is evidence of success. It is a question of maintaining that position.

Mr. Marshall: The land would be no good without a water supply.

The MINISTER FOR MINES: There seems to be a general impression that there is no water in or near Kendenup. As a matter of fact, hon. members should know that when we experienced a drought we drew our water supplies from the lakes adjoining the Kendenup estate. There is a chain of lakes west of Kendenup containing enough water to supply Western Australia all the year round. There is any amount of water to be had at Kendenup and the supply is a much better one than is procurable in other parts of the State.

Mr. MacCallum Smith: We want some in North Perth.

The MINISTER FOR MINES: Yes, and other things as well. The chief reason for the selling value of land at Kendenup is the value of the products that can be grown on the estate and the ready market available for them. The whole question is whether the guarantee—I am assuming that it will continue—will be maintained so that the packing company will take over the settlers' products at the prices stated.

Mr. J. H. Smith: Where is the money coming from, the Government?

The MINISTER FOR MINES: No, I am speaking of the guarantee to the settlers.

Mr. Corboy: That guarantee is still being observed?

The MINISTER FOR MINES: Yes. I hold no brief for Mr. De Garis or for either of the companies in which he is interested. I am interested in the welfare of this portion of the State and in the settlers who have taken up land there in good faith and have carried out some development. Mr. De Garis certainly deserves some little credit with regard to his attempt to bring about closer settlement in this portion of Western Australia.

Capt. Carter: You are the first one who has given him credit.

The MINISTER FOR MINES: I think he has received a fair amount of eulogy from others.

Mr. J. Thomson: Too much!

The MINISTER FOR MINES: The hon. member for Claremont never has a good word to say about any one. He should know that frequently it is much easier to say a kind word than a harsh one. I do not want any misunderstanding regarding my position as a Minister or as member for Albany. On the facts submitted to us, I am endorsing the action of the Government in refusing to make an advance of £30,000. My reason is this: The land was purchased under option by Mr. De Garis for £50,000. He floated a company which made his responsibility the company's responsibility. The company issued debentures guaranteeing interest at 8 per cent. by which a certain amount of money was raised from the public. He used that money to pay the purchase price of the land and the balance for advertising and for certain developmental work. Everyone will admit that he had to recoup himself for the purchase price of the estate, the cost of advertising and the development work carried out for the benefit of the people who took up the land. The question whether he added too much for these items or not is one I am not called upon to deal with. Then he formed another company known as the Kendenup Packing Company, and I am advised by Mr. De Garis himself that he has an arrangement with a very substantial Australian firm to purchase all the products produced at the Kendenup estate, during the next 10 years at least, at the prices published and available to the settlers as well as to members of the general public. To me the fly in the ointment is the fact that the guaranter for the payment of these prices is not given to the purchaser of the land and made part of the contract. It is a guarantee by the Kendenup Packing Company to the Kendenup Development Company. I told Mr. De Garis that if he could produce a definite contract between the Kendenup Packing Company and the substantial and reputable firm purchasing the produce, then Kendenup

could be saved and the scheme could be gone on with.

Mr. Angelo: Has he promised to do that?

The MINISTER FOR MINES: I do not know. If this whole venture is to rest merely on an undertaking given by one company, which is De Garis, to another company which is De Garis, and is not part of the contract of the sale of the land, either of which companies could go into liquidation to-morrow without loss to anyone, because no funds were put into the companies, then we are not entitled to lend him ls.

Mr. Mann: Might not an inquiry clear that up?

The MINISTER FOR MINES: I am coming to that. I want my attitude to be clearly understood because it is possible that a great number of settlers may conclude that I am not concerned about their welfare. I am so much concerned that I will not lend myself as a Minister or a member to the advancing of public funds to carry on something which does not give them what they should have. So far as I can discover, the contract for the purchase of the land provides the usual safeguards from the standpoint of the vendor, with a clause in red type, and not black, that he signs the contract on the distinct understanding that he has not taken into account any advertisements or statements made by agents, or anything except the terms contained in the contract. There is no part of the contract providing that he shall dispose of his products with a guarantee of the prices fixed in the statement circulated. There are the weaknesses.

Mr. Troy: Not weaknesses, but deceptions.

The MINISTER FOR MINES: I do not suggest that they are deceptions.

Mr. Troy: That was the advertisement.

The MINISTER FOR MINES: De Garis to succeed, must keep faith with himself; and the only thing he has to do to show that his proposition is sound is to produce his contract, and I am satisfied the settlers and the public will then be satisfied that Kendenup can come through all right. I greatly sympathise with Mr. De Garis. The man who attempts to do big things gets a lot of mud thrown at him, and a fair amount of it is sure to stick. When he started without the public thoroughly understanding the proposition, quite a number of people, not groopers but croakers said, "Kendenup has been there for years; we could not do it: how can De Garis do it?" Mildura was there for years and at Mildura De Garis did do it. Some people said De Garis would advertise or bust and made other remarks to that effect. I venture to say we could afford to pay someone to advertise Western Australia.

Capt. Carter: The advertisement we have had is worth something to us already.

Mr. Corboy: And there is £10,000 of railway revenue in Kendenup.

Mr. Troy: It is a scheme.

The MINISTER FOR MINES: In view of the position as I have explained it, I sug-

gest it is for the Government to take the responsibility of their action and say they will or will not do this, as suggested by the member for Kanowna (Hon. T. Walker) and by the member for North-East Fremantle (Hon. W. C. Angwin). It is not the duty of the Government to be prying into the affairs of either companies, firms or individuals.

Hon. T. Walker: They have asked you to do it.

The MINISTER FOR MINES: And we have refused, and have taken the responsibility of our action.

Hon. T. Walker: And there is the end of it.

The MINISTER FOR MINES: This House, after all, is entitled to have the last word in any action taken by the Government. If the House desires that other things should be made known, not to change the attitude of the Government or to satisfy any member of the House but to show that every individual is getting the protection from the Government which he is entitled to claim, it can be done by thorough inquiry. The hon. member knows well there are scores of people in the metropolitan area living on land bought for residential purposes for £40 to £100 per block which could not be sold for £15. We allow those people to fall in.

Hon. T. Walker: Is there to be any inquiry into their case?

The MINISTER FOR MINES: I do not suggest one.

Hon. T. Walker: Then why in this case?

The MINISTER FOR MINES: In this case 160 settlers with families numbering in all over 500 persons have established themselves at Kendenup and, with the prices guaranteed, they can develop Kendenup.

Hon. T. Walker: Do you believe in the guarantee?

The MINISTER FOR MINES: If the guarantee is not sound, and if eventually failure is inevitable, we should know it and they should know it.

Capt. Carter: That is the point.

Hon. T. Walker: We know it now.

The MINISTER FOR MINES: I do not.

Hon. T. Walker: The Premier does.

The MINISTER FOR MINES: At the present time the Government could not commit themselves to say in what direction they would help these settlers.

Hon. W. C. Angwin: They could have an inquiry.

The MINISTER FOR MINES: Yes, that is the point. The motion submitted by the member for Perth merely asks for an inquiry.

Mr. Troy: Why the necessity for the motion? The Government could inquire without that.

The MINISTER FOR MINES: If the Government are going to take up the attitude that on every application received they should pry into every phase of the operations of the company, firm or individual concerned,

we shall be doing nothing else but holding inquiries.

Mr. Lutey: Do not you inquire into a mining company when an application is made?

The MINISTER FOR MINES: Yes, up to a point; but when we are advised by our technical officers that the security is not satisfactory and that it would not be a sound investment for the State, we go no further. Would the hon. member suggest that we should pursue an inquiry to ascertain the standing of the individual applying and the state of his assets and liabilities as an individual? Certainly not. But when it is a question affecting over 500 citizens for whom we should show some concern, we should make that inquiry. Under the motion the Government will be able to make that inquiry.

Mr. Troy: They could do it without the motion.

The MINISTER FOR MINES: Neither the House, the Government, the country, nor the settlers at Kendenup can lose anything by the holding of an inquiry. If an inquiry showed that any assistance which could be rendered by the Government would not enable Kendenup to pull through, we would not be in any worse position than we are now.

Hon. T. Walker: I would vote for an inquiry if the Government would make it.

The MINISTER FOR MINES: Under the motion the Government would make the inquiry.

Mr. Troy: Why not make it without a motion? It is your business.

The MINISTER FOR MINES: If an inquiry disclosed that financial assistance would enable Kendenup to succeed, we should lose nothing by that.

Mr. J. Thomson: The Premier said tonight that it could not. Are you against the Premier?

The MINISTER FOR MINES: I am not here to be cross-examined regarding my relations with the Premier. I said I took my share of the responsibility for declining to make the advance on the ground that the particulars submitted to us did not warrant it. At the same time I am concerned about the 500 people at Kendenup.

Mr. J. Thomson: Are not they all right?

The MINISTER FOR MINES: I pity them if they were left to the tender mercy of the member for Claremont.

Hon. T. Walker: The hon. member for Claremont has as much sympathy for the settlers as other members.

Mr. J. Thomson: More so than the member for Albany.

The MINISTER FOR MINES: Much more so that is why he wants to let things go hang. I take the view that we are not asking the Government to commit themselves to any course of action except merely to hold an inquiry. The motion does not ask the Government to take any course of action, which means that somebody shall suggest who is to make the inquiry. We shall make the

inquiry. I support the motion of the member for Perth. Probably if I had framed the motion, I would have worded it somewhat differently. The hon. member seems to have been keen on letting no point be missed. However, so far as the Government and the House are concerned, we are anxious to do what is best in the interests of the State and of people who are creating development here; but we are not concerned with the financial position of any company or any individual in the State. The member for Kanowna (Hon. T. Walker) said that this course would not be adopted in behalf of a mining company. But we are continually doing the same thing in connection with mining. We did it last year for the companies at Westonia.

Mr. Lutey: But you made full inquiries into their position.

The MINISTER FOR MINES: Of course we did.

Hon. T. Walker: But you did not appoint a Royal Commission to inquire into the position of the Westonia mines.

The MINISTER FOR MINES: Of course we did not. The case was entirely different. At Westonia it was a question of assisting the mining companies so that the people at Westonia might continue to be employed there in the production of wealth. If the companies had closed down, that would have been the end of Westonia. But if the Kendenup Company closed down to-morrow, the Kendenup land would still remain, and the settlers would remain and continue to produce. Whether inquiry as suggested is made or not, we shall still have to consider the question of helping those who are establishing homes at Kendenup.

Hon. T. Walker: Let us help the victims, but let us get rid of the incubus and the blood-suckers first.

The MINISTER FOR MINES: I am not going to controvert or to confirm those terms. However, I am not prepared to say, with the member for Kanowna, that anything in the nature of fraud was practised.

Hon. T. Walker: I say the prospectus was fraudulent.

The MINISTER FOR MINES: I do not think so. So far as I know, the company have complied with everything promised in the prospectus.

Hon. T. Walker: Up to the point of asking this State to lend them the necessary money.

The MINISTER FOR MINES: The company undertook an obligation to the debenture holders, to the people who supplied the money. The company expected to continue selling land, and from the proceeds of the sales to pay the debenture holders their interest and also to pay off the debentures. Owing to difficulties of the moment, the company are not in a position to do that; though I should really say that for the moment the company are in a position to do it. When they cannot do it some other means must be found to develop Kendenup. The Kendenup settlers, I consider, are entitled to the inquiry

asked for. If I were sitting on the cross benches, I should be disposed to demand an inquiry on behalf of the settlers—not an advance, but an inquiry for the purpose of letting the settlers know where they stand.

Hon. T. Walker: Let us add to the motion words to that effect.

The MINISTER FOR MINES: By all means. After the inquiry has taken place, I am prepared to continue to bear my responsibility as a Minister in respect of any action the Government may decide upon as the result of such inquiry. In the same way, after a Royal Commission has made recommendations, the responsibility lies upon Ministers to adopt such recommendations or otherwise. Here the position is the same. I therefore hope the House will not decline to obtain additional information, whatever opinions hon. members may hold regarding the Kendenup proposition up to date. So far as I am able to see, no harm whatever can result to anybody from gaining a complete knowledge of all that has led up to the present position and what should be done to remedy that position.

Mr. DAVIES (Guildford) [10.8]: The Premier has already signified his intention of opposing the motion of the member for Perth. However, with a view to obtaining a further inquiry into the affairs of the Kendenup estate, I shall, at the conclusion of my remarks, move an amendment to the motion. Recently the Kendenup company afforded members of Parliament an opportunity to visit the estate. I was one of those fortunate enough to make the trip, and I repeat here what I said at Kendenup on that day: I was amazed at the progress made at Kendenup, especially bearing in mind the progress shown at other settlements established in the South-West over 30 and 40 years ago. On that day the Premier made certain observations regarding what he had seen on the estate. To refresh the memories of hon. members I will quote from a report, as follows:—

The Premier, in speaking, said, "It was very gratifying to see what had been done, and to find men and women so satisfied with the outlook and the opportunity offered. . . . I am delighted to have inspected this factory, the first in the Southern Hemisphere. It is here that Mr. De Garis even gets ahead of anything the Government is able to do."

Let me at this juncture pay a tribute to the member for Roebourne (Mr. Teesdale) who, I understand, introduced Mr. Morton, the English gentleman, to Mr. De Garis, and thus brought about the establishment of the dehydrating factory at Kendenup. Let me add that in my opinion it is owing entirely to the organisation that the Kendenup settlers are able to make a living on small holdings. The Premier continued—

"I should like to see the factory working three shifts a day for six days a week. It seems to me that you deserve the thanks

of the country for the work done in the short time at Kendenup."

To-night we are not asking for the thanks of the country, but for an inquiry. Some hon. members decline to permit further inquiry. In granting it, they would be giving nothing away.

Hon. T. Walker: Do we need further inquiry when the company have committed a practical act of bankruptcy?

Mr. DAVIES: The point of the whole thing is that to-day there are 160 settlers at Kendenup, with another three or four hundred persons dependent upon them. What is going to happen to Western Australia if the Kendenup scheme collapses?

Hon. T. Walker: Western Australia will be here afterwards, and the settlers will still be here.

Mr. DAVIES: That is so; but we want nothing that will operate at this juncture as a set-back to Western Australia.

Hon. T. Walker: What would give us a set-back would be to act so stupidly as is proposed.

Mr. J. Thomson: Have you no trust in your Premier, Sir James Mitchell?

Mr. DAVIES: I have every trust in him; and it is for that reason I am going to move an amendment to the motion, an amendment which I believe will be acceptable to the Premier.

Mr. Troy: The Premier has already decided on the amendment. It is not your amendment.

Mr. DAVIES: I hope the Premier will agree to the amendment. The success of even people without previous experience of agriculture at Kendenup is due, I believe, not more to their own energy than to the good advice placed at their disposal by the Kendenup company. Those people have shown conclusively that it is possible to make a good living on a small area of Western Australian land with proper organisation for the marketing of produce.

Mr. Angelo: What did the Leader of the Opposition say on the occasion of that visit?

Mr. DAVIES: I know the Leader of the Opposition spoke there on that day, but I think we can rely on what the Premier said. In other portions of the South-West we found people whose fathers and mothers were there before them—

The Minister for Works: And also their grand-parents.

Mr. DAVIES: Yes, in some cases; and I make bold to say that there is greater development at Kendenup on some holdings of only six to 12 months' standing than one could see in other portions of the South-West settled for 30 or 40 years. The whole point is the organisation at Kendenup. Any one who has visited the far South-West knows that without the creation of organisation for the marketing of products, it will never be possible to do much there. At Kendenup the company have shown that with organisation for the marketing of produce

something very effective in the way of land settlement can be done in this State. What are they up against? The difficulty facing them is that of maintaining the guarantee offered to the settlers. They offered to pay 2½d. per lb. for peas, £10 per ton for potatoes, and £12 per ton for tomatoes. If the system down there prove a success, it will be the same to the perishable products as cool storage is to meat and butter. I can remember when it was not possible to carry over apples from one season to another. Under this process at Kendenup, it is possible to carry them for an indefinite period. Therefore, it is possible to defy economic laws and carry stuff until a fair price is obtainable. However, the words of the Premier will commend themselves to hon. members, and I move an amendment to the motion—

That in line 10 the words "being an accountant and person suitable to the Government," and all words after "promoter" in line 14, be struck out.

Mr. TROY (Mt. Magnet) [10.18]: I prefer the amendment to the motion. It is easy to be wise after the event. To-night I have heard members complain that others who were willing to bask in the reflected glory of De Garis when that gentleman was prosperous, now condemn him. I deprecate that gibe. When a person is doing good work nobody is likely to deride him, but when a man asks assistance from the country it is the duty of members to speak their mind regarding him. From the beginning have I viewed this Kendenup proposition with suspicion. I have advised those of my friends who thought of going into it to wait a few years. I am not surprised that De Garis has come a cropper, nor shall I be surprised if in the end Kendenup proves to be successful; because if the land is capable of the high production claimed, the venture must prove a success. From the beginning the proposition was too spectacular to commend itself to me. One objection I have to the business is that the company has not been fair to the settlers. The advertisements distributed broadcast throughout the country contained the most glowing promises, but in the agreements on which the land was taken up, a clause was inserted declaring that the advertisements were not to be held as part of the agreement. Yet it was the advertisements that secured the settlers. Another matter which I regard as deceptive was the forming of two separate companies. The De Garis Land Company acquired the land and sold it, and 90 per cent. of the settlers believed it was that company from which they had the guarantee of a market for 10 years. They had no idea that there were two separate companies, the De Garis Land Company and the Kendenup Packing Company, and that one can evade the responsibilities of the other. The majority of the people of the State were of opinion that the company from which the settlers purchased the land was the company which guaranteed the price of their products. If De Garis, by his advertisement allowed the settlers to believe that, he was practising deception and is not entitled to consideration at our hands. I do not know whether he was actually practising deception, but I have

my suspicions, because of the advertisements holding out the inducement that the land company would purchase for a number of years the products of the settlers. My sympathies are not with De Garis. I have heard the member for Coolgardie (Mr. Lambert) applaud imagination and vision and broadmindedness and so on. They are familiar terms, but after all give me the safe, cautious man. I have no use for the men of boom and bust. We require something more than imagination and vision in a man. I am not impressed by a person of remarkable imagination, but I am impressed by a man who lays his plans and secures his foundations and works on sound business lines. This proposition was built up on spectacular lines.

Mr. Johnston: A good advertisement, but a bad asset.

Mr. TROY: The advertisement was of no value, after all. I have heard it said that the advertisement brought a lot of settlers to Western Australia. But any person who has the nerve and refuses to count the cost could take up land in this State to-day and, by booming, sell it. Then afterwards he could come to the State and request assistance. We could all do that. I could boom a mining venture in the same way; I could bring down glittering specimens to the city, and I could even fly down with them. That sort of thing is all right in America, but Western Australia cannot stand too much of it. What kind of advertisement shall we get when the news goes to the Eastern States that the Kendenup company has had to come to the Government for help?

The Minister for Works: It is known in the Eastern States now.

Mr. TROY: During the last ten years, as the result of a sound policy on the part of the Government, we have had a great deal of land settlement in Western Australia, and in consequence we have thousands of prosperous settlers. It is fortunate for the State that the Government were not working on a policy of boom and bust. Some hon. member, remarking that De Garis had promised the settlers £10 per ton for their potatoes, said the guarantee could not be maintained because economic conditions were against it. What sort of business man can De Garis be to guarantee a price of £10 per ton for ten years? There may be imagination in that, there may be vision in such an offer, but it is the sort of vision to be found in the Hospital for the Insane. Not an hon. member here is prepared to guarantee his constituents for 10 years a certain price for a commodity they may have to sell. In view of the world's condition no man in his senses would guarantee anything. I had no objection to De Garis entering upon his gamble. It was just like a mining venture, and the laws of the State permitted it. But when the gamble does not succeed, De Garis ought to take the consequence.

Hon. T. Walker: Ought to be a sport and get out.

Mr. TROY: Many hon. members have talked about the security the Government would have in this property. All the company want, we are told, is £30,000 to enable it to pull through.

Hon. T. Walker: It is all the company wants now.

Mr. TROY: If it is such a sound proposition why do not the banks go to the assistance of the company? I see their bankers are the Bank of Victoria, Melbourne, the Commercial Bank, Sydney, the National Bank of Australasia, Adelaide, and the Western Australian Bank, Perth. The sum of £7,500 from each of these banks is not too much to ask. During the drought in Western Australia I met a squatter who said he was down to 5,000 sheep and wanted £30,000. He went to the National Bank, and returned to his station with the money in his pocket. He was thus able to pull through. Bank assistance of that sort has been given in many instances. Here is a company with these magnificent assets and possibilities and all these settlers who, we are told, are paying their way, and yet four banks will not stand £7,500 each. The member for North Perth is a director of a bank, but I guarantee, although he will probably support the motion, he would not advise the bank to advance a penny of the money required. It is to the Government that these people must look. The papers declare that the Government must carry on in a businesslike manner and must make ends meet, but in the next breath say that the Government must come to the financial assistance of this company. The Government are expected to do everything. I am sorry for the settlers at Kendenup. I advised many people not to go there, as I foresaw difficulties from the beginning. The Government should make an inquiry, but they do not need a motion of this kind to do so. Pressure is being brought to bear upon the Government to give that which they would not take the responsibility of giving.

The Minister for Works: Nothing in that way has been done. I give you an assurance on that point. It may come afterwards but has not come yet.

Mr. TROY: Members have pledged themselves to support this business, and the Government would now like to help because of the pressure brought to bear upon them, so long as Parliament will take the responsibility. No member of the Ministry would then be responsible for what happened. Ministers ought to be responsible for whatever action is taken.

The Minister for Works: We will take the responsibility.

Mr. TROY: If the proposition is a sound one and the Government think that assistance ought to be given, let them give it. A motion of this kind is not required. I have no love for the motion or for the amendment, but as I know the Premier will accept the amendment it will be carried. I will vote for the amendment, but I do not want to see the Government go outside the service for a man to make the inquiry. The Government must not think that I absolve them from any responsibility if they give this money. They must take the responsibility. They must not be governed by sentiment, but must look at the matter from the business point of view. There are men in the service who have been doling out assistance to settlers for many years past, and who are quite competent to advise the Government. I refer to officers of the Agricultural Bank.

Mr. Pickering: They probably have advised the Government.

Mr. TROY: The Government would do well if they accepted their advice. I would object to the Government appointing some outside accountant for this purpose, some person who has no responsibility to the State or interest in its finances, who probably would not put a penny of his own into the funds required by the company. I do not suppose there is a single member in this House who would give a shilling towards the proposition, but they are quite prepared for the Government to give the money.

The Minister for Works: Not even the Ugly Men?

Mr. TROY: I believe they would assist, because they are a purely philanthropic institution and would probably be ready to help these people.

Hon. T. Walker: They would do it for the settlers but not for the debenture holders.

Mr. TROY: My objection to the company is that in the first place by advertising it misled the settlers. The settlers were led to believe that they would get through with the one company, which would purchase the produce of the settlers at a certain price. Two companies, however, were formed, one of which takes no responsibility for the actions of the other. The people associated with this matter have therefore been guilty of deception and are not entitled to any sympathy. I support the amendment on the understanding I have outlined in my remarks.

The MINISTER FOR WORKS (Hon. W. J. George—Murray-Wellington) [10-37]: I would have voted against the motion. I should have felt the Government could not retain their self respect if they had countenanced such a motion. The amendment simply means that the House is of opinion that it is desirable to have a Commissioner to inquire into and report upon the affairs of the company and De Garis. We shall thus have an investigation made into the various papers which were first of all placed before the Government for their consideration, and have now been placed before the House for its consideration. The figures placed before us by De Garis were carefully gone into. The Government were unanimously of the opinion on these figures that they could not go to his assistance in the way he desired. I have no wish to gild refined gold in connection with these figures, but would like to show why the statements put forward by De Garis should be further investigated, not only so far as the settlers are concerned, but so far as De Garis himself is concerned. It is evident from the accounts that he is suffering from a certain amount of self-deception. He has sold as farm blocks 349 lots, representing 12,000 acres. The average price he has obtained or is to obtain works out at £12 5s. per acre. He paid, I think, 21s. per acre for the estate. By his own balance-sheet he cannot have spent more than £1 per acre on the land, and not all of the money upon the portion sold, because he had his debenture holders in Melbourne to think of. If we allow a total of £2 an acre he is then going to obtain a profit of £10 an acre. He has sold 276 town lots, comprising 69 acres, and for land which at the outset did not cost more than £2 per acre he is to receive £405 per acre. He has sold 11 factory sites, comprising

22 acres, and the price he has received is £133 per acre for land which cost £2. The average works out at about £15 per acre. In this mixture of figures, of balance-sheets, bold hopes and aspirations, he shows that ultimately he will have so many hundred thousands of pounds. The Kendenup estate comprises 46,000 acres. Is it likely that he will be able to establish another township and obtain at the rate of £405 per acre for the town lots? Is it likely that he will require more than the 11 factory sites he has already sold? If I am right in my assumption, he will not realise the amount of money he thinks. He hopes in 1922 to obtain from those to whom he has sold the land £16,600 in cash. Of this amount the land agents will get £4,600, the trustees for the debenture holders £6,000, and the balance goes to the company. The company comprises 150,000 shares, of which 142,000 belong to De Garis and 8,000 to his staff. The sum of £11,000 is due on the debentures, which sum he hopes to get. If he received a Government loan of £30,000 he would have to pay £4,500 for interest to debenture holders, £10,600 on account of loans against unissued debentures, and £8,700 to sundry creditors, leaving about £6,000 to go on with. It has cost the company to finance during the year between £50,000 and £60,000. How can the company continue to finance along those lines? This inquiry should be carried out by a man who properly understands the business. It will be not only a blessing to the settlers, for we do not want to break their hearts, but, will also be a blessing for De Garis, because he will know when he is on bedrock. Further, it will be a revelation to this State. It is the duty of the State to probe into the matter so that there may be no misunderstanding as to how things are going on. What is shown as security for the £30,000 is £19,000 on first mortgage debentures carrying 8 per cent. interest with a £50 profit on each £100, and £13,000 first mortgage debentures carrying 8 per cent. interest, which have been surrendered for the purchase and improvement of land, making up £32,000. De Garis further states that he will give a personal guarantee of his estate. I do not wish to rub it in, but the inquiry will of course go thoroughly into these matters, and will show that all that the Bank of Victoria did was to advance £29,000 and to guarantee £36,000, and probably this £65,000 indebtedness to that bank is some reason why the four banks referred to acted as they did. I have said all that I wish to say. It has come as a great shock to all of us that the venture should have reached this position. I have known many Victorians come here, and on seeing our land declare that if it were in Warrambool, or if it were in this place or in some other place in Victoria, it would be selling at £15, £20, and up to £100 an acre. Our prices were always declared by these visitors to be too low. Therefore I rejoice that there is an opportunity of showing where there has been a miscalculation, and that excessive enthusiasm may have caused a venture which was promising to end in this way. It is a matter of regret to me as a resident of Western Australia for the past thirty years, and I feel that the Government would be wanting in their duty if they were not prepared to make an investigation such as has been suggested. Western Australia cannot allow any slur to be

cast on its honour, its capabilities or its resources, and we must remember that those men who have settled at Kendenup are to all intents and purposes Western Australians, and that it is upon us that they have to place a considerable amount of their trust. Therefore I feel that the amendment which has been submitted is one which can commend itself to every member. When the result of this discussion is made known to the different quarters where the facts of this unfortunate trouble have permeated, it will be seen that the Government and members of this House are prepared to face the music to find out exactly what there is at the bottom of the trouble.

Mr. PICKERING (Sussex) [10:52]: I remember when this matter of Kendenup was first brought under the notice of this House, a subdivisional plan was shown to some hon. members in one of the Committee rooms in this building. I was much struck by the elaborate subdivision of the estate, and I said to Mr. Coote, who was representing Mr. De Garis, I was surprised that it was possible to develop any area in Western Australia on the lines indicated on the plan. When we see that this plan is included in the advertising media which has been scattered broadcast, and that the average price of the land is £10 an acre, it causes one to pause. We are asked now to permit an inquiry to take place. Into what? Not into the estate surely, because that estate has been reported on on previous occasions. The estate was offered by the Hassell's to the Repatriation Department for the sum of 12s. 6d. per acre. Surely therefore, we should not be called upon to inquire into that. It has been alleged by the member representing the district that the estate was worked by the late J. F. T. Hassell, but he did not say that it had been worked solely for the carrying of sheep, that the main source of revenue was not mutton, but wool that came from the backs of the sheep. That was the view the Repatriation inspectors took when the proposition was submitted to the Repatriation Department. We have heard a great deal about Mr. De Garis. Does anyone think that he came here and acquired this property from philanthropic motives? I do not think so. He came to acquire a property which he could boom and out of which he could make a considerable sum of money.

Mr. Latham: I think most of us would do that.

Mr. PICKERING: Most of us would, no doubt.

Mr. O'Loughlen: You brought your Busselton butter factory to Perth.

Mr. PICKERING: That is a State business. It has been alleged by the member for Gascoyne that all that Mr. De Garis is concerned about is the settlers. If that be the case, let them get out of it, and the State can take care of them straight away. If Mr. De Garis and his debenture holders think we are going to finance them for their benefit, they are making a great mistake. We have been told that a great advancement has been made in the development of the estate such as has not been witnessed in any other part of Western Australia. I venture to suggest, however, that this advance is probably

on that cleared land about the neighbourhood of the homestead.

Mr. O'Loughlen: A great deal of it is on what was virgin bush.

Mr. PICKERING: I have had the opportunity of seeing something of that estate and I know that the problem of clearing is not at all comparable to the problem of clearing in the South-West. It is not fair, of course, to compare the clearing there with the clearing in the South-West.

Mr. Johnston interjected.

Mr. PICKERING: I can understand the member for Williams-Narrogin saying that, but we have not gone to the Government and asked that the price of our land should be reduced. I have never been asked by any of my constituents to get the land values reduced.

Mr. O'Loughlen: I am afraid we will have to do that in connection with some of the soldier settlements.

Mr. PICKERING: I am concerned about the titles to be issued to the settlers at Kendenup. I understand that the debenture holders have lodged a caveat which will prevent any issue of titles to the settlers on this estate. I do not like their chance of ever getting their titles. We have had instances of this nature in the State and I fear that a similar experience may befall these settlers. We have heard a statement made here to-night that the placing of the papers on the Table of the House in connection with this estate was done at the instigation of Mr. De Garis. I was the member who asked for the papers, and I may say that I do not know Mr. De Garis and have never spoken to him. I am sure he will confirm my statement that I have never had any communication with him.

Mr. O'Loughlen: There is quite a lot you do not know.

Mr. PICKERING: A reflection has been made upon the advertising that the State goes in for with regard to our immigration policy, and a comparison has been made with the method adopted by Mr. De Garis. I hope, however, that the State will never descend to the practices adopted by Mr. De Garis. One of the greatest mistakes that can be made is to boost a country. If we have a genuine thing to put up, let us put it up by all means, but put it up in a manner that will not injure the settlers or the State. I hope that if an inquiry is conducted, it will be carried out on the lines suggested by the amendment. I do not at all like the original motion which, in my opinion, is one that might mislead. If there is to be an inquiry, I hope it will be impartial, and that we shall have the facts afterwards laid before the House. I very much doubt, however, that that opportunity will be afforded to members, but I do hope that no attempt will be made to advance money in the interests of the debenture holders. What I do wish to see done when the time is opportune is that proper assistance is given to those settlers who have been placed in an invidious position. I do not think it possible for them to pay £12 10s. an acre for their land, and personally I do not believe the land is worth that. I remember quite well that Mr. De Garis, when he first started this venture, boomed it on the question of beet sugar. Every settler was to put in 10 acres of beet. Mr. De Garis stated that he had

had the soil analysed by all the experts he could get hold of, and that records had been taken and investigations made in regard to the rainfall, and that everything had demonstrated that the conditions regarding the production of beet sugar were the best that could exist. That statement was made in the Town Hall.

Mr. Mann: And he has not gone back on it either.

Mr. PICKERING: He has dropped that. There are no agreements to this effect. There are no sugar mills. There was nothing about dehydration in those days.

Mr. Mann: Do you not think that he has done wonders in the time?

Mr. PICKERING: I do not know what he has done; I have not been there. But if, in such a short space of time, he has landed himself in the position he is in to-day, he cannot have done too well. He has had a considerable amount of money which he has not spent to the advantage of the movement.

Mr. Mann: Go down and see the place.

Mr. PICKERING: I cannot do that between now and the time when this debate will close, and it is not my intention to do so. I will take an early opportunity of seeing the place with a view to investigating the position of the 162 unfortunate settlers.

Mr. Johnston: Why unfortunate?

Mr. PICKERING: Because they are in an unfortunate position.

Mr. SPEAKER: Order!

Mr. PICKERING: Too much stress has been placed, however, upon the unfortunate settlers and their families. The one plea advanced as an argument in support of the motion has been "the unfortunate settlers." It should be recognised at once that if the £30,000 were advanced immediately, the settlers would not get the benefit of that money. On the contrary, I think the advance of £30,000 would be the thin edge of the wedge, and I believe that following upon such an advance would be unlimited demands upon the finances of the State. I hope the Premier will seriously consider the question of making an advance, before he agrees to any such proposition. He should hesitate before he makes use of the finances of Western Australia to bolster up a venture which was started originally in the interests of the promoter, and not in the interests of the State. When Kendenup was started, the object was to enable the promoter to secure good returns and so advance the interests of the promoter himself. When we have regard to the fact that in order to attract people to the venture, the promoters made provision to pay £50 for every £100 invested, when the sale of the land was completed, the business methods of the company should hardly appeal to hon. members. If development is to take place, I think it should be along the settled lines of policy adopted by the State for years past and that it should be conducted by the State on sound recognised lines.

Mr. LATHAM (York) [11-2]: I regret that the scheme introduced by Mr. De Garis has not been a success. I believe there is still a possibility of making a success of the venture if Mr. De Garis be given the opportunity to show what he can do. I am particularly concerned

about 43 returned soldiers who hold land at Kendenup. I have heard it said that assistance must be rendered to these people. We know that is so, but do not let us wait until they are in a state of semi-starvation. We should not permit the spirit of these people to be broken, otherwise they will be of little use to the State. I hope that the Premier, when he goes into this matter—he may have to do so whether the motion before the House is carried or defeated—will see his way clear to lend support to these people. I hope Mr. De Garis will yet succeed with his plans and show what can be done in Western Australia by an energetic man.

Mr. MUNSIE (Hannans) [11-3]: I support the amendment. As to some of the statements which have been made during the debate, I realise that there is much to be inquired into concerning the Kendenup venture. Much has been said regarding the amounts charged for the land at Kendenup. From the figures supplied by different members, the price apparently would average £12 5s. per acre. My experience of the lands of Western Australia is that there is very little, under existing conditions, worth £12 5s. per acre. I am surprised, however, to hear hon. members criticising the Kendenup company for charging £12 5s. per acre for their land, when the Government are charging up to £17 for land for closer settlement.

The Premier: Where is that?

Mr. MUNSIE: For blocks in the repurchased estates in the South-West. The Premier has placed returned soldiers on blocks, the price of which has ranged up to £17.

The Premier: But where do you refer to it?

Mr. MUNSIE: We inspected the area on the recent trip to the South-West. This particular land is at Balingup, and was cleared land. The Kendenup estate is not more heavily timbered land than that at Balingup.

The Premier: We did not charge the settlers a penny more than we paid for the place.

Mr. MUNSIE: If that is so, then the Government made a bad deal in repurchasing that estate. If it is possible for the returned soldier settlers to make a success on land for which they pay £17 per acre, what is to stop the settlers at Kendenup making a success on their blocks at £12 per acre?

The Premier: What is 2oz. stone as against 1oz. stone?

Mr. MUNSIE: The Premier, I take it, mentions gold bearing ore to show that the £17 land is better than the Kendenup area. That, however, has yet to be demonstrated. The member for Pilbara (Mr. Underwood) said that it was ridiculous for any man to say that the Eastern States could do any damage to Western Australia, and he proceeded to point out that practically all the money that came to Western Australia was capital from the East. I came from the Eastern States, but I realise that there is not one State in the Commonwealth that has not benefited from Western Australia. Victoria in particular benefited from our progress. Victoria was practically bankrupt when Western Australia came to her assistance. When the eastern goldfields of Western Australia were discovered, the money drawn from Western Australia practically kept and saved Victoria.

Mr. Latham: We must send that statement to the Melbourne "Age."

Mr. MUNSIE: It has been sent to them on many occasions. I combat the views expressed by the member for Pilbara. There is no company in the Eastern States that I know of, which has established branch offices in Western Australia except where it has handsomely paid them to do so. There are many companies in the Eastern States drawing considerable revenue from Western Australia and yet they have not established branch manufactories in this State. Western Australia does not owe much to the Eastern States and anything which the Eastern States have invested here, has been well paid for.

Mr. MANN (Perth) in reply [11-9]: Perhaps the strongest argument advanced against assistance being rendered to the Kendenup company is the price paid for the land and the amount charged for it. The Government recently purchased estates for less than £1 an acre.

The Premier: We paid about 8s. an acre.

Mr. MANN: And charged £12 10s. an acre for it.

The Premier: Some of the land was worth more than that.

Mr. Harrison: Only 10 per cent. of that land is fit for intense culture.

Mr. MANN: I am showing that that land has improved very rapidly. If land can be purchased at 8s. an acre and then sold for £12 10s. an acre, it shows what can be done. The estate to which I refer has been improved by the provision of roads and drainage just as Kendenup itself has been improved. I mention this aspect because it is an answer to those who complain of the Kendenup people charging £12 for land which cost £1 an acre. Having placed the matter before hon. members, I am prepared to accept the amendment relying on the Government to take a fair view of the position pending the inquiries that will be made.

Amendment put and passed; question, as amended, agreed to.

BILL—APPROPRIATION.

Returned from the Council without amendment.

House adjourned at 11.14 p.m.

Legislative Council.

Thursday, 13th January, 1932.

Leave of Absence	Page
Bills: Land and Income Tax Assessment Amend-	2944
ment Com., report, 3R.	
Price Regulation Act Amendment, 2R.	2944
Amendment, six months, Bill defeated	2950
Land and Income Tax Assessment Amend-	
ment, 3R.	2959
Architects, Assembly's Message	2959
Licensing Act Amendment, 2R., Com., etc.	2959
Loan, 2R., Com., etc.	2964
Traffic Act Amendment, Com., report, 3R.	2965
Licensing Act Amendment, Assembly's Mes-	
sage	2970
Land and Income Tax Assessment Amendment,	
Assembly's Message	2970
Agricultural Lands Purchase Act Amendment,	
2R., etc.	2970
Grain, Assembly's Message	2971
Traffic, Assembly's Message	2971
Adjournment, Close of Session	2975

The PRESIDENT took the Chair at 3.0 p.m., and read prayers.

LEAVE OF ABSENCE.

On motion by Hon. A. Lovekin leave of absence for three consecutive sittings granted to Hon. J. Nicholson on the ground of urgent private business.

On motions by Hon. J. Cornell leave of absence for three consecutive sittings granted to Hon. J. E. Dodd on the ground of ill health, and to Hon. J. W. Kirwan for three consecutive sittings on the ground of urgent private business.

BILL—LAND AND INCOME TAX ASSESSMENT AMENDMENT.

In Committee.

Resumed from the previous day; Hon. J. Ewing in the Chair; the Minister for Education in charge of the Bill.

New Clause:

Hon. A. LOVEKIN: I move—

That a new clause to stand as Clause 7 be inserted, in lieu of present Clause 7 as follows:—Section 30 of the principal Act is omitted and the following inserted in lieu thereof:—30. From the taxable amount so ascertained as aforesaid, every taxpayer shall be entitled to deductions in respect of the annual amount of—(1) Losses, outgoings, interest on mortgages and loans, and expenses actually incurred in Western Australia by the taxpayer in the production or protection (where such cannot be insured against) of his income; that is, income which is not exempt from income tax under section nineteen of this Act. (2) (a) Net trading or business losses incurred in any one or more years, during the five years preceding the year of assessment. (b) Net losses arising from the loss of stock in trade,