

compensation fee on the gallon basis, the Crown Law Department have devised a means by which payment of fees can be spread over the year. It would be impossible to collect at the beginning of the year an adequate licensing fee on a depot handling, say, 100,000 gallons in a year; and to an extent this would hold good also with both the distributor and the producer. Therefore it is necessary that the board should have this additional power, so that the fees can be collected throughout the year. It is provided in the Bill, where the maximum amount of 2½ per cent. is fixed. It could not be taken straight on a gallon basis, but it can be done on a percentage basis. Also power is given to the board to sue for the amounts. If they are to carry on and finance their work, they must have this additional power. I ask the House to treat this amendment as very important indeed, as positively necessary. As to the small shops, if a record had to be kept of the quantity of milk sold at such shops, the shopkeeper would have to keep the record and so, too would the board. We do not want to set up an elaborate organisation; we are keeping the staff as small as possible, and therefore it has been decided that a fee of £1 shall be imposed on those distributing not more than 1,000 gallons a year. This can be collected in a lump sum instead of the payment being spread over the year. The Bill is essentially one for Committee, so I do not know that I need say any more. If further explanations are required, they can be given in Committee. I think we can congratulate ourselves on having constituted the board, which by its energy and capacity, and the manner in which it has applied itself to a very difficult task, has carried out its duties in a most commendable way. Already it has set up an organisation which is reasonably efficient and which as time goes on will become still more efficient. What was regarded last year as an experiment has proved in actual practice to be of considerable benefit to the producer whom we desire to assist, and there have been very few complaints from the distributing section. Those complaints that might be justified are easily remedied, and so in the main we can say that the endeavour to organise the whole milk supply has been reasonably successful, and that the amendments asked for by the board

should be agreed to with a view to assisting them in the task they have undertaken. I move—

That the Bill be now read a second time.

On motion by Mr. Ferguson, debate adjourned.

House adjourned at 9.17 p.m.

Legislative Council,

Wednesday, 6th September, 1933.

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

QUESTION—TRAFFIC, RED-LETTER LICENSE PLATES.

Hon. A. THOMSON asked the Chief Secretary: 1, Is it correct that the Traffic Branch of the Police Department are refusing to grant red letter plate licenses to carriers? 2, If so, what authority, or which section of the Traffic Act, empowers the department to refuse to grant such licenses?

The CHIEF SECRETARY replied: Licenses were refused, but are now being issued.

QUESTION—ENGINE-DRIVER'S CERTIFICATE.

Hon. E. H. HARRIS asked the Chief Secretary: Will he lay on the Table all papers, documents, and records of the Inspection of Machinery Department relating to the restriction endorsed on first-class engine-driver's certificate of service No. 834, issued to John Henry Fox?

The CHIEF SECRETARY replied: There is no objection to the papers being laid on the Table, but I would very much prefer it if the hon. member would move a motion in accordance with the procedure of the House.

BILL—FINANCIAL EMERGENCY TAX ASSESSMENT ACT AMENDMENT.

Recommendation.

On motion by Hon. R. G. Moore, Bill re-committed for the purpose of further considering Clauses 3 and 4 and for considering new clauses.

In Committee.

Hon. J. Cornell in the Chair; the Chief Secretary in charge of the Bill.

Clause 3—Amendment of Section 4 (as previously amended):

Hon. R. G. MOORE: I move an amendment—

That in lieu of paragraph (a) the following be inserted:—‘by deleting the words ‘twenty-one’ in paragraph (b), and inserting in lieu thereof the word ‘thirty.’ ’

The CHIEF SECRETARY: I oppose the amendment, on grounds which I previously stated.

Hon. R. G. MOORE: I have previously given my reasons for this amendment. The exemption of £1 in the Act I regard as too low, and the exemption of £2 in the Bill I regard as too high. The present amendment in my opinion represents the happy medium. On an income of £1 per week the tax would be a hardship, but out of an income of 30s. it can be met. The exemption of 30s. will mean the bringing of a large number of workers within the scope of the Bill. A worker having commitments such as life insurance would find it almost impossible to carry on at £1 per week while paying taxation, but at 30s. per week it would still be possible for him to pay a small tax. Although the amount collected from each individual under the amendment would be small, the aggregate would materially assist the Government.

Hon. J. J. HOLMES: I am sorry I cannot support the amendment. Only yesterday the Committee out-voted it by two to one and decided to adhere to the existing exemption. Whilst Mr. Moore says this proposed

exemption will not mean very much, I think something like £50,000 was collected from this section of the community last year. Since the money is required for the employment of men, it is not asking too much that those on small wages and salaries, who enjoy all the free services provided by the State, shall stand up and help, more particularly in view of the fact that until last year they never paid anything at all towards the cost of Government. They have never had to pay income tax, although all other sections of the community have had to pay it. I hope the Committee will not reverse the decision arrived at yesterday.

Hon. E. H. H. HALL: Last night Mr. Gray remarked upon young people who had to contribute to their parents support, and said we would be taxing them twice. But the Act distinctly provides exemption for young people who can prove to the satisfaction of the Commissioner that they are regularly contributing to the maintenance of any members of their family. There are thousands of young people, children of well-to-do parents, who would willingly pay this tax. It is only right that the children of well-to-do parents should pay it.

Hon. G. FRASER: The children of well-to-do parents will not come within the exemption, because in the majority of instances they are in receipt of more than £2 per week. The people who will be caught are the children of parents not so well off, for they are to be found in minor jobs.

Hon. E. H. H. Hall: There is but the one law for the children of well-to-do parents and the children of other parents.

Hon. G. FRASER: Most well-to-do parents are fortunate in that they can get their children into good positions.

Hon. A. THOMSON: I wish the hon. member were right. I suppose he would say I am fairly well-to-do. Nevertheless I have not been able to get a job for one very close and dear to me. I hope the Committee will stand by their decision of last night. Since the purpose of this tax is to provide employment for the unemployed, surely those in receipt of salaries should contribute a little towards the aid of their less fortunate fellow men. In this, every section of the community should pay its quota.

Hon. H. V. PIESSE: When we voted yesterday we did so knowing that we would have the right to vote to-day in favour of

Mr. Moore's amendment. I will support the amendment.

The CHIEF SECRETARY: I hope the Committee did not think I wished to brush Mr. Moore's amendment aside. I do not agree with it, because it is not in accordance with our policy, but it is better than the amendment carried yesterday and if it comes to a division I will support Mr. Moore's amendment.

Hon. J. J. HOLMES: The unemployed have been treated more liberally in this State than in any other State, not even excepting Queensland. We hear a lot about the young men on small wages and salaries, but if any member cares to walk around Perth he will see those young men with bare heads—which is fashionable to-day—and not only bare heads but with permanent waves in their hair, a treatment costing at the very least 7s. 6d. each.

The CHAIRMAN: I hope the hon. member will connect that up with the amendment.

Hon. J. J. HOLMES: It shows how these young men spend their money, which we are asked to make up from the thrifty people of the State.

Hon. R. G. MOORE: Has Mr. Holmes ever heard of people on £1 a week having permanent waves and indulging in expensive amusements? It is those in better positions who get their hair permanently waved and go to the picture shows. Personally, I like to see a girl with a permanent wave; I have always admired it.

Hon. J. J. HOLMES: But I was speaking of the boys with their permanent waves.

Hon. R. G. MOORE: Something has been said of the children of well-to-do people. In my experience well-to-do people do not go in for children.

Hon. W. J. MANN: You do not want to amend the Act for that, do you?

Hon. R. G. MOORE: Are we going to penalise a great number of people merely because a few wealthy people have children earning who can afford to pay the tax? Thousands of those earning small money have commitments to meet out of their £1 per week. Of course there may be a few living with their parents, but that is no reason why others should be penalised.

Hon. E. H. GRAY: The statement that have been made about the hatless and "permanent waved" young men is a reflection

on thousands of them who have been let down by the older members of the community. If they were all gathered in a hall, I would challenge Mr. Holmes to address them in the language that he used here this afternoon. The biggest sufferers to-day are the young men, and they comprise some of the best types the country can produce. They have a real and genuine grievance against every phase of society. I am supporting Mr. Moore's amendment because it is better than that passed last night.

Hon. C. F. BAXTER: The young people of to-day are without responsibility. At the present time they are contributing only to the extent of the hospital tax. Why there should be all this fight on their behalf I do not know. What is the proposed tax for? It is required to provide employment for the young men themselves, and those who are earning £1 a week or even a little more should contribute something for the less fortunately situated. I hope the House will not alter yesterday's decision, nor change the exemptions that have been in existence. I can see no justification for any such alterations.

Hon. H. SEDDON: I shall support Mr. Moore's amendment, not because I hold a brief for the young people who are earning wages, so much as for the man who is on part-time work. That man is having a hard battle, and is entitled to receive all the help he can get.

Hon. L. B. BOLTON: Personally I consider we are wasting a lot of time and sympathy on a class who really would not appreciate it. For a number of years I was closely associated with the public hospital, where a debit was raised against each patient treated. Accounts were rendered on the discharge of the patients, and my experience was that in almost every instance those people, poor as they were, preferred to pay something towards liquidating the account. So I feel that those who are earning, say, only 21s., will feel that they are entitled to pay their small quota towards the taxation of the country.

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

Ayes	..	..	..	..	12
Noes	..	..	..	..	13
					—
Majority against	..	..	..	..	1
					—

AYES.

Hon. J. M. Drew
Hon. J. T. Franklin
Hon. G. Fraser
Hon. E. H. Gray
Hon. W. H. Kitson
Hon. R. G. Moore

Hon. T. Moore
Hon. Sir C. Nathan
Hon. H. V. Piesse
Hon. H. Seddon
Hon. C. H. Wittenoom
Hon. E. H. Harris
(Teller.)

NOES.

Hon. L. B. Bolton
Hon. E. H. H. Hall
Hon. V. Hamersley
Hon. J. J. Holmes
Hon. J. M. Macfarlane
Hon. W. J. Mann
Hon. G. W. Miles

Hon. J. Nicholson
Hon. E. Rose
Hon. A. Thomson
Hon. Sir E. Wittenoom
Hon. H. J. Yelland
Hon. C. F. Baxter
(Teller.)

Amendment thus negatived.

Hon. R. G. MOORE: I move an amendment—

That in line 5 of paragraph (c) the words "ten shillings" be struck out.

The effect of the amendment will be to reduce the figure of £3 10s. to £3. My reason for moving the amendment is that I am much concerned about those who are on the basic wage in various industrial districts at the present time. The amendment will bring in all at £3. Workers in the metropolitan area are totally exempt from the tax as the Bill now stands, whereas in several other districts those who are considerably below the basic wage will have to pay the tax. My contention is that all should be in or all out. I do not agree with the policy of making fish of one and flesh of another. The workers on the goldfields have to make a number of compulsory levy payments that the workers in the metropolitan area escape. That makes the position of the goldfields worker much more difficult than that of his fellow worker in the city. People in the metropolitan area who receive the basic wage, will be exempt from the emergency tax, whereas workers on the goldfields who receive in actual wages 15s. less than the basic rate, will have to pay the tax. I can cite a typical case to show what a worker on the goldfields has to pay. A man on the South Kalgurli mine works 13 shifts a fortnight, for which he receives 16s. 4d. per shift. He has to work one Sunday a fortnight for which he receives 4s. 1d. more than for an ordinary shift. Deducted from his pay are a number of charges, including 3s. for the medical fund, 1s. 6d. for mine workers' relief and 1s. 4½d. for hospital tax. That means that fortnightly he has 5s. 10½d. deducted from his pay, without the financial emergency tax being taken into consideration at all. In the metropolitan area a worker receiving the same rate would be

required to pay the hospital tax only. Then again a worker on the goldfields who is in receipt of the basic wage would have to pay 3s. a fortnight for the medical fee, 1s. 6d. for mine workers' relief and 1s. hospital tax. His emergency tax would amount to 2s. 8d., so that the man would have to face a deduction of 8s. 2d. a fortnight from his pay.

Hon. J. J. Holmes: That man gets £8 12s. a fortnight and is doing a lot better than many of us.

Hon. R. G. MOORE: In Perth the man on the basic rate of wages will have to pay the hospital tax only. The workers should be treated equitably, and my proposal would have that effect. If the Government think that £3 is a little on the low side for taxation purposes, they could reduce the tax proportionately. If they agree to my amendment, it will mean they will receive a larger amount in taxation than under their own proposal, which exempts one section of workers in receipt of the basic wage and applies the tax to another section also in receipt of the basic wage.

Hon. W. J. MANN: I support the amendment. I believe the married men should receive some greater consideration. I have not been able to get actual figures, but those I have obtained are near enough and cannot be challenged. It is frequently asserted that the men at Collie receive big wages. That may have been so in the past, but it is certainly not so to-day. My informant advises me that £4 a week would be the average of what a Collie miner can earn in these times. They are on short-time work and they have suffered a reduction in wages, which has been somewhat belated. The Collie miners are in a much worse position than their fellow workers in the city. They have to pay 6d. a week to the accident fund, 3d. to the indigent miners' fund, 1s. 6d. a week for the doctor and the chemist and 1s. for union fees. They will probably have to pay 1s. 4d. a week on account of the emergency tax and 6d. for the hospital tax. That means that the Collie miners will have to pay 6s. 1d. per week, not 8s. 2d. a fortnight as Mr. R. G. Moore said the goldfields workers would have to pay.

The CHIEF SECRETARY: I oppose the amendment. No doubt a number of men on the goldfields will not enjoy the exemption that will be afforded the workers in the met-

ropolitan area, who are in receipt of the basic wage.

Hon. E. H. HARRIS: Ninety-nine per cent. of the men in that category on the goldfields will be affected.

The CHIEF SECRETARY: The Government have gone fully into this question and the Crown Solicitor has ruled that it would be unconstitutional to vary a tax according to locality. The question of exempting the married man on the basic wage on the goldfields was fully considered by the Government and it would have been done had it been at all possible. To have done so would have necessitated making the basic wage on the goldfields, the general exemption throughout the State. Thus a very large number of people drawing considerably more than the basic wage in other parts of the State would have escaped taxation, with the result that the revenue derived from this source would not be sufficient to meet our requirements. Had it been possible to grant the relief Mr. Moore desires, it would not have been left to him to move the amendment. The necessary provision would have been inserted by the Government. This matter was repeatedly considered by the Government, but no way could be found out of the difficulty.

Hon. E. H. HARRIS: When the basic wage declaration was issued recently by the Court of Arbitration, almost simultaneously the Government introduced the present Bill with the exemption fixed at £3 10s. That action was interpreted on the goldfields to mean that the Government were prepared to "slug" everyone on the fields and exempt everyone on the coast.

Hon. W. J. Mann: Not everyone.

Hon. E. H. HARRIS: There was an impression subsequent to the last election campaign that the iniquitous and obnoxious tax imposed by the Mitchell Government would be abolished.

The CHAIRMAN: Order! I hope the discussion on the amendment will be confined to the question whether people in receipt of £3 a week should or should not pay the tax.

Hon. E. H. HARRIS: The people on the goldfields have been misled, but they now realise they must pay the tax. As the Court of Arbitration allows variations in the basic wage applicable to various areas because of the differing costs of living, so I think the same principle should be applied to the levying of the emergency tax.

Hon. J. J. HOLMES: I support the amendment because it will bring in more people who ought to pay. The Government say they want revenue, and yet the Minister is opposing the amendment. However, I wish to be candid and say that, when the clause is put, I propose to vote against it.

Hon. G. W. MILES: I support the amendment for the reason given by the Chief Secretary for supporting the previous amendment. I wish to see the whole clause deleted.

Hon. J. M. MACFARLANE: I can hardly conceive that the Government would desire to give exemption to one section of workers while taxing another section. I regret that feeling has been engendered on that account. It would be unwise to alter the exemption because, in my opinion, the next declaration of the basic wage will show an excess on the £3 10s.

Hon. J. J. Holmes: Have you any authority for that statement?

Hon. J. M. MACFARLANE: No; it is my opinion, formed from a careful study of the daily price of foodstuffs. Everyone should contribute something to the revenue of the country, and if I exempted anyone it would be the man on the basic wage. Such a man with a family to support has a bad time. If he has an adult family and they are out of work, he cannot get any assistance from them. I shall depart from my declared conviction that everyone should contribute to the revenue of the country by exempting the man on the basic wage.

Hon. R. G. Moore: You will not be doing it.

Hon. J. M. MACFARLANE: We shall be doing it for the workers in the metropolitan area.

Hon. H. SEDDON: I support the amendment simply because the tax in the present form will create an anomaly. Employees on the goldfields are receiving £3 11s. 4d., and they will be asked to contribute to the tax, while the man on the basic wage in Perth, who is in a far better position, will not have to pay.

Hon. SIR CHARLES NATHAN: I cannot support the amendment. I consider that £3 10s. is low enough. I am in complete sympathy with goldfields members owing to the unfortunate position in which they find themselves. It reminds me of the story of the fox that got its tail caught in a trap. I cannot see that there would be any improve-

ment if everyone were brought in. Rather should we endeavour to find a way to help the workers of the goldfields.

Hon. C. F. BAXTER: The position is very unfortunate for the goldfields workers, but the Chief Secretary has explained the Government's difficulty. To exempt the goldfields workers would necessitate exempting many more workers throughout the State.

The CHAIRMAN: The amendment proposes not to exempt goldfields workers but to bring others in.

Hon. C. F. BAXTER: Others will be brought in if the amount is reduced by 10s. Some time ago, when the basic wage was reduced, the reduction was not applied to a majority of the goldfields workers, who have enjoyed the benefit of the higher rate.

Hon. E. H. Harris: Plus the higher cost of living.

Hon. C. F. BAXTER: The basic wage was fixed in accordance with the cost of living.

Hon. G. W. Miles: Why the change of front from £2 a week last year to £3 10s. this year?

Hon. C. F. BAXTER: I hope relief will be given to the man who has to rear a family on £3 10s. a week. If he pays only 15s. a week for rent, little enough is left to feed and clothe the family.

Hon. R. G. MOORE: I am surprised at some of the arguments advanced. Mr. Baxter knows that a house that would cost 15s. a week in Perth would cost 30s. on the goldfields.

Hon. A. Thomson: And the house on the goldfields would not be as good.

Hon. R. G. MOORE: Mr. Macfarlane expressed concern about the man on the basic wage. He does not want that man to be taxed, and yet he says he is positive that when the basic wage is again adjusted, he will have to pay. Regarding Sir Charles Nathan's simile of the fox and the trap, it would make a big difference if all were brought in, because the rate of tax could then be reduced.

Hon. J. M. MACFARLANE: I would be with Mr. R. G. Moore if he were moving his amendment conscientiously.

The CHAIRMAN: Order!

Hon. J. M. MACFARLANE: If I have transgressed, I withdraw. Because the hon. member has discovered an anomaly, he would bring more people under the tax

merely to satisfy the workers on the goldfields. I have not been inconsistent. Taxation should be paid by every wage-earner in return for the services provided, but I repeat that I have sympathy for the married man who has to maintain a family on the basic wage. Believing as I do that the Government will accept the suggestion with regard to married men, I am prepared to give away that much of my convictions.

Hon. H. V. PIESSE: When the Bill of the Mitchell Government was before us several members wanted to start the exemption at £2 10s., but to-day many of them object to a £3 exemption. I am going to support Mr. Moore's amendment, because I consider that the man in the city should pay his portion of the tax just as the man in the country does.

Hon. J. J. HOLMES: Yesterday Mr. Macfarlane wanted to bring everyone within the scope of this tax, and now he wants a modification of that principle. No explanation is offered as to why people on the basic wage in the metropolitan area should be exempt, and why those on the goldfields should pay. Would I be in order in asking Mr. Macfarlane to explain his explanation?

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

Ayes	..	..	..	..	16
Noes	..	..	..	..	9
Majority for					7

AYES.

Hon. L. B. Bolton	Hon. R. G. Moore
Hon. J. T. Franklin	Hon. H. V. Piessé
Hon. E. H. H. Hall	Hon. E. Rose
Hon. V. Hamersley	Hon. H. Seddon
Hon. E. H. Harris	Hon. A. Thomson
Hon. J. J. Holmes	Hon. Sir E. Wittenoom
Hon. W. J. Mann	Hon. H. J. Yelland
Hon. G. W. Miles	Hon. C. H. Wittenoom
	(Teller.)

NOES.

Hon. C. F. Baxter	Hon. J. M. Macfarlane
Hon. J. M. Drew	Hon. T. Moore
Hon. G. Fraser	Hon. J. Nicholson
Hon. E. H. Gray	Hon. Sir C. Nathan
Hon. W. H. Kilbon	(Teller.)

Amendment thus passed.

The CHAIRMAN: A consequential amendment, to strike out "eighty-two" in line 9, and insert "fifty-six", will be made.

Hon. J. J. HOLMES: I hope the Committee will strike out this clause. If it is deleted we shall revert to the exemptions that appear in the Act of last year. For seven months of the last financial year about

£220,000 was collected from that taxing Act, and £20,000 is outstanding. On that basis we can assume that this year, having brought in the lower grade employees to pay their quota of the tax, out of 4½d. in the pound we shall get all the money that is required for this particular purpose. Even with the clause as amended a man on £155 a year with one dependant, will be exempt, whereas the man earning over £156, and having one dependant, will pay the tax. Another man on £157 a year, with six dependants, will pay the same as the man with one dependant. That is not equitable. I hope the clause will be struck out.

The CHIEF SECRETARY: I am not very much concerned about the fate of this clause in view of the amendments that have been made to the Bill.

Hon. E. H. Harris: Then you will vote to let it stand as it is?

The CHIEF SECRETARY: I will formally vote for it to stand as it is for the present.

Clause as amended put, and a division taken with the following result:—

Ayes	..	..	..	..	18
Noes	..	..	..	..	7
					—
Majority for			..	..	11
					—

AYES.

Hon. C. F. Baxter	Hon. W. J. Mann
Hon. L. B. Bolton	Hon. R. G. Moore
Hon. J. M. Drew	Hon. T. Moore
Hon. J. T. Franklin	Hon. Sir C. Naibhan
Hon. G. Fraser	Hon. H. V. Piesse
Hon. E. H. H. Hall	Hon. A. Seddon
Hon. E. H. Harris	Hon. A. Thomson
Hon. W. H. Kitson	Hon. O. H. Wittenoom
Hon. J. M. Macfarlane	Hon. E. H. Gray

(Teller.)

NOES.

Hon. V. Hamersley	Hon. Sir E. Wittenoom
Hon. J. J. Holmes	Hon. H. J. Yelland
Hon. G. W. Miles	Hon. E. Rose
Hon. J. Nicholson	

(Teller.)

Clause, as amended, thus passed.

Clause 4—Amendment of Section 9:

Hon. L. B. BOLTON: Acting on advice given yesterday, I have seen my legal authority, and have also interviewed the Commissioner of Taxation. While the Commissioner still maintains that my amendment is redundant, he has no other objection to it. Accordingly I move an amendment—

That the following be added to stand as paragraph (e):—“Persons paying salary or wages to any other person shall be responsible only for payment of financial emergency tax

calculated at such rate per pound as would be applicable if the salary or wages so paid were the only salary or wages received by such other person.”

The CHIEF SECRETARY: Yesterday I took the attitude that the amendment is redundant. I have submitted the matter to the Crown Solicitor to-day, and his reply is—

Not necessary. Such is the present obligation under Section 9.

I have also seen the Commissioner of Taxation. He has no objection to the amendment, except that he says it is unnecessary. Personally I am afraid that those who later interpret the Act may wish to know why this particular amendment was inserted.

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

New clause:

Hon. A. THOMSON: I move—

That the following be inserted to stand as Clause 3:—“Section 3 of the principal Act is hereby amended by the addition to Subsection 1 thereof of a proviso as follows:—“Provided also, that financial emergency tax shall not be payable in respect of any salary or wages or income that shall or may be earned or accrued due after the reductions of salaries (as defined in the Financial Emergency Act, 1931) provided for in Part II of the said Act shall have been wholly or partly repealed, abrogated or abolished otherwise than by any exemption granted under paragraph (viii) of Subsection 1 of Section 7 of such Act.””

Should any Government be placed in the fortunate position of being able to restore the reductions made by the emergency legislation of 1931, this emergency taxation should likewise cease. It is undoubtedly essential that the Government should have money to carry on the affairs of the country, but the inclusion of the new clause in the Bill would enable me to vote for a graduated tax much more cheerfully than I can under present circumstances.

The CHAIRMAN: Unless Mr. Thomson can point out to me in the Act which this Bill seeks to amend any reference to the financial emergency legislation, I shall be unable to accept his amendment.

Sitting suspended from 6.15 to 7.30 p.m.

Hon. A. THOMSON: Before tea, Sir, you asked me whether I could show that the proposed new clause was applicable to the parent Act. The Financial Emergency Act

of 1931, in the interpretation of "salary" specifically includes salaries or wages.

The CHAIRMAN: Actually I desired the hon. member to point to some section of the Financial Emergency Tax Assessment Act, which the Bill amends, to which the proposed new clause could be reconciled.

Hon. A. THOMSON: It seems to me there is a direct connecting link between the two. The object I have in moving the proposed new clause is to ensure that there shall not be a continuance of the tax after the Government find themselves in a position to restore wholly or partially the deductions made under the Financial Emergency Act. I am not seeking that members of Parliament shall be exempt from taxation, but I hold that when the Government are able to restore the salary cuts made in 1931, the necessity for the continuance of this tax will have disappeared.

The CHIEF SECRETARY: A copy of the proposed new clause was laid on my Table at exactly 4.30 p.m. to-day, since when I have had no opportunity for fully examining it. From what little attention I have been able to give to it, I have concluded that it should be submitted to the Crown Law Department for interpretation. Also, I am doubtful whether it is in order for insertion in the Bill, since it is based on purely speculative grounds.

The CHAIRMAN: At the tea adjournment I expressed doubt as to the admissibility of the proposed new clause, and asked Mr. Thomson to point out in the parent Act any reference to the financial emergency legislation which made deductions in salaries paid by the Crown. Since the tea adjournment I have gone through the parent Act, but can find in it no reference to the financial emergency legislation, although it bears reference to the Land and Income Tax Act and the Dividend Duties Act. The new clause is intended to apply only if something be done later on when the financial emergency legislation comes up for review. Therefore, it is all a matter of supposition, for the contemplated easement may not be brought about. The proposed proviso is altogether foreign to the clause to which we are asked to add it. Assuming that the emergency legislation comes down, and the deductions therein provided for are reduced, then and then only will the proposed new clause apply. Therefore I rule that the

proposed new clause is not one that can properly be moved.

New clause.

Hon. W. J. MANN: I move—

That the following new clause be added:—
"This Act shall remain in force till the 30th day of September, 1934, and no longer."

That will give the Government a full 12 months of tax collection. Moreover, the Act will expire at a time when presumably Parliament will be sitting, and will give a period of approximately two months after Parliament is called together in July in which the Government can review the position and amend the Act or bring down a Bill for its continuance.

The CHIEF SECRETARY: I hope the amendment will not be carried. Parliament usually meets at the end of July and the Address-in-reply generally takes three or four weeks to complete, and so there would be comparatively little time in which to debate the taxation measures.

Hon. J. J. Holmes: You are proposing to make the Bill permanent.

The CHIEF SECRETARY: The assessment Act should be permanent; I have never heard of the Act being limited to any particular period. Moreover, what is before us now is merely an amending Bill. If the taxing Act were amended, it would be necessary to amend the Assessment Act.

Hon. J. NICHOLSON: Do I understand that the amendment is limited to the Bill before us now, and not to the principal Act "as hereby amended"? When the Bill we are now discussing becomes an Act, it will be part of the principal Act. Mr. Mann should provide that "the principal Act is hereby amended and shall remain in force until the 30th September and no longer." It would be of no use limiting a portion of the Assessment Act, which this Bill will eventually become. The principal Act will still be in force and will remain a permanent measure on the statute-book.

Hon. J. J. HOLMES: The principal Act referred to is the Financial Emergency Tax Assessment Act. The amendments we have made will be incorporated in the principal Act. This is emergency legislation, and the mistake we made last year was that we did not place a limit to it. Mr. Mann's amendment is not in keeping with the emergency legislation. Unless we put a limit to this

legislation, it can never be repealed without the consent of another place, or vice versa, but if we carry on to the 30th September of next year, a revision will have to take place, or a Bill brought up for re-enactment. It is necessary that we should make this legislation expire on the 30th September, and the Government will then be in the position of being able to carry on until Parliament deals with the question again. The mistake we made last year was that we did not put a terminating date in the Assessment Act. Because we made a mistake last year, that is no justification for making a similar error this year.

Hon. W. J. MANN: I am told this can be incorporated in the parent Act. I am quite prepared to meet the wishes of members by making the amendment read, "The principal Act as amended shall remain in force until the 30th September, 1934, and no longer".

The CHIEF SECRETARY: I oppose the amendment on the grounds I have already set out. There will not be sufficient time in which to re-enact this legislation if it is made to expire on the 30th September. The Address-in-reply usually takes a month or six weeks to dispose of. The amendment is not fair to the Government.

Hon. J. Nicholson: Let us make it terminate on the 31st October.

The CHIEF SECRETARY: Why not make it the 31st December, and bring it into line with the taxing Bill?

Hon. J. J. HOLMES: There is no desire to harass the Government. We could make the date the 31st October, and that would give the Government ample time to submit fresh legislation.

Hon. W. J. MANN: I have no wish to be unfair to the Government. This year the Government have been able to bring the emergency legislation down in ample time to have it passed by the 30th September, and I conclude it would be possible to do the same thing next year. However, if it will ease the position for the Government I shall be glad, Mr. Chairman, if you will permit me to alter the date from the 30th September to the 31st October.

The CHAIRMAN: I will make the alteration as the hon. member desires.

New clause put and passed.

Bill reported with further amendments.

BILL—HEALTH ACT AMENDMENT.

In Committee.

Resumed from the 22nd August. Hon. J. Cornell in the Chair; the Honorary Minister in charge of the Bill.

The CHAIRMAN: Progress was reported after Clause 5 had been agreed to.

Clauses 6, 7—agreed to.

Title—agreed to.

Bill reported without amendment and the report adopted.

BILL—GOVERNMENT TRAMWAYS ACT AMENDMENT.

Report of Committee adopted.

BILL—YUNA-DARTMOOR RAILWAY.

Second Reading

Debate resumed from the previous day.

HON. J. J. HOLMES (North) [8.6]: Before I address my remarks to the Bill, may I be permitted to make a personal explanation. This afternoon, when dealing with the Financial Emergency Tax Assessment Act Amendment Bill in Committee, I referred to the new brigade of bare-headed young men with permanent waves costing 7s. 6d. a week at least, and said that they should have been included. I understood the House—

The PRESIDENT: Order! No such reference was made while the House was sitting, otherwise I would have heard it. No explanation can be made at this stage, of any statement made in Committee.

Hon. J. J. HOLMES: May I be permitted to say that I used the words "permanent wave." Some members understood me to say "permanent wage."

The PRESIDENT: Order! The Bill deals with the Yuna-Dartmoor railway.

Hon. A. Thomson: Perhaps the words were "permanent railway."

Hon. J. J. HOLMES: I hope the House will adopt a more serious mood than they are apparently in at the moment because we are now dealing with what I regard as a serious proposition which, if given effect to, will have a grave effect on the State at this particular juncture. The proposal, as I understand it, is to build a railway from

Yuna to Dartmoor, a distance of 34 miles, and to continue the line another 21 miles, making a total length of 55 miles. The map hanging on the wall of the Chamber shows that the terminus of the railway will be brought within 25 or 30 miles of the drought-stricken portion of the Murchison. I know from experience that stations adjacent to the Murchison River—Mr. Yelland for some reason was inclined to support the railway because it was intended to build it near to the Murchison River; I do not know why—have not had any useful rains for five years. On stations there, maiden ewes have become practically broken-mouthed cull ewes without progeny, owing to the fact that there have been no rains and no green feed.

Hon. E. H. H. Hall: But that is a long way from this railway.

Hon. J. J. HOLMES: I am referring to the Billalong station, which is within 30 miles of the terminus of the railway.

Hon. E. H. H. Hall: That distance is incorrect.

Hon. J. J. HOLMES: I measured the distance on the map.

Hon. E. H. H. Hall: Then the map is wrong.

Hon. J. J. HOLMES: In that event, the Minister has no right to display a map that is incorrect.

The Chief Secretary: Who says it is wrong?

Hon. J. J. HOLMES: Mr. Hall said so.

The Chief Secretary: The map was prepared by the Surveyor General.

Hon. J. J. HOLMES: If Mr. Hall measures the distance himself, he will find that it is $7\frac{1}{2}$ inches, which will represent quite 30 miles.

Hon. E. H. Harris: Did you measure that distance on the map that appears on the wall now or on the one that was displayed yesterday?

Hon. J. J. HOLMES: Has the map been changed?

Members: Yes.

Hon. J. J. HOLMES: Then that makes the position more serious. Presumably, the other map did not make it look good enough to correspond with the Chief Secretary's remarks. So far as I can gather, there is an experimental plot of 50 acres situated about 50 miles out and wonderful results were claimed for two seasons. I suggest that I could grow a crop of wheat on the Eastern

Goldfields any year by working the soil properly and applying suitable fertilisers. I do not suggest I could grow wheat there at a profit. I do not take any notice of this 50-acre experimental plot for which good crops are claimed for two years. Strange to say, the report submitted to us regarding the railway does not say anything about the crop for 1932. Particulars are given regarding the crops grown in 1930 and 1931, but not that grown in 1932.

Hon. T. Moore: It was a good one.

Hon. J. J. HOLMES: Some explanation should be forthcoming as to why no reference has been made to the 1932 crop. Bearing in mind what I have said about the five years' drought in that locality, it may be the 1932 crop was not so satisfactory.

Hon. E. H. H. Hall: By Jove, it was satisfactory.

Hon. J. J. HOLMES: In moving the second reading of the Bill, the Chief Secretary referred to the wonderful results obtained by merely scratching in the crop. Anyone who knows anything about growing wheat in that locality would not dream of doing anything else but scratching it in with a cultivator. I know that country; I have been associated with it for 30 years from Mingenew northwards, and for a hundred miles north, south and east. There is a chain of flat-topped mountains that have been of great height at one time, but have been washed out during the ages. When scientists from all parts of the world visited Western Australia, they camped on one of our paddocks in the Irwin district, and at that time I saw a good deal of them. I asked them how long that country had been exposed to climatic influences—wind and weather—and they told me certainly not less than 200,000,000 years. They said they could not be answerable for a million or two, but certainly not less than 200,000,000 years. For over 200,000,000 years debris has been falling on that land and rotting and re-rotting, and anyone with any knowledge of agriculture at all would not put a plough in to turn up the sour soil, but would scratch the surface with a cultivator and get in a crop as the Minister said. In that locality we let a contract for share farming this year, and it was specially stipulated that the contractor was not to plough the first year, though in the second year he could use his discretion. So much for the scratching-in of crops of which the Minis-

ter boasted in his flowery speech, a wonderful speech that appealed to some of the younger members of the House. The scratching-in process we can take for what it is worth. When the Minister was speaking I interjected, "Why not use the land along the existing railways?" The answer was, "We have no money with which to buy the land." That is not a satisfactory answer. A lot of the land along existing railways is Crown land, and there is no question of having to buy it. A lot of land is held by private owners, and has been held for years in anticipation of railways being built. The railways have been built, and the land has not been used. We have a Closer Settlement Act, under which owners could be compelled to use it. If the Government have money with which to build this railway, would it not be better to use the money to bring into use the land along existing lines? The statement that the Government have no money is no answer. Some of the younger members seem to have been influenced by flowery speeches. I think we ought to raise the age limit above 30 years as a qualification for a seat in this House. I have heard so many flowery speeches that one needs to be well matured or he will run the risk of being led away by those speeches—speeches put up for political purposes.

Hon. G. Fraser: I hope you are not referring to the youngest member of the House.

Hon. J. J. HOLMES: The Crown land along existing railways could be cleared by contract. If the land were cleared, any number of men would be prepared to take it up under a system of share-farming. The system of share-farming is that the man finds the labour, super and seed. He puts in the crop and takes it off, and he gets three bags of wheat and the owner one bag. Men could be employed to clear the land and there would be no end of people applying for it for share-farming. I can get men to undertake share farming 15 miles from a railway. It costs 9d. per bag to cart the wheat to the railway and 8d. or 9d. a bag to cart super out again. Yet we have hundreds of thousands of acres of land adjacent to railways where no carting would be necessary. The solution of our difficulties, we are told, is to build more railways. Mr. Thomson is rather a mystery to me. He has a motion before the House—it was also before us the whole of last session—aiming at writing-down the capital cost of the railways in

order that they may show a profit and the Treasury may show a loss. I understand he is wholeheartedly behind this Bill to construct more unprofitable railways, and this at a time when he has that motion before the House. It would be interesting to know how much of the land along the route is held by private owners. On the original map—I have not had time to scrutinise the present map—large vacant spaces were shown, and I know on the best of authority that between Yuna and Dartmoor there is a stretch of 15 miles of sandplain that is growing nothing but mulga and spinifex. No one with any sense would attempt to grow wheat there. It has rainfall enough to produce only mulga and spinifex. I understand there is some good land at Dartmoor. The first essential to grow wheat is rain. I do not care how good the land is, if it has not the rainfall it is a dangerous proposition. After passing Dartmoor, and before reaching the point 21 miles further on, I understand there is another stretch of mulga and spinifex. So we are asked to authorise the construction of 51 miles of railway to pick up one piece of good land at 30 miles and then carry the line 21 miles into the danger zone to get another good piece. The speech of the Chief Secretary confirmed this, because he said the line would tap 800,000 acres of land, 225,000 acres of it first-class, the balance of the 800,000 acres second-class and unclassified. On the Chief Secretary's showing we have to build four miles of railway to get one mile of good country. Is it a fair thing, under existing conditions, to build a railway of that kind? It would be interesting to know who owns the good land that has been selected along the route of the proposed line. I do not know anything about the plan exhibited in the Chamber, but the old plan showed that selections had been made in the very early days. I know a little about pioneering. One thing the old pioneers knew, and that was a good bit of land, though they did not always know where to grow the wheat or where to grow the potatoes. However, they made no mistake in the selection of the land. With no experience of the rainfall in that locality, they probably grabbed some of the land. The bank managers at Geraldton may have advanced some money on the land, and the construction of the railway would suit their purpose, because it would probably enable them to get back their money, which they have not been able

to do in the past. It is remarkable that a lot of this land has been held for many years, and that nothing has been done with it. In view of what has happened in other areas, we are justified in concluding that it is being held for speculative purposes only, and that if the owners cannot sell at a profit the land will remain undeveloped. We have heard much about the wonderful soil and its capacity for holding moisture. According to the speech of the Chief Secretary, the Mayor of Geraldton dug out a hole eight inches deep on the 29th February of that year and found moisture. I could take the Minister to some of the worst country in that area, consisting principally of gravel, and show him that it is not only moist but cool even in the hottest part of the summer. The gravel holds the moisture. On the worst of that land, if fertiliser is used, it is surprising what it will produce. I do not say it will produce wheat, but it will produce feed. My experience is that the rich red soil does not necessarily hold the moisture. The small pebbles in the soil hold the moisture and keep the land cool. Further, it does not follow that because the moisture is present, the land will grow wheat. We have been told about the remarkable production. I do not want to stress that point, except to say that if I had land there that I wanted to sell or wanted served by a railway, I would concentrate on small areas as appears to have been done in this instance. I would work the land properly just the same as I would work a flower garden, and apply the proper fertiliser and produce an abundance of wheat on small areas. As to whether it would be a payable proposition is another matter. If I could establish the productivity of the soil, it would be some inducement for the Government to build a railway for me in order that I might sell my land.

Hon. A. Thomson: Do you suggest that is the reason why the Government have introduced the Bill?

Hon. J. J. HOLMES: The hon. member is more than 30 years of age, is a man of ordinary intelligence, and can draw his own deductions. We have been told that the crops would have been better but for the destruction wrought by galahs. The galah is a parrot type of bird that is everywhere destructive. Galahs do not concentrate in the Dartmoor area. We are led to believe it is the only place where they concentrate

and that there they destroy much of the crops. But for the galahs, we are told, the average per acre would be much greater. The same thing applies to other areas. We all lose a big percentage of our crops through galahs, but we do not come to Parliament to talk about it. Yet the Minister would have us believe that the only spot where galahs cause trouble is in the Dartmoor area. We are told that in that area there is no early summer frost. I have been associated with the districts of Mingenew, Mullewa and Wongan Hills for 30 years, and the unoccupied land there has no summer frost. There is no need to go to Dartmoor to find wheat areas where there is no summer frost. Hundreds of thousands of acres of land between Perth and Geraldton never experience summer frosts. That remark applies to the Dongarra Greenough flats, Mingenew and Morawa localities. Yet we are told we must open up this country for 51 miles the other side of Yuna to evade summer frosts, when we have land over which the Chief Secretary travels every week, either alongside the Government line to Mullewa or the Midland Company's line, thousands of acres which should be growing wheat, and on which to my knowledge there has not been a summer frost for 30 years. I admit there is a large area of country adjacent to Geraldton that may be regarded as the granary of Western Australia. Let us confine our operations to land alongside existing railways where there is an adequate rainfall. If we do that, we may meet with success. We have a number of successful farmers who are a great advertisement for Western Australia. Probably we do not hear of the individual successes, but every failure in a dry area is broadcast from one end of Australia to the other. Hence the necessity for keeping the wheat-growers out of dangerous areas. Apart from that, we have too many railways. Even Mr. Thomson, who is supporting the Bill, knows that, and also knows that our railways are over capitalised. We have already built too many railways. I thought when the Bill was first introduced, it would go out without much discussion. I am led to believe now that a certain section of the House have to support every agricultural railway that is brought down, no matter where it may be. This is one of the difficulties which arise from making this a party House. If they do not support it, when

they in turn want a railway they will not get the vote of other members.

Hon. C. F. Baxter: To what section do you refer?

Hon. J. J. HOLMES: I must ask the hon. member to draw upon his imagination. The Government are alive to the fact. They brought down the Yuna-Dartmoor Railway Bill, and simultaneously have brought down the Southern Cross Southwards Railway Bill. I should say that was vote catching. The Bill is brought forward to induce some members of the House to vote for the Yuna-Dartmoor railway in order that they may get their own railway. In another place an amendment has been moved, not by the Government, that will tend to hold up the latter Bill. I hope members representing the province concerned will take note of this. The Bill will be held up until something along the lines I have suggested, and have been suggesting for five years, is done.

Hon. E. H. Harris: What is that?

Hon. J. J. HOLMES: The proposal is to get this railway through and then to bring forward the Southern Cross Southwards railway, so that this may be put through first. Meanwhile, the Southern Cross Southwards railway is being killed, as this Bill ought to be killed and probably will be, as it should be held up until something is done with the land alongside existing railways. Anyone who looks at the railway authorisations must come to the conclusion that they are of a political nature. These lines have all been authorised on the eve of a general election. If we go back seven years we find that two railways were authorised, but have never been built. I refer to the Manjimup-Mt. Barker and Boyup Brook-Cranbrook railways. If we go back ten years, again on the eve of a general election, we find that the Brookton-Dale River railway and the Yarramony Eastwards railway were authorised but have never been built.

Hon. J. M. Macfarlane: Did you read about the meeting of protest recorded in this morning's paper?

Hon. J. J. HOLMES: I said at the time that these railways were brought forward for political purposes. I tried to secure the passage of a clause to provide that these railways should be built on or before the 30th June in such and such a year, thus giving the Government two years in which to complete them. I was ruled out of order, and you, Sir, when you were on the floor

of the House, assisted me to give effect to my proposal. I tried to prevent the authorisation of these political railways. They were brought forward for political purposes in the first place, and the proposed railways were included in the loan schedule in order to show the people of England what we proposed to do with the money. We spent the money and did not build the railways, and now we talk of building still more railways. The evil which has grown up is to be perpetuated. We are told that from 4,000 to 5,000 acres of land within a 15 miles radius of the proposed Yuna-Dartmoor line have been cleared. Let me go back to the Brookton-Dale River railway. We were told ten years ago that 48,000 acres of land had been cleared in that district, and that there were enormous possibilities about that part of the State. Many other things were said about it too. In 1926 we had to deal with the Boyup Brook-Cranbrook railway. The Collier Government said the completion of this line would afford the justice that had been denied to that part of the State, and that it was an urgent necessity. That railway has never been built. Am I not justified in referring to these as political lines? We are told that the estimated loss on the proposed line will be £2,000 a year for ten years. We are also told that the railway can be built for £3,500 a mile. Let me now take members back to 1922. I refer to the time when the Denmark-Pemberton Railway Bill was introduced, involving the construction of 151 miles of line at a cost, we were told, of £5,000 a mile. The work was to be done by contract in ten-mile sections. One section was to be built at a time, and peopled and settled before another section was built. We were told there would be not less than ten new townships between Pemberton and Denmark. Thanks to your assistance, Sir, we were able to prevent the construction of 151 miles of that line. After a long fight in February we authorised the construction of 31 miles at the other end, and 27 miles at this end. Sir Hal Colebatch, when piloting the Bill through the House, said the railway would travel through one of the richest tracts of unpeopled country in the known world. This line was to have been in the province of Mr. Piesse, Mr. Thomson and Mr. Wittenoom. The Minister also told us that with the combination of a perfect climate, an abundant rainfall and rich soil, nothing better could be found unoccupied in any other country. He said

that no sounder railway proposal had ever been placed before the Parliament of this State. He indicated that the Bill contained the provision that is placed in every railway Bill with regard to the acquisition of private land, but that this line would traverse practically all Crown land. It was intended that the railway would be built in short sections, and the whole of the land made available in one section would be settled before another section was started. For that reason he said the proposal was one of the soundest railway projects ever submitted to Parliament. The people would be placed upon the line served by one section before another was started.

The PRESIDENT: I should like the hon. member to connect the details of a debate that took place 11 years ago with the Bill now before the House. Whilst incidental references are not out of order, to go into the details would prolong the discussion indefinitely.

Hon. J. J. HOLMES: I am only showing what was put up before the House ten or twelve years ago in order to get these railways authorised, and because speeches of a similar nature have been made on this occasion. Members who are new to the game are apt to swallow these flowery statements.

Hon. G. W. Miles: How much per mile was that line to cost?

Hon. J. J. HOLMES: Referring to the Yuna-Dartmoor railway, the Minister led us to believe we would have to construct four miles of railway for every mile of good country. Sir Hal Colebatch, when dealing with the railway to which I have referred, said that never before had we been able to build a line so that we could settle people along the area traversed on a face. He declared that the settlers would be able to get home-grown asparagus for breakfast, produce all they wanted, in fact anything that was produced in any other part of New Zealand or the Eastern States. I will leave it at that. We were told that the railway Sir Hal Colebatch referred to was to be built at £5,000 per mile, representing £300,000, and built by contract. From references to the railway reports, I find that one section, 34 miles at the far end, has been built at a cost of £10,500 per mile. The section of 27 miles at this end is not yet completed, but on the railway figures it works out at £11,000 per mile. In other words, the two sec-

tions of this railway which was to cost £300,000 to build will actually cost £665,000. We tried to insert in the Bill a clause that the railway was to be built by contract. The House was satisfied with the assurance that it would be. I hope this House will make a note of that. Mr. Lovekin, who was so particular about things, said, "The promise is all I require; it will do me." But the railway was not built by contract, and instead of £300,000 it is costing £665,000, according to the figures I have from the department. Mr. Wittenoom raised the question of the sale of land adjacent to the Yuna-Dartmoor line. His suggestion was that the proceeds should be paid into railway capital account. If I know anything about these railways and the way in which they have been built so far, any land that is any good has been bought up beforehand, and the remaining land will be third-class land, or unclassified land, which means land not worth classifying: so that we shall not be able to press that point. The suggestion comes too late. Had it been adopted for the last 25 years, as I then suggested, the railways of this State would be in a different position now. In reply to an inquiry by an hon. member whether this line would be built by day labour, the Minister said, "By day labour. The Government want to have control of the whole situation." I do not know whether the situation includes the political aspect or not, but the fact remains that we have three Ministers from the Geraldton neighbourhood. We know that the Central Province has now two Labour representatives, and we know that a vacancy will occur early next year. We know that someone attacked the retiring member the other day, perhaps because it was justified, or perhaps to suit a political purpose. When the Minister says, "By day labour; the Government want to control the whole situation," I am inclined to make whatever deduction I like from that remark. The report of the Railway Advisory Board is thrown in or brought in, signed by Mr. Camm, chairman, Mr. Ellis, who is associated with the Railway Department but in what capacity I do not know, and Mr. Sutton, Wheat Commissioner. Has the Commissioner of Railways nothing to say about this railway proposal?

The Chief Secretary: He is represented by Mr. Ellis.

Hon. J. J. HOLMES: But we do not know Mr. Ellis. As a matter of fact, I never heard of Mr. Ellis before. I would like to know what the Commissioner of Railways has to say about this line before it is pushed on to him as numerous other railways have been pushed on to him. I do not think it is too much to ask for a report from the Commissioner of Railways on this proposed line, which he will have to take over and work at a profit when it is completed. Or rather he is not expected to work it at a profit; he is expected to work it at a loss of £2,000 a year for ten years. And that is on the assumption that the line is built for £3,500 a mile. However, in view of what I have quoted in reference to other railways built by day labour, this line would appear likely to cost nearer £7,000 a mile than £3,500. What is needed for the popularisation of lands adjacent to existing railways? I do not know of a more suicidal policy at the present time than to build more railways, especially in country where the rainfall is treacherous, while there is any amount of land adjacent to railways in districts of safe rainfall. As regards much of the land held under conditional purchase along existing railways, the Government could have enforced the conditions and compelled the owners to use the land as it was intended they should when they acquired it. What mystifies me is that we have other railways authorised, particularly in the East and South-East Provinces, and have not been able to build them, notwithstanding which members representing those provinces are advocating the construction of this line. According to the evidence produced to this Chamber, there is much more justification for building the other lines. Indeed, I think Mr. Yelland last night tried to prove that because the Government had not constructed the other lines there was reason for building the Dartmoor line. I said, "Are you using the non-construction of those other lines as an argument for the construction of the Dartmoor line?" The hon. member quickly got off on to another subject. If we do nothing else with this railway proposal, we should send it to a select committee. I am not keen on select committees, but in view of what I know about this 51 miles of railway and the long stretches of mulga and spinifex—

The Honorary Minister: Have you seen them?

Hon. J. J. HOLMES: I know the country. I want to go and have another look at those stretches, and I want members of this House to have a look at them. It will not cost much, because we can go on the Government railway to Yuna.

Hon. E. H. H. Hall: I suggested that at the commencement.

Hon. J. J. HOLMES: I do not know who turned the suggestion down.

Hon. E. H. H. Hall: I made the suggestion in the Geraldton paper.

Hon. J. J. HOLMES: Hon. members can have a look at the country and see whether a drought has existed there for five years, and whether the route comprises about 30 miles of sand plain. Anybody who knows anything about growing wheat would never attempt to grow it where mulga and spinifex occur. I do not think the house would be taking too much upon itself if it made an investigation of the route of the proposed line; nor do I think it would be too much for this House to insist, in view of what has happened, upon the line being built by contract. I think I can connect this up with my statements as to what the Chamber can do and what it should do, because I find that when we were fighting the Pemberton proposal in 1923, at a time when things were pretty bad, when we were feeling the pressure of Mr. Scaddan's £6,000,000 deficit—

The Chief Secretary: That is not correct about the £6,000,000 deficit.

Hon. J. J. HOLMES: Yes. We have felt the effects of it ever since. We are feeling and we shall feel the effects of the £4,500,000 deficit built up since 1927. You, Mr. President, said on the floor of the House—

This House has been accused of running amok. I ask, if the Government in power are pursuing a financial rake's progress, and if one House urges the Government forward on its financial rake's progress, but another House says, "No, we ought to go slow," which of the two Houses might be said to be running amok? If one House allows the Government to pile up a deficit of over six millions and says to the Government, "Go on piling up," and another House says, "No, try and straighten the finances," which of the two Houses might rightly be accused of running amok? If one House allows the piling up of debt which, when the sums recently authorised have been spent, will amount to the alarming total of £140 or £150 per head, and if that House says, "Go on increasing the debt," while the other House says, "It is time for us to pause and consider," which of the two Houses can be accused of running amok?

This is going back 11 years, but the same conditions apply to-day. Railways everywhere not properly utilised, and we are to build more railways, borrowing the money for the purpose. When you, Sir, spoke, the public debt was £140 or £150 per capita, and to-day it is at least £100 more than that, notwithstanding which we are still going on. I find more evidence to-day than ever before of the necessity for hastening slowly. Think of the absurdity of building railways to bring in more settlement, when we have not utilised the land adjacent to the railways. I cannot endorse that policy. I will oppose the second reading, and if I can get any support I will move for a select committee to inspect this country and see whether it is all it is represented to be. In any case, if the select committee go up to the district, I will advise them to take a gun or two in order to deal with the galahs which destroy such a lot of wheat in that area, but are not accused of destroying it anywhere else. It may be they are starved for want of vegetation in that locality, and so have to raid the wheat. Hence the menace of the galahs which, according to the Minister, is much more severe there than anywhere else. I will oppose the second reading.

HON. E. H. HARRIS (North-East)
[9.2]: Simultaneously with the introduction of this Bill to construct a railway line, we have another Bill to tax all the people on the bread line in order to give the Government some revenue. In a former speech I indicated that some of the money to be so raised might be utilised in building this railway. Mr. Holmes has dealt with the railway from many aspects, some of which it is not my intention to repeat. But if we are in a position to put up some hundreds of thousands of pounds for the building of a railway, should not the policy of the Labour Government be put into operation? They have advocated closer settlement in the vicinity of all existing railway lines. We are told there is within the area to be served by the proposed railway 225,300 acres of first-class land and 153,000 acres of second-class land, or 378,000 acres out of the total of 840,000 acres. Then there are 462,000 acres of unclassified land, some of which presumably is third-class while the rest should not be classified at all. I want to know whether the Labour Party have abandoned

the policy they previously advocated. I have before me the policy speech of Mr. Collier in 1924, when he was appealing to the people to put him into power. He was pointing out how money had been spent on railways and other activities without having the desired effect, and he put before the people of Western Australia a land settlement policy. Amongst other things he remarked—

Labour said that whilst believing in land settlement and that railways were necessary, the first essential and the wisest policy was to see that the land already served by railway communication and water supplies should be utilised to its fullest extent. Along the Avon Valley and in the York district large holdings had been held for 50 and 60 years, and were not half utilised. Those areas contained some of the finest agricultural land in the State. The State railway system had been one cause of the accumulating deficit, because hundreds of miles of railway were run through country that was not put in use. He would start, so to speak, with the heart centre of a railway, say the capital, and when the land was utilised he would gradually extend the lines. Labour would go in for closer settlement, and would bring in legislation to enable the Government to resume those lands in close proximity to railway and water supply that were not being utilised.

That was the Premier's policy speech in 1924. Later on he said—

A report of the senior surveyor, Mr. Lefroy, on the Avon Valley, comprising Toodyay, Northam, and York pointed out that not one-third of the land in that district, the finest in the State, was properly utilised. If the district were properly developed it would carry a further 3,000 settlers. Would it not be wise to resume that land and settle it with migrants—or our own people if they desired—at a cost of about £1 per acre, and only 100 miles from Perth.

How far away is Yuna-Dartmoor, by the way? Since that day we have passed a Closer Settlement Bill. It was the plaything of politics, with the Nationalists, the Country Party and the Labour Party at various periods. Subsequently, as late as 1927, the Bill passed both Houses, and everybody was convinced that the measure would be the means of utilising much of the land in the vicinity of existing railways. Only about 12 months ago Mr. Hall asked in this Chamber how much land had been acquired under that Act, and the answer was, "None at all." The Act has practically been a dead letter. Now Mr. Drew, the Leader of the House, has put up a claim for a railway to be built from Yuna to Dartmoor, both of which are

in the Central Province, the electorate he represents.

Hon. G. Fraser: That might account for the flowery speech he made.

Hon. E. H. HARRIS: We have not had any flowery results from the Closer Settlement Act. Let me quote what Mr. Drew had to say when he moved the second reading of that measure in September, 1924, as follows:—

For many years the country has been calling aloud for a Closer Settlement Bill We now have but little Crown lands within convenient distance of railway lines, and in consequence the extension of land settlement is seriously threatened. There is only one remedy that appeals to the Government, and that lies in the provision of machinery for the compulsory acquisition of large estates. There are quite close to our railways many such estates capable of carrying a large population and subsequently increasing our wheat production under a well-ordered scheme of closer settlement.

He proceeded to give details of the land available and, declaring there were 194 million acres of land unimproved, he said that was a state of affairs calling for immediate remedy. Proceeding he added—

To my personal knowledge there are many large estates in my electorate, estates that could with advantage to the community and to the State be closely settled. Had they been closely settled years ago, our wheat production to-day would be considerably higher than it is.

Hon. C. F. Baxter: Many of them have been closely settled.

Hon. E. H. HARRIS: The Minister pointed out that a number of them were not. He continued—

If they were cleared, cut up and sold in blocks of suitable sizes, there would be more work for the railways and more wealth for the State.

Those were the opinions expressed by the Minister who is now advocating the passing over of each and every one of those estates which he then said might have been cut up with advantage, and is advocating the building of another railway line, the first 20 miles of which, according to my goldfields confrere, Mr. Cunningham, is going through a lot of sand-plain, after which it is said it will run through some very good country. But the point I want to stress is, if we wish to utilise the land adjoining existing railways, what is wrong with the Government putting the Closer Settlement Act into active opera-

tion? Do not ask the Railway Commissioners to try to make the railways pay by building lines further afield, some of which, the Minister said in introducing the Bill, would not pay axle grease in ten years. I suggest putting the Closer Settlement Act into operation instead of building further lines to the prejudice of the Railway Department. I am not convinced that it is a good policy to build any further railways, but I think we might well do something in utilising the land adjacent to existing lines. I suggest that the land could be cleared at a lower rate than would have been available before this legislation was passed, and that some of the unemployed could be utilised in the clearing of that land if it were desired that it should be brought under cultivation immediately.

HON. E. ROSE (South-West) [9.15]: In speaking on the second reading of the Bill one must take into consideration what advantage the construction of the railway to Dartmoor will be to Western Australia. Already the construction of a number of railways has been authorised and so I do not know whether or not to support the building of the line under discussion. It has been stated that the rainfall during the past six years in the locality in question is all that is required for wheat growing, but looking back a little further than six years we find that there have been light seasons there, whilst a few miles further east there was for a time practically no rain to speak of. In a portion of the country it is proposed to serve, the rainfall is very light in some seasons. There is one thing in favour of the area in question and that is that it is good sheep country in which water can be obtained at shallow depths. Bores have been put down to 170 and 180 feet, and adequate supplies have been obtained. That fact in itself, however, is not sufficient. Then again with the present up-to-date methods of transport by motor lorries it is doubtful whether the railways could keep pace with them. It would be necessary to insist that the farmers to be served by the proposed railway should convey all their produce, be it wool or wheat, over the railway. In the past the Government has constructed at great expense many roads running parallel to the railways. I do not know whether it is the Government's intention to continue that policy in the wheat areas. If they do it will be much cheaper to build roads than

to construct railway lines even for a comparatively short distance of 20 or 30 miles. We are told that the rails and sleepers to be used for this line are to be taken from the existing railway that runs to Horseshoe. The line is estimated to cost £3,500 a mile, and that means that over £60,000 will be involved in the construction. That is a huge amount of money, when we take into consideration that the rails and sleepers are practically at close hand. The line is to be of the light type. We have had more than one painful experience of railways constructed in the South-West by day labour. The cost has invariably exceeded the estimate, and in fact one line cost from three to four times the amount for which it could have been built by contract. Consequently in regard to new railways we should insist on tenders being called. The Government could also submit a tender and compare it with those submitted by private contractors. The Government engineers know that they must put a high price on the construction works, because of the costly day labour system. I guarantee that if all the railways had been built by contract the country would have saved hundreds of thousands of pounds. The Railway Department are expected to pay interest on those lines that have cost perhaps double the amount that was estimated. How is it possible for the department to even balance the ledger let alone show a profit on running when circumstances such as these exist? With respect to the Dartmoor proposal we should know how many months of the year the line will be in use. Already in the North there are lines that are unprofitable. They run only once or twice a week with small loads, and therefore we should be most careful before extending the railway system to make the fullest inquiries as to whether we are justified in going to the expense of building new lines. We should certainly have a committee to report on public works of this description, and the Government would thus have advice upon which to act before starting upon the work of construction. My opinion is that it would be cheaper to buy out the settlers it is intended to serve, and place them on areas in the vicinity of railways already constructed. The Chief Secretary told us that there were between 700,000 and 800,000 acres that will be benefited by the construction of this railway. We have not had expert information as to the quality of the whole of the area to be served. Privately

I have been informed that the country is excellent for wheat growing. Mr. Hester, of Bridgetown, told me that he was greatly surprised at what he saw there, and that he had no idea there was such good country for wheat-growing. That is all very well. We have in different parts of the State—the goldfields and the North-West—some of the finest country in the world for wheat-growing; but what about the rainfall? If the rainfall were assured everything would be well. I have not yet made up my mind as to whether I shall vote for the construction of the line; I shall await the Minister's reply before doing so. I cannot fail to remember that we have many miles of unprofitable railways that must be operated, and that if we had a works committee in existence to report upon proposed undertakings, I have no doubt that many of the lines would never have been constructed.

On motion by the Honorary Minister, debate adjourned.

MOTION—RAILWAYS, CAPITAL ACCOUNT.

To Inquire by Select Committee.

Debate resumed from the 8th August, on the following motion by Hon. A. Thomson—

That a select committee be appointed to inquire and report upon the capital cost of the Western Australian Government railways with a view to reducing the amount upon which the Commissioner of Railways is expected to find interest and running costs, and to make such recommendations as the committee may deem desirable to co-ordinate the different transport services and enable the railways to meet the competition from motor and other transport.

HON. C. H. WITTENOOM (South-East) [9.25]: I congratulate Mr. Thomson on his speech in submitting the motion. His remarks were listened to very attentively by all hon. members. The subject involves one of the most important problems the State has to contend with, namely, transport, which is so necessary for the development of the State. Some members in the course of recent debates have been criticising the construction of light agricultural railways. Mr. Holmes particularly, not only on the railway Bill that is now being debated by this House, but in connection with other proposals, said that in his opinion some railways should not have been constructed. He criticised severely the Dartmoor proposal.

Judging from his remarks no railway should be built at all, and we were led to believe that the Government has acted wrongly in constructing railways during many years past.

Hon. J. Nicholson: There is a good deal of commonsense in that; unless you have the money and can show that the railways will pay, you are only heaping up the debt.

Hon. J. J. Holmes: Did I understand you to say that I complained about too many railways being built?

Hon. C. H. WITTENOOM: I understood the hon. member on several occasions to criticise the Government for having built so many railways.

Hon. J. J. Holmes: For not having built them.

Hon. C. H. WITTENOOM: There are several authorised railways which I hope, as time goes on, will be built. When the policy of railway construction was carried out so actively, times were very different, and no one anticipated experiencing the depression that we are going through. Neither did we expect that the price of wheat and wool would fall to such a low figure. It was necessary to open up the country and at that time wheat commanded something like 6s. 6d. a bushel. There was every reason why the railways should be pushed out into the agricultural areas. It is all very well to be wise after the event. I recognise that we have a tremendous network of railways for the population of the State, and that that factor is made more difficult because of competition with motor transport. In a nutshell, Mr. Thomson's motion means that the primary producers are shouldering too great a proportion of the interest on the capital involved in our railway system, which must be written down. He is quite right. The interest on the amount written off should be the responsibility of the taxpayers generally. That is what happened in connection with the Group Settlement Scheme. The capitalisation was written down and the difference had to be made up by the taxpayers generally. I hope that phase will receive endorsement by members of this House. The strongest argument Mr. Thomson advanced was that one result should be a reduction in the cost of farm production. Probably this will be one of the few ways of making wheat-growing pay for years to come. I do not suggest that the farmers could operate more economically than they are doing at pre-

sent, because I do not think that would be possible. They live as economically as they can, work as hard as possible, and pay as low wages as they can. I am pleased that Mr. Thomson has moved this motion again. He cannot be accused this time of moving it at too late a stage of the session. This time he moved it quite early so that members have had every opportunity to deal with it. One of the chief things we must accomplish is the reduction of the cost of production. One means by which that can be accomplished is the imposition of cheaper freight charges to be paid by the primary producers.

Hon. J. Nicholson: If you remove that burden, you will merely have to replace it in another way.

Hon. A. Thomson: But not in the same proportion as this operates.

Hon. C. H. WITTENOOM: Too great a burden is shouldered by the section of the people least able to carry it. Someone suggested that a Royal Commission will cost too much money.

Hon. J. J. Holmes: The motion refers to a select committee.

Hon. C. H. WITTENOOM: If it can be shown that the inquiry, in whatever form Mr. Thomson desires, will do something to help the farmers, then if the select committee should cost a fair amount, I do not think it will have sat in vain. I gather that Mr. Thomson's idea is to have an inquiry into the finances and management of the railways. The system is not all that can be desired and some benefit should be derived from an inquiry into the methods of management. Recently I travelled from Yalgoo, and when we reached Mullewa there was a stop for 1½ hours. Instead of arriving late at Perth, the train was on time. That shows that something is wrong. If it was so easy to make up 1½ hours on a run, that time should be cut off the schedule. I have a station in the Murchison district and for two years I have found it cheaper to send my wool from Wagga to Fremantle via Geraldton and the Midland Railway. Although the journey by the Government railway was much shorter, it was more expensive. That anomaly has been rectified. As a result of the inquiry, the select committee might be able to show the Government how railway lines could be constructed more cheaply. The proposed Dartmoor railway is to cost about £3,250 a mile and I suppose if it is constructed by day labour,

it will cost a good deal more. The Denmark-Nornalup railway, it will be remembered, cost nearly double the amount of the estimate.

Hon. G. W. Miles: Why not hold up the Yuna-Dartmoor railway and let the committee conduct the inquiry?

Hon. C. H. WITTENOOM: I am in favour of acting on the information supplied by the Railway Advisory Board, who should know the position. The Commissioner of Railways is asked to make the railways pay and he has to meet a huge interest bill. I think his life must be anything but happy. Nevertheless, I congratulate the Commissioner on the results he obtained last year. He has to pay interest on the capitalisation of about £25,000,000 and the interest bill runs into something like £996,000. The last year's working showed a profit of £820,000 but the net loss was £175,000, which is a serious position. If the capitalisation were written down, that huge interest bill would be curtailed and the taxpayers generally could shoulder the burden instead of the farmers being asked to bear such a large proportion of it. The motor transport competition is a problem in every country to-day and South Australia seems to have achieved something like success in coping with it. We shall probably have to follow their example. It is satisfactory to know that Western Australia recognises that something must be done. So far the only step that has been taken has been to impose higher license fees on motor trucks. I do not know of any alternative except that suggested by Mr. Thomson for the appointment of a select committee to investigate the position. Our railways will be necessary for years to come and we do not desire to do away with motor trucks. Attempts have been made to popularise the railways by means of cheaper fares, but that has apparently not been successful. If more attention were given to the comfort of passengers and increased speed, railway travel might be more popular. I support the motion.

On motion by the Honorary Minister, debate adjourned.

House adjourned at 9.43 p.m.

Legislative Assembly,

Wednesday, 6th September, 1933.

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

QUESTION—ELECTRICITY SUPPLY, EFFECT OF BREAK-DOWN.

Mr. McDONALD asked the Minister for Railways: 1, Would there be any material disturbance of the electrical service if the largest turbine set now in use at East Perth power house broke down and became unserviceable for, say, one or two months? 2, Is he satisfied that there is no danger to be apprehended to the continuous supply of current necessary for the Perth and Fremantle tramways, Fremantle harbour cranes, Midland Junction Workshops, in addition to the public supply required for industries and lighting? 3, Is the present plant capable of supplying the requirements for the next two years? 4, In the event of a serious break-down of the largest turbine, how long would it take to provide adequate additional new plant, estimated from the time authority was given to call for tenders until the plant could be available for service in the power house? 5, What number of units have been produced from the East Perth power house for the year ended 30th June last, and for the previous year ended 30th June, 1932?

The MINISTER FOR RAILWAYS replied: 1, Yes, otherwise the unit would not have been provided. 2, There is always a possibility of a break-down, but the station has been able to satisfy reasonable requirements during recent years. 3, This depends on what the requirements may be. 4, Two-and-a-half years. However, no very serious break-down has occurred during the 20 years' existence of the plant, and it is not anticipated that one will occur. 5, Year ended 30th June, 1933, 85,876,410; year ended 30th June, 1932, 78,878,520.