

Legislative Council,

Tuesday, 14th December, 1926.

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The PRESIDENT took the Chair at 3 p.m., and read prayers.

QUESTION—MINING, EMPLOYMENT OF YOUTHS.

Hon. J. E. DODD asked the Chief Secretary: Is it the intention of the Government to amend the Mines Regulation Act to prohibit the employment below ground in any mine of persons under the age of 19 years, from caging or uncaging trucks or skips, or acting as lander or braceman, as has been recently legislated for in the coal mining industry?

The CHIEF SECRETARY replied: General Rule (24) of Section 32 of the Mines Regulation Act, 1906, already provides that: "No person under the age of 18 years shall be employed as lander or braceman on any mine." This rule has been in force since 1895, and experience of its working has not shown any grounds for requiring the age limit to be raised from 18 to 19 years. The Hon. Mr. Dodd's question, however, relates more particularly to the employment of persons *below ground* in any mine in caging or uncaging trucks or skips, and it may be open to question if such persons would come within the words "lander or braceman," the men underground being generally known as "platmen." Note has been taken of this point to have the matter made quite clear in the amended Mines Regulation Act when next submitted to Parliament.

MOTION—CLOSE OF SESSION.

Sitting Hours.

THE CHIEF SECRETARY (Hon. J. M. Drew—Central) [3.8]: I had given notice of my intention to move that the House should meet at 11 a.m. commencing to-morrow, but in view of the progress made with the business of the House, I consider that if we meet at 11 a.m. on Thursday it will be sufficient. I do not wish to ask hon. members to attend at the earlier hour to-morrow, because I realise there is no necessity for them to do so. We shall be able to get through the business before us if we meet at 3 p.m. to-morrow, and then if necessary we can commence the sitting on Thursday at 11 a.m.

Hon. J. J. Holmes: Why not meet at 11 o'clock, and finish to-morrow?

The CHIEF SECRETARY: I do not think the Legislative Assembly will be able to get through their business to-morrow. I am confident that we can do so here. In these circumstances, I do not desire to bring hon. members back at the earlier hour unless there is business to be done. I move—

That the House meet on Thursday, the 16th instant, at 11 a.m., and thereafter at the same hour on every sitting day for the remainder of the session.

Question put and passed.

MOTION—RECIPROCAL ENFORCEMENT OF MAINTENANCE ORDERS ACTS.

HON. J. R. BROWN (North-East) [3.10]: I move—

That in the opinion of this House it is the duty of the Government to bring in a Bill to amend the Reciprocal Enforcement of Maintenance Orders Act of 1921-1923 at the earliest possible moment.

I am constrained to think legislation should be enacted to amend the Reciprocal Enforcement of Maintenance Orders Act. When that legislation was originally introduced, it dealt with the position of offenders in this State and in any part of the British Dominions. Under that legislation an offender here could be harassed or embarrassed without having any right of appeal against any judgment entered against him in some other part of the Empire. It would be necessary for such an offender to go to Canada or any other part of the British Dominions in order to defend himself whether he was in the

right legally or in the wrong. In the same year the Reciprocal Enforcement of Judgments Act was passed and included in that measure was a provision that I sought to have included in the Reciprocal Enforcement of Maintenance Orders Act by means of the Bill that I introduced, and which was discharged from the Notice Paper last week. Owing to the lateness of the session, that Bill would probably have been amongst the slaughtered innocents. After conferring with certain hon. members, I was advised to withdraw the Bill and submit the motion I am now presenting to the House. Some people will be interested in the progress of the Bill and will wonder why it was withdrawn from the Notice Paper. I understand that the Government intend to introduce a Bill on similar lines next session and naturally if the Bill emanates from the Government it will carry more weight than if introduced by a private member. The Reciprocal Enforcement of Maintenance Orders Act was amended in 1923. It enables the collection of maintenance orders throughout New South Wales, Victoria, South Australia, Tasmania and Queensland. I have before me particulars of a glaring case in which a man was victimised by means of a maintenance order made against him. For the benefit of the House I will give details of that man's experience.

Hon. E. H. Harris: Why do you say he was victimised?

Hon. J. R. BROWN: The hon. member can decide that point for himself when he hears the particulars. I say he was victimised; the hon. member need not say so. In the case I refer to, the man concerned came to Western Australia in 1897, leaving his wife and two daughters in Melbourne to follow him later on. He made a home for them here, and four years later went to Victoria to bring his family back. When he arrived in Melbourne he was met by his wife's sister, and not by his wife herself. He asked where his wife was and was told that she was in Sydney. He asked what she was doing there and his sister-in-law told him that his wife had gone to Sydney shortly after he had left Melbourne. The man had been remitting money to his wife during the time he had been in Western Australia, and had been sending it to Melbourne whereas all that time she had been in Sydney. He asked his sister-in-law how his wife had received the money. His sister-in-law said that she had received

the money and forwarded it to the man's wife. When he asked what the woman had done regarding the home there, he was told that she had sold it up and had gone to Sydney with another woman. It might have been with a man, but she said the wife had gone there with a woman! The man went to Sydney and tried to induce his wife to return with him, but she would not do so and said she would not go with him to Western Australia. He returned to this State and consulted a solicitor regarding his position. The solicitor advised him to pay her 30s. a week, which proved to be bad advice. Once the man started to pay, she kept him hard at it. He got out of it for a while until the Reciprocal Enforcement of Maintenance Orders Act came into force in 1921. Then she established her claim in Sydney and has been able to hold the power of the law over him ever since. He has either to pay 30s. a week for life, or go to Sydney to defend the action. I want to see the Act altered so that such a man could go before a Judge in Chambers here and explain his case. If the judge realised that the claim was unjust he should be able to indicate the fact to the courts in Sydney and have the proceedings quashed. As the Act stands, it is quite wrong, and in the best interests of all concerned should be amended. I have an assurance that the Government intend to bring down legislation early next session to deal with the matter, and I hope that will be done. It is too late in this session to do anything.

THE CHIEF SECRETARY (Hon. J. M. Drew—Central) [3.17]: If the hon. member desires to see reciprocity established between New South Wales and Western Australia in this connection, I do not see much prospect of immediate success. The matter has been engaging the attention of the Government for some time past, but the results so far have been unsuccessful. On the 11th March, 1926, the Premier wrote to the Premier of New South Wales as follows:—

Under the provisions of the Reciprocal Enforcement of Maintenance Orders Act, a judgment recently obtained in Western Australia was transmitted through the usual channel to His Excellency the Governor of New South Wales requesting its enforcement in your State. In reply to this request, this Government was advised that arrangements for the reciprocal enforcement of these orders had not been extended to Western Australia. I desire to point out that this Act was applied to New South Wales by proclamation issued

under the Western Australian Act of 1923. In view of the advantages which may arise to deserted wives and others from the mutual enforcement of orders, I should be glad if your Government would kindly take into consideration the provision of the necessary machinery to enforce Western Australian orders in your State.

The following letter in reply, dated the 29th April, 1926, was received from the Premier of New South Wales:—

With reference to your letter of 11th March last in regard to the extension of the provisions of the Maintenance Orders (Facilities for Enforcement) Act, 1923, to your State, my colleague, the Minister for Justice, wishes me to inform you that he regrets he cannot approve of the extension of the provisions of the abovementioned Act to the State of Western Australia. The opinion is still held that the Interstate Destitute Persons Act, 1919, provides all that is necessary for the reciprocal enforcement of maintenance orders within the Commonwealth.

I have no objection to raise to the hon. member's motion and, if it is carried, the Government will take further action in the matter.

HON. A. LOVEKIN (Metropolitan)

[3.20]: I hope this motion will not be allowed to pass as worded because it will commit the Government to bring in a Bill to amend the Reciprocal Enforcement of Maintenance Orders Act. The case submitted by the hon. member is an individual one, and that is not sufficient, in my view, upon which to base an alteration of any legislation. Members will recollect that when the Bill was introduced into this House, I pressed the Government not to pass it, because, as I explained, the Interstate Destitute Persons Relief Act was a better Act to work under as between State and State. It was said in answer that it was necessary to work not only as between State and State, but as between this State and other dominions, such as Canada and even Great Britain, in order to prevent men who deserted their wives and children from fleeing to other parts of the Empire and escaping the enforcement of maintenance orders made against them. On that ground the House agreed to pass the Bill, and the Act has been in force by mutual consent of all the States, I think, with the exception of New South Wales. We passed the Bill at the special request of South Australia.

Hon. J. R. Brown: New South Wales is enforcing it in this State at present.

Hon. A. LOVEKIN: We have proclaimed the Act, and therefore we are enforcing any orders to which the Act applies. The Act applies to New South Wales as well as to other States, but New South Wales apparently has not proclaimed it. I should not like this House to be committed to amending the Bill because it is a statute that appears to be capable of doing much good. It prevents men in any part of the British Empire from escaping their obligations by leaving their wives and children uncared for. If the wife of a deserting husband can establish a case and get an order, and the man flees to another part of the Empire, the order can be enforced. That covers the case referred to by the hon. member. As New South Wales has not proclaimed the Act, and as we in Western Australia are enforcing New South Wales orders, some inquiry should be made. Therefore I shall ask the House to amend the motion. I move an amendment—

That all the words after "House" be struck out, and the following inserted in lieu: "the Government should make inquiries as to the operation of the Reciprocal Enforcement of Maintenance Orders Acts, 1921-23, with a view to their amendment if found necessary." I think that is as far as we should be committed.

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

BILL—METROPOLITAN MARKET.

Third Reading.

THE HONORARY MINISTER (Hon. J. W. Hickey—Central) [3.25]: I move—

That the Bill be now read a third time.

HON. A. LOVEKIN (Metropolitan)

[3.26]: I have looked into the point I raised the other evening, and I find that the provision in the Bill is satisfactory. Therefore I offer no further objection.

The PRESIDENT: I may inform the hon. member that I also looked into the matter, and I was prepared to give my decision in the direction indicated by the hon. member.

Question put and passed.

Bill read a third time and returned to the Assembly with amendments.

BILL—WAR RELIEF FUNDS.*Second Reading.*

THE CHIEF SECRETARY (Hon. J. M. Drew—Central) [3.27] in moving the second reading said: In 1922 a motion was carried in another place urging the Government to appoint a Royal Commission to inquire into the amount of funds collected during the war by various organisations for the purpose of assisting soldiers and their dependants in Western Australia, and also into the disposal of surplus funds by those bodies since the declaration of Peace Day. It was set forth in the motion that the object was to consolidate the funds of the various bodies with a view to having them under the control of three trustees to be appointed, one from the Returned Soldiers' League, one from the combined organisations, and one by the Government. It was stated by the mover of the motion, Lieut-Colonel Denton, that he had documentary evidence to prove that the total collections to that date amounted to £1,148,156 8s. 4d., and he was desirous of ascertaining how much of the money had not been distributed. As a result of the motion the Government, in 1923, appointed a Royal Commission to investigate the question thoroughly. The Commission sat and finally made recommendations, which are embodied in the Bill now before us. Clause 3 provides for the administration of the balance of funds by a council of three persons, one of whom shall be appointed on the nomination of the central executive of the Returned Soldiers' League, another on the nomination of the Ugly Men's Voluntary Association, and the third will be the selection of the Government. That is in keeping with the recommendation of the Royal Commission. Under the same clause the council will have power to decide in what town or district a war relief fund was wholly or mainly collected, and to provide for the amalgamation of the moneys so that they may form one fund. In cases where the war relief fund was not wholly or mainly collected in any prescribed town or district, the council will have authority to take possession of the funds. In other words, where the residents of a certain locality have been the principal contributors to a fund, the council will not interfere with that fund, but where the great body of the contributors were scattered the moneys are to be handed over to the council. In towns or districts where no transfer of funds takes place, for

the reasons already stated, the council will appoint a committee in which will be vested every fund mainly collected in that prescribed town or district. Any member of that committee can be removed by the council with the consent of the Minister. The Bill, by the same clause, gives the council power to order that any war relief fund, in any bank or under the control or in the custody of any trustees or any other person, will be handed over either to the local committee appointed, or to itself. The fund is to be administered and used for the relief of necessitous soldiers and dependants. This applies equally to the council and the committee in their respective capacities as will be seen from Clause 3 read in conjunction with Clause 5. Clause 4 stipulates that the local committee appointed by the council shall consist of an uneven number of persons. With regard to the personnel of the committee the views of the local adult residents and of the executive of the branch of the Returned Soldiers' League operating in the district, will be ascertained as far as practicable. The council will be able to remove any member of the committee with the consent of the Minister. Clause 5 has already been referred to. Clause 6 makes the council a corporate body. Clause 7 and Clause 3 paragraph (g) give power to make regulations. I could dwell at length on the necessity for this legislation and the benefits likely to be derived by the soldiers and their dependants from its effective administration. But this should be quite unnecessary. No hon. member requires any enlightenment from me on that point. The Bill, as I said before, is the outcome of a recommendation by a Royal Commission, and I may add that there were two returned soldiers on that Commission. I move—

That the Bill be now read a second time.

HON. A. LOVEKIN (Metropolitan) [3.33]: I do not intend to offer any opposition to the Bill. The time has arrived when we should try to collect all these funds so that they may be distributed in an economical way and in the right direction. I notice, however, that the Bill applies to all funds. There is an institution known as the Red Cross which has certain securities and funds, and is still carrying on its work. I take it it will for all time be carrying on that work as a separate entity. I do not think those funds should be merged into a general pool.

Hon. J. Cornell: That is not intended.

Hon. Sir Edward Wittenoom: They are excluded under the definition of "trustee."

Hon. A. LOVEKIN: Then that gets over my point.

Hon. E. H. Harris: Are there any other societies in a similar position.

Hon. A. LOVEKIN: For instance, there is a fund from which the trees in Honour Avenue, King's Park, are looked after. Personally I would not like that fund to be merged into the general pool.

Hon. J. Cornell: It is not intended to touch that either.

Hon. A. LOVEKIN: Then that gets over my objection. In Committee we can see whether funds such as those I have mentioned are excluded. If they are excluded well and good.

HON. J. CORNELL (South) [3.36]: I too wish to say a few words in support of the Bill. If hon. members look at the report of the Railway Commission they will gather that the Bill has been suggested ever since the Commission furnished their report in November, 1923. The Bill has the full approval of the Returned Soldiers' League, and it has been drafted in collaboration with the league, who are in accord with it as we have it before us. The funds to which the Bill will apply are those that were raised during the period of the war, for the specific purpose of helping men overseas and after their return. The Red Cross funds are exempted. It seems somewhat strange to relate that since the Armistice, the Returned Soldiers' League, in their desire to assist necessitous cases, are much harder up against it than was the position three or four years ago. In recent years the cases they have been called upon to assist are in many respects even more deserving than those they assisted before, when they had money. I would cite one concrete instance, and it is one of many that repeatedly come under the notice of the League. Suppose a soldier named Brown had a certain period of active service and was discharged without a pension or with a small pension. The position now is that the Pensions Act is sympathetically administered, inasmuch as it is now possible to establish a claim for pension provided it is possible to disclose a man's medical history sheet with his disabilities reported thereon. But it happens that before a decision can be arrived at as long as six months can elapse. The pension regulations provide that pensions are payable from the date of

application, but the fact remains that the pension is not paid until the case has been established. There have been a good many of these cases during the last two years and for the time being the people concerned are hard up against it and have no means by which they can tide over the necessitous period.

Hon. Sir Edward Wittenoom: Do not they get a pension from the Federal Government?

Hon. J. CORNELL: Yes, but the payment is not made until the case is established, and as I have said, it often takes many months to establish a case. Some persons have been known to get as much as £400 in back pension money. In that respect the pooling of all these funds may be a great help. As a member of the Returned Soldiers' League I can assure the House that the fund will be fairly and honestly administered.

Hon. G. W. Miles: What do the funds total at the present time?

Hon. J. CORNELL: I do not know. It is not the intention of the Returned Soldiers' League to interfere in those cases where there has been established a live local committee, a committee that has functioned all these years and done good work. All the committees will be now responsible to the central committee, whereas in the past they have not been responsible to anybody. There are two or three slight errors in the Bill as the result of incorrect drafting. The correct title of the Returned Soldiers' League is not as it appears in the Bill; it is the State Executive of the Western Australian branch of the Returned Soldiers' League. Another discrepancy occurs in Clause 4, paragraph (b), which says that the executive of "any branch" of the Returned Soldiers' League. As a matter of fact there is no branch other than the State branch. The Returned Soldiers' League of Australia is a Federal body and each State has its State branch. I have much pleasure in supporting the second reading.

HON. G. POTTER (West) [4.30]: I support the remarks of the previous speakers. It is a good augury that the scattered funds are about to be consolidated. Had it not been for the provisions contained in Clause 4 of the Bill, I should have been inclined to ask in Committee for an amendment of the definition of "trustee" in order to protect a body in Fremantle known as the Fremantle Soldiers' Institute Management Committee.

Many public-spirited men of Fremantle, during the early stages of the war subscribed liberally, and there has now been built in Fremantle an institute that is the pride of the district.

Hon. J. Cornell: I do not think this Bill will touch that.

Hon. G. POTTER. I rather think it will. As a simple provision has been made in Clause 4 to provide for the appointment of a local committee to give expression to the opinions of the residents in a city, town or district, I do not think it will be necessary for me to move any amendment. After all, while returned soldiers like to control their own domestic affairs, it will savour somewhat of unthankfulness even at this distant period, if those who were generous in their subscriptions were forgotten in connection with the future control of these moneys. I support the second reading.

HON. J. M. MACFARLANE (Metropolitan) [3.45]: I, like the previous speakers, am pleased to know that these various funds, brought into being during the war period, are to be consolidated. Amongst them is the War Patriotic Fund, of which I was a member for the greater part of the time, and which distributed about £133,000 as supplementary to the military pay to soldiers' wives and dependants. This fund could have been closed some time ago, and an effort was made to transfer it to the Red Cross Society to carry on the work in the interests of the soldiers. However, just then the report of the Royal Commission was issued and the Chief Secretary, who was the first president, and is likely to be the last, said these funds were to be consolidated. Because of that he would not sign the transfer. However, there is about £200 lying at the bank and, in addition, land valued at about £2,000. If the same services can be rendered to the soldiers as the committee rendered, then the members of that committee will feel well pleased. A branch of the committee's work done here was not done in any other State, perhaps not in any other part of the world. That was as to the treatment of soldiers' dependants. They had the cash relief, the allotment money, and then there were the services of chemists, doctors, dentists, opticians, and hospital treatment and funerals, allowances for special cases, and for maternity cases. All these were granted from time to time, and were very highly appreciated. They met the conditions

of distress exactly at the moment, and afforded relief in a practical way that was not done in any other State. It was suggested that a larger amount should be paid to the soldiers in respect of daily wages, and the committee endeavoured to bring this State into line with the other States. They asked for assistance in the event of our fund running out, so that we could pay out our allotment money on the basis obtaining in the other States. However, we were told that no relief would be given direct to the War Patriotic Funds of the different States. But the report of the Commission showed that some amounts had been paid in the different States, and so I think it only fair that even at this late date this State should get credit on a similar basis before the funds are handed over. I should like to mention exactly what relief was granted, independent of allotment money, to soldiers' dependants: Chemists, £1,434; doctors, £2,947; dentists, £1,556; opticians, £140; hospitals, £2,485; funerals, £388; special cases, £230; maternity cases, £154. The whole of this done on a basis of $4\frac{1}{2}$ per cent. for administration, covering postages, railway fares and everything of that description. The fund can be said to have been economically administered, for out of the £133,000 only £6,500 was used in administration expenses. There was nothing wasted in that respect. The Chief Secretary was at one time the chairman of the fund, and Sir William Lathlain as mayor came next in order, whilst I, as representing the City Council, was also associated with it. We in conjunction with others who also were carrying out the work, meeting sometimes every day, dealing with cases of great distress, will feel gratified to think that this was the only State able to find all the money required for relief without any assistance from the Federal Government, and to grant the allotments to soldiers' dependants. We, the members of that committee, are very proud of the work that was done, and of the responses made by those people who were called upon to find the money.

HON. SIR EDWARD WITTENOOM (North) [3.52]: I should like the Minister to make it quite clear whether the funds we are now dealing with have been paid to those who at the same time were in receipt of pensions from the Federal Government. Women who lost their husbands, and others whose husbands were permanently incapacitated

tated received a large sum annually from the Federal Government. Over three-quarters of a million comes into Perth annually for that purpose. I should like the Minister to make it clear whether the funds we are now dealing with are paid to the same people. I find from the definition clause that "dependant" means any person wholly or partially dependent on the earnings of any soldier, and so on. I want it made clear whether the same dependants are receiving relief from each source.

The Chief Secretary: That would be at the discretion of the committee or council.

HON. SIR WILLIAM LATHLAIN (Metropolitan-Suburban) [3.53]: As one who was closely associated with a number of these funds, I wish to add a few words. The best thing that can be done with these funds is to consolidate them. I doubt whether the council will have power to deal with all the funds. For instance, the War Distress Relief Fund was not for the relief of soldiers, but for the relief of persons who became unemployed as the result of the war. I do not know whether there is much money left in that fund. I do not think there is. I think that when the funds come to be searched, the amount to be found in most of them will be comparatively small. A little time ago I made an attempt to gain something from these funds towards the erection of the State war memorial, but I was unsuccessful. Mr. Macfarlane has given details of what was in reality the principal fund, and I can corroborate everything he said. Western Australia, whilst she will always be proud of her share in the war, can be equally proud of the general management of the whole of the funds collected during the war period. Both Victoria and New South Wales received each about £100,000 in order to bring the total amount of extra payment to soldiers' wives to the amount promised to the soldiers; whereas Western Australia, with the funds at her disposal, was able to carry on and pay to the dependants of soldiers the amounts promised, without any contribution whatever from the Federal Government. Adverting to the remarks made by Mr. Cornell, I should like members to understand that in conversation with Senator Pearce recently I learnt that the mental cases, although eight years have passed since the war, are very serious indeed. Last year there were more mental cases than in any other year since the war.

So the after effects of the war are still very serious.

Hon. J. Cornell: That is the worst of it.

Hon. Sir WILLIAM LATHLAIN: I was connected with six or seven of these funds. The principal amount probably will be found in the funds held by the War Council. In regard to the amount spoken of by Mr. Macfarlane as being in the War Patriotic Fund, there is included a number of blocks of land in various localities outside the city. These of course will be handed over, but the amount of cash is very small. The War Council was formed on a particular basis. I do not know how the definition of that council would come in, for I doubt whether it was formed in relation to any of these particular organisations. However, since the Red Cross Society is deleted, I have nothing more to add, except to say we desire to do the best we can to assist the soldiers. I should like to supplement Mr. Macfarlane's remarks as to the gratitude we as citizens owe to the doctors, the dentists, and all those other professional people who during the war period did the whole of the work for soldiers' dependants on a very low scale of fees indeed. The dentists in particular carried out their work for less than one-third of their ordinary fees, so as to give assistance to the soldiers' dependants. I believe there is in existence another fund, the Commonwealth Employees' Fund. I do not know how that will come in with the State fund, but I hope more money will be found in these funds than I was able to find when I was trying to get some for the State war memorial. I will support the second reading.

HON. H. J. YELLAND (East) [3.58]: I will support the second reading for I realise that if these funds are to be wound up it must be done by an effort such as this. I join with other members who have commended the work that was done in the creation of these funds, and I supplement Sir William Lathlain's remarks as to the number of professional men who gave their services at very much reduced rates. Had those professional men charged full fees, these funds would have been depleted many times over. I am glad to know the Red Cross Society has been excised, and with Sir William Lathlain I want to see that the needful conditions shall be continued to be paid for. We have our State memorials requiring renovations and attention; and we have our

honour avenues of trees also requiring attention.

Hon. Sir William Lathlain: There is room for 5,000 more trees.

Hon. H. J. YELLAND: The planting of more trees would be a great asset to our memorials. Some of these funds were started with the war, went on through the war, and have continued since. Because of that we say that the committees should have control of their own funds. Another association started with the war, continued throughout the war, and still have funds which came to them from the sale of certain assets which accumulated during their war services. These assets have been converted into cash, and the organisation is using it in connection with the military cadets and citizen forces. I refer to the Young Men's Christian Association.

Hon. J. Cornell: If that fund rightly had all that belonged to it, it would represent a substantial amount.

Hon. H. J. YELLAND: I regret that the report of the Royal Commission has been delayed. I note the recommendation contained in it upon the work of the Young Men's Christian Association. I became rather suspicious that the association had not acted in accordance with its reputation. I made inquiries and obtained a copy of the letter referred to by the Commission in recommendation No. 3. I will read this letter in order that the House may know of the contract entered into between the Defence Department and the association. The letter is signed by Senator Pearce and is as follows:—

I now have pleasure in informing you that the much appreciated offer of the association to continue its services in connection with camps, etc., of the citizen forces has been accepted. Cabinet has considered the proposals in regard to equipment, etc., and agrees that the property should be used and the moneys put in a trust fund for the future naval and military work of the association.

The contract entered into was that the hut and its appurtenances at Blackboy, which was of no use after the war, should revert to the association. The association had instructions from the Defence Department to sell the buildings and apply the money to the future extension of their work. The letter continues—

With reference to the relations to be maintained between the association and this department, it is thought that the necessities will be met if the association detailed a

representative in each military district (preferably one not serving in any rank in the active forces) to act in liaison. The representative so detailed in Victoria could, perhaps, also act as the principal liaison officer of the association and deal with the central administration.

This shows that a contract was entered into between these parties. The recommendation of the Commission is that the Government should approach the Federal authorities asking them to dispense with the undertaking.

Hon. W. H. Kitson: Was the contract entered into at the instigation of the association?

Hon. H. J. YELLAND: The association asked what should be done with these things. A suggestion may have been made, but the point is that a contract has been entered into. No contract can be broken unless by agreement on both sides. I do not think it would be fair to break it. This is the position the association found itself in after cessation of hostilities. It appears from the Bill and the report that the aim is to procure some of the moneys that have been given in the past to the association for the carrying on of this work. I will show that the work is being carried on by reading a letter that has been received from the military authorities. This particular letter was written by Lieut.-Colonel Wieck of the 13th Mixed Brigade, Perth, and is addressed to the General Secretary of the Y.M.C.A. It says—

I am directed by Major General Sir J. Talbot Hobbs to convey his sincere appreciation of your assistance and work in connection with the recent camps of training. There can be no doubt that much of the success of these camps was due to the contentment of the trainees and to this, the efforts of you and other representatives of the association contributed in no small degree.

There are other letters in the same strain showing that the work is still being carried on. The association is carrying out the undertaking given to the military authorities following upon the sale of the hut at Blackboy.

Hon. J. Cornell: They utilised money they received during the war for another purpose.

Hon. H. J. YELLAND: The money they received was handed to them by the military authorities.

Hon. G. Potter: The military authorities have been pretty good thieves in the matter. I can prove that.

Hon. H. J. YELLAND: I do not know that the hon. member has any right to make that remark. The department are responsible in this matter. They had control and possession of the building at Blackboy, and said to the association, "We will allow you to sell that, provided you carry on the work you have been doing during the war." In Committee I propose to move an amendment to allow this association to carry on in accordance with the arrangement made with the department.

Hon. H. A. Stephenson: These funds were not collected from the public?

Hon. H. J. YELLAND: The funds of the association were mostly collected from the public, from all over Australia. The buildings at Blackboy and other camps belonged to the department, which entered into a contract with the association upon certain lines. The money was handed to the association, but the Bill proposes that the arrangement made should be upset. When people make a decided arrangement of this sort it should not be interfered with.

Hon. J. Cornell: It would be the most popular upset that could happen.

Hon. H. J. YELLAND: I am not upholding the association, but I know that when a contract has been entered into we should be cautious about allowing anyone the right to upset it. I do not think we should be justified in allowing that in these circumstances.

Hon. W. T. Glasheen: If there is a legal right to do it, it should be done.

Hon. H. J. YELLAND: There is a possibility of litigation. If so, we should be definite about the matter.

Hon. G. Potter: Who would take action?

Hon. H. J. YELLAND: I do not know. The Bill would permit of litigation. I want to remove any ambiguity and safeguard the contract.

Hon. J. M. Macfarlane: Have the association asked to be released?

Hon. H. J. YELLAND: I do not know. What I tried to do was to get to the bottom of the recommendation of the Commission. It seems to me that recommendation No. 3 is out of place.

HON. H. STEWART (South-East) [4.13]: When the Bill is in Committee I propose to move an amendment on the lines indicated by Mr. Lovekin. When our soldiers began to return, and before either the

Commonwealth or State had moved in the matter, at Katanning and several other towns along the Great Southern railway committees in the nature of repatriation committees, were formed. These are carrying on to-day. I will read an extract from the report of the Royal Commission—

The splendid example set by such centres as Beverley, Katanning, etc., in having business propositions managed efficiently by patriotic men and women, and earning money regularly for war relief purposes, is to be commended. The pooling of the funds would leave these people no incentive to carry on their good work.

At Katanning the committee has a sum of over £4,000. Of this £2,000 is out on loan. The money is loaned to men who require to be helped in their civil life while cases are met which are being investigated by the department. Cash advances or cash gifts are made. So long as there are likely to be people who are suffering as a result of the war, so long will the committee be in effective operation. The Commission recommend:—

That the Government take steps to appoint three trustees; one to be nominated by the Government, one by the central executive of the Returned Soldiers' League, and one by the Ugly Men's Voluntary Workers' Association, to take charge of all unclaimed and unused moneys now lying in banks and which were collected for war relief purposes, and that such trustees shall have full power to disburse these moneys amongst the War Relief Committee of the districts in which the amounts were collected.

That is quite right and proper. However, the Bill covers more than that. It contains full provision for local committees, but yet covers more ground than is necessary. I am sorry that Sir William Lathlain is not present, because he has mentioned war memorials. The repatriation committees in the Great Southern districts have not only raised and are administering funds to assist returned men and their dependants, but in each of those towns, and in many others, war memorials have been erected. I suggest that the position might be met by providing that in those districts where handsome funds, considering the size of the population, have been collected and are being administered, the local committees may continue to administer the funds. As we know, returned soldiers are represented on these local committees. So long as the funds are efficiently administered, they should not come under the control of the central council. The central council should be given control of funds

only by proclamation, and in Committee I intend to move an amendment to that effect.

Hon. J. Cornell: You might as well throw out the Bill.

Hon. H. STEWART: It has been suggested to me that the difficulty might be overcome by providing that the powers of the Bill shall only be exercised in case of any war relief fund which has not been used in or towards any of its objects within a period of one year prior to the measure coming into operation, or within one year of the date of the council trying to exercise any power under the measure. That, however, might cause some new trouble. In Committee I shall suggest an amendment which, in my opinion, can only strengthen the measure, and which will have for its object the maintenance of efficient services which are in operation. If at any time such a service becomes inefficient, the fund will be surrendered to the council. I consider that the Bill should provide that the Governor may exempt any war relief fund and the trustees of such fund from the provisions of this measure, and also that the Governor may at any time cancel or revoke such exemption. Where there is a live committee working successfully, that committee should have the right to administer the fund where it was collected as long as the members are willing to do so. The members of the committee are appointed by the contributors to the fund. Many people are still members of such bodies, paying an annual subscriptions of 1s., and they elect the committee. If it is desired to bring any fund under the operation of the measure, it can be done by proclamation; and no proclamation would be made where the funds are efficiently administered. In the cases I have in mind the funds are invested in the district and administered in the district. In support of my contention I may quote from the Royal Commission's report a very fine tribute indeed to the work of the local committees—

The splendid example set by such centres as Beverley, Katanning, etc., in having business propositions managed efficiently by patriotic men and women, and earning money regularly for war relief purposes, is to be commended. The pooling of the funds would leave these people no incentive to carry on their good work.

The fourth recommendation of the Royal Commission is—

That the Government take steps to appoint three trustees, one to be nominated by the Government, one by the central executive of

the Returned Soldiers' League, and one by the Ugly Men's Voluntary Workers' Association, to take charge of all unclaimed and unused moneys now lying in banks and which were collected for war relief purposes; and that such trustees shall have full power to disburse these moneys amongst the war relief committees of the districts in which the amounts were collected.

The funds at Katanning, however, are not unclaimed or unused funds. They are efficiently administered by the representatives of the contributors.

Hon. J. Cornell: So they are elsewhere.

Hon. H. STEWART: I know Mr. Cornell does not combat my statement regarding the efficiency of administration.

Hon. J. Cornell: Of course I do not, but there are other such cases elsewhere.

Question put and passed.

Bill read a second time.

In Committee.

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

Clause 1—agreed to.

Clause 2—Interpretation:

Hon. G. POTTER: In various parts of the Bill there are errors of nomenclature. While legal obstacles are not anticipated, still the measure being important, it is better at this stage to make the nomenclature correct. Therefore I move an amendment—

That in the definition of "dependant" after the word "deceased," line 2, there be inserted "or sailor."

The CHIEF SECRETARY: The definition of "soldier" already means any member of the Australian Imperial Forces who was resident in the State at the time of his appointment or enlistment. Surely that covers the ground.

Hon. G. POTTER: I ask leave to withdraw my amendment.

Amendment, by leave, withdrawn.

Hon. A. LOVEKIN: I move an amendment—

That to the definition of "trustees" the following be added:—"or to any person or body of persons having control of funds raised for a specific purpose which is current and continuing."

The amendment is intended to cover small funds raised for specific purposes—the Honour Avenue, for instance. But for such an amendment the funds in question would go into the general fund. Mr. Stewart, I

understand, has another amendment which will provide that the matter must be done by proclamation.

The CHIEF SECRETARY: If the amendment is carried the Bill will be rendered absolutely useless. The amendment seeks to exempt every person or body of persons in the community having control of a fund so long as the fund is for a specific purpose that is current and continuing. Under that amendment the Bill would be worthless.

Hon. H. STEWART: I regard Mr. Lovekin's amendment as too far-reaching, and as dangerous to the general purposes of the Bill. I merely seek the insertion of a safeguard by which there shall be some notice before a fund is absorbed into the general fund.

Hon. H. J. YELLAND: I also regard Mr. Lovekin's amendment as too expansive. I may at this point forecast an amendment which I propose to move in Clause 3. It will be a proviso to the effect that the powers contained in the Bill shall only be exercisable in the case of any war relief fund which has not been used or applied in or towards any of its objects or purposes within the period of one year prior to this measure coming into operation, or within a like period of the date of the council seeking to exercise the powers under the Bill.

Hon. H. STEWART: If the amendment be agreed to, it will allow the fund to carry on until by its inoperation it becomes useless, in which event the fund would automatically come within the scope of the council's activities. I have an objection to money lying idle, but if money is being used, as intended, for the benefit of returned soldiers or their dependants, we should not interfere with it. If a fund had not been operated upon for 12 months, it would be right for the council to assume control of it.

Hon. A. LOVEKIN: I do not wish to press my amendment if we can agree to something equivalent to it, and Mr. Stewart's amendment will probably cover the position. Unless something is done along those lines, the council to be set up under the Bill may step in and take over the funds, irrespective of whether they have been administered properly or not. The council may apply that money for some specific purpose, which might not be in accordance with the donor's desires at all. I ask leave to withdraw my amendment.

Amendment by leave withdrawn.

Hon. H. STEWART: I wish to move an amendment to the paragraph setting out the interpretation of "war relief fund."

Hon. H. J. YELLAND: I have an amendment to move before that. As indicated during the course of my second reading speech I desire to move an amendment to the paragraph relating to trustees so as to join the Y.M.C.A. with the Red Cross Society in the exemption from the Bill.

The CHAIRMAN: Then Mr. Stewart will not move his amendment at this stage, and that will overcome the difficulty.

Hon. H. J. YELLAND: I move an amendment—

That after "society" in line 7 of the interpretation of "Trustees" the words "and the Young Men's Christian Association" be inserted.

A contract has been entered into between the Y.M.C.A. and the Federal authorities under which the association are operating a fund that cannot be touched by this legislation. In order to prevent any ambiguity, the amendment should be agreed to.

Hon. A. LOVEKIN: I hope the Committee will not agree to the amendment. Many people subscribed to these funds during the war period in order to help soldiers at the front. I have had evidence since that money donated for that purpose was not used to help soldiers at the front, as was intended. The soldiers had to pay for a good many things that we thought we were supplying free. I find that a good deal of those funds was used for building purposes for the Y.M.C.A., despite the fact that the funds were provided for the assistance of men at the front, not for buildings to be erected by the association in Australia. I think the Y.M.C.A. funds especially should be brought within the scope of the Bill. Then if, after inquiry, the council liked to allow them to proceed, that could be done. We should not exempt the Y.M.C.A. at all in these circumstances.

Hon. G. POTTER: If, as Mr. Yelland says, the Bill will not apply to the Y.M.C.A. funds I do not see the necessity for the amendment. Moreover, Mr. Yelland based his case during the second reading debate on a letter from a General Staff officer to the Y.M.C.A. expressing appreciation of the work done at peace training camps. The functions of the Y.M.C.A. are most laudable, but the funds dealt with in the Bill refer to war funds raised for the assistance of returned soldiers and the relief of their de-

pendants. Peace training camps have nothing to do with the objects of the Bill at all. Mr. Lovekin was quite correct when he said that the Y.M.C.A. had used funds in a way that the subscribers had not anticipated. I need not indulge in comparisons in that regard, but I oppose the amendment.

The CHIEF SECRETARY: I understood Mr. Yelland to say during the course of his second reading speech that the Commonwealth Government had extended some jurisdiction to the Y.M.C.A.

Hon. H. J. Yelland: That is so.

The CHIEF SECRETARY: The question to be considered is whether the funds used represent money raised for the soldiers and their dependants in Western Australia.

Hon. A. Lovekin: That is the point.

The CHIEF SECRETARY: I was a fairly heavy country contributor to the funds of the Y.M.C.A., and I understood their function was of an entirely different character. The provisions of the Bill apply only to those bodies or persons who have raised money for returned soldiers and their dependants in this State.

Hon. H. J. YELLAND: If the position is as stated by the Chief Secretary, the funds of the Y.M.C.A. will not be affected by the Bill at all. In the circumstances I ask leave to withdraw my amendment.

Amendment by leave withdrawn.

Hon. H. STEWART: I move an amendment—

That in the interpretation of "War Relief Fund," after "dependants" in line 6 the words "and to which the Government have declared by proclamation that this Act shall not apply" be inserted.

The report of the Royal Commission that investigated the position of war relief funds shows that there are repatriation committees and war relief committees operating efficiently at various centres. The fourth recommendation of the Commission was to the effect that where funds were not being utilised, but were lying idle, the central authorities should assume control. At Katanning there is a most efficient repatriation committee. Their funds represent about £4,000. That money is turned over from time to time and is loaned out to returned soldiers at a very low rate of interest, or even without any interest at all, in order to help them in their businesses, trades or farming operations. That fund should not be interfered with. It would be dangerous to insert a

wide and comprehensive amendment because it might enable persons controlling an individual fund to become busy for a brief period and so block the council from assuming control. My amendment safeguards the position for it will enable those controlling any fund that is likely to be affected, to take steps to retain their independence should they hear that their fund is likely to be brought within the jurisdiction of the council. The Katanning committee is a live body and there may be other similar bodies throughout the State and it would not be fair to absorb those funds into the general fund and thus render it possible for the money to be spent in a way that those interested locally might not approve.

The CHIEF SECRETARY: If the amendment be passed, there will be many claimants for exemption. The Government, too, will be involved and they should not enter into the matter at all. There are other towns that have administered their funds well. There is a fund in Geraldton that has been well administered, and it is still in active operation, but I do not think the people of Geraldton or the committee would object to the body to be appointed under this measure. There is provision for the appointment of local committees, and the persons interested will be consulted before the committee are elected. Committees that have functioned satisfactorily will doubtless be appointed under this measure. It is necessary to have the whole of the funds under control.

Hon. A. LOVEKIN: The Minister's statement that there would be many claimants for exemption is an argument in favour of the amendment. The committees will be appointed by the council and they should have the right to say, "We do not want these funds applied in a different way from what was intended when they were subscribed."

Hon. J. E. DODD: I support the amendment. The Royal Commission made the following reference to the work done:—

The splendid example set by such centres as Beverley, Katanning, etc., in having business propositions managed efficiently by patriotic men and women and earning money regularly for war relief purposes, is to be commended.

We shall be getting on to dangerous ground if we destroy the efficiency of those societies by appointing other committees. The matter will be entirely in the hands of the Government even if the amendment be not

carried. All that the amendment will do will be to provide a safeguard. If the spirit that existed at the time the funds were brought into operation could continue for all time, the world would be a much better place to live in.

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

Clause 3—Council:

On motion by Hon. G. Potter, Subclause 1 amended by striking out of line 3 the word "central" and inserting "State" in lieu, and by inserting after "executive" the words "of the Western Australian branch."

Hon. H. J. YELLAND: I move an amendment—

That the following proviso be added:—
"Provided always that the powers herein contained shall only be exercisable in case of any war relief fund which has not been used or applied in or towards any of its objects or purposes within the period of one year prior to this Act coming into operation, or within a like period prior to the date of the council seeking to exercise any power herein."

Hon. A. LOVEKIN: That is what I proposed.

Hon. H. J. YELLAND: But my amendment will impose a time limit.

Hon. A. Lovekin: There was a time limit implied in mine.

The CHIEF SECRETARY: The amendment would render the Bill inoperative. All that would be necessary would be to operate on the fund a few times in order to prevent committees being removed or the council taking charge.

Amendment put and negatived.

Clause, as amended, agreed to.

Clause 4—Appointment of committee:

Hon. G. POTTER: I move an amendment—

That before "branch" in line one of paragraph (b) "sub" be inserted.

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

Clauses 5 to 7, Title—agreed to.

Bill reported with amendments and the report adopted.

Read a third time and returned to the Assembly with amendments.

BILL—LOAN, £4,370,000.

Second Reading.

Debate resumed from 10th December.

HON. H. SEDDON (North-East) [5.10]: I desire to offer a few remarks on the Loan Bill because the time is opportune for us to express our attitude towards the continued policy of unrestricted borrowing. When we examine the tables before us in the Public Accounts, we find that the distribution of loan moneys, especially during the last few years, has been of such a nature as to call for serious attention. From Table 25 of the Public Accounts we find that the distribution of the public debt is allotted to the various works and services provided for on the Loan Schedules. The various sums and the various headings are as follows. I am using round figures:—

Railways, tramways and electric works	£
Harbours and rivers	22,617,000
Goldfields water scheme	5,014,000
Water supply generally	2,876,000
Sewerage	3,294,000
Erection of State batteries	1,470,000
Development of goldfields, etc.	329,731
Development of agriculture	1,993,000
Telegraphs	19,358,000
Roads and bridges	217,791
Public buildings	842,246
Immigration	1,242,000
Miscellaneous	63,751
	2,621,000

On a percentage basis these sums work out as follows:—

Railways, tramways and electric works	32
Harbours and rivers	7
Goldfields water scheme	4
Water supply generally	4.5
Sewerage	2
State batteries	.5
Development of goldfields, etc.	2.3
Development of agriculture	27
Telegraphs	.3
Roads and bridges	1.2
Public buildings	1.7
Miscellaneous	3.7

In addition to these percentages there are also the following accounts which are included in the total—raised but not expended on public works—£8,200,000. This comprises the following items:—Issued under Treasury Bonds Deficiency Act, £6,365,000, which amounts to 9 per cent. of the total money raised. In addition there is locally inscribed stock issued under the Agricultural Bank Act to redeem mortgage bonds. That amounts to £1,566,000, or 2.2 per cent. There was issued under the Insurance Companies Act £200,000 or .4 per cent. It will

be seen from an analysis of those figures that although we have raised something like 70 millions we have actually provided in the way of public assets, against those loans, only £61,941,000. In other words 9 per cent. of the money does not represent public assets—assets against the loans. But when we come to analyse the assets contained under the various headings of works and services we are compelled to realise that those assets do not represent the value of the money that has been expended. Let us take the first item, railways, tramways and electric works. It is well known that we have had to scrap a considerable number of locomotives which have been on the books of the Railway Department at a certain value. That value has had to be written off. Yet we find the money that stands to the debit of the Railway Department is £22,000,000. There is the question of the scrapping and replacing of rolling stock. I feel convinced that if we had a thorough investigation of the assets, not only of the Railway Department but also of other departments, we should find there has been considerable depreciation as against the value of the assets written in the statement of public accounts.

Hon. W. T. Glasheen: The real assets are represented in the development of the country.

Hon. H. SEDDON: The development of the country is the result of the loan policy of the State. Take this item, Development of Agriculture. It is only a little time ago that the Minister for Lands announced it was necessary for him to write off a million pounds that had been loaned to the administration of the Industries Assistance Board. Mr. Holmes, in the course of his remarks on Friday, pointed out that nearly half a million represented farms that have been thrown back on the hands of the Agricultural Bank. The greater part of this can be regarded as money lost.

Hon. W. T. Glasheen: Are those farms of no value at all?

Hon. H. SEDDON: I say the greater part of it can be regarded as money lost. If we were to apply this principle of analysis and investigation to all the services referred to in Table No. 25, it would be found that the greater number of them cannot show in actual value the amount written against them. My argument in advancing these figures is to stress the point raised by Mr. Holmes that, if we are going to pursue a wise financial policy, it is desirable that

we should reconsider the 10s. per cent. sinking fund that we write off against these loans as that is inadequate. I quoted the figures referring to the deficit to show it is necessary, if this loan money is to be adequately met, we should raise that 10s. per cent. to endeavour to adjust our sinking fund payments more nearly to the life of the assets in which the loans have been invested. If we were to revise our sinking fund contributions from time to time on that basis, we should soon be contributing far more than 10s. per cent. to meet our commitments, and by so doing we should immensely enhance our credit with the people of the Old Country.

Hon. J. Ewing: The sinking fund does vary.

Hon. H. SEDDON: The fact remains that on loans to meet deficit we fixed a flat rate of 10s. per cent., which is not adequate when we consider reasonable wear and tear, and the losses made in administration. I have made no reference to losses in respect of State trading concerns. The State trading concerns that come under the heading of "Miscellaneous" are valued at £2,621,278, or 3.7 per cent. of our loan expenditure. The time has arrived when we should consider whether it would not be in the best interests of the State to increase that sinking fund contribution from 10s. per cent. to a figure that would more nearly represent the wastage in the various departments. From time to time reference has been made to our borrowing policy. Again and again has the attitude of the Australian States been questioned as to the amount of money they have been raising abroad. It has been pointed out that our people are living in a fool's paradise, because that loan is going into public expenditure and so is being circulated amongst the people. When we compare the standard of living in Australia we find that although high it is not anything like so high as is to be found elsewhere in countries that have for their watchword the principle of efficiency. If, in spite of our borrowing policy, we have not reached a higher standard, it is an indication of our attitude towards production, an indication that we should revise our policy of borrowing and concentrate on the more important aspect of raising the efficiency of our people and increasing our production per head. I contend we should be in a far better position in the course of a few years if, rather than pursue this policy of borrowing, which is open to ser-

ious condemnation, we should rely more upon our own resources.

Hon. J. Ewing interjected.

Hon. H. SEDDON: I do not think so. If the hon. member will refer to the Quarterly Statistics, Table, 30, he will see that the production of Western Australia has increased considerably during the last few years. I contend that the impetus gained there will be maintained, even if we spend no more loan money. There are thousands of acres that have been brought into production, and will remain in production. As a result, the increased wealth won will be available for distribution amongst the people. Consequently if we were to refuse to continue our foreign borrowing policy and on the other hand restricted our loans in years to come to sufficient simply to meet the immediate requirements, we should be doing well. As an indication of the position we occupy to-day, our public debt amounts to £195 per head of the population; that is without taking into consideration our sinking fund. The figures I have quoted show that depreciation is just about equal to the amount of the sinking fund. The annual charge incurred for interest and sinking fund as at the 30th June, 1926, is £8.57 per head. Place that on a basis of a family consisting of a man, his wife and three children, and every family in the State is bearing an annual charge of £43 per head as the result of the interest and sinking fund charges on our public debt. Our loans do not incur sinking fund until four years after they have been raised. In consequence, this amount of £3,298,000 does not represent the total amount incurred under that seven millions of loan. The time has arrived when we should revise our borrowing policy. We have entered or we are entering on an era of prosperity not previously attained. So we should be able to carry to a large extent our future development from revenue. I say we should limit our programme of borrowing to the amounts we can raise internally. If we did this, whilst we might suffer a certain temporary check in respect of public works, at any rate we would revise our spending policy and concentrate it on reproductive works, greatly to the advantage of the State. To-day there is a tendency to spend money on providing employment rather than with a view to developing the wealth of the country. I desire to take this opportunity to lodge a protest against the borrowing policy

that has been followed for many years past. The House would be well advised to take that aspect of our finances into consideration.

HON. J. EWING (South-West) [5.24]: I am surprised at the attitude of the hon. member. If his suggested policy were carried out, there would be very little advancement made in the State. He advocates restricting borrowing, and developing the country from revenue. I do not know how the country could go ahead under that policy.

Hon. H. Seddon: Do you question my figures?

Hon. J. EWING: Not for a moment. I am surprised at the hon. member contending that the assets and liabilities do not agree. If our assets were to be thoroughly examined, we should find that they greatly exceed our liabilities.

Hon. H. Seddon: Assets on which public moneys have been expended?

Hon. J. EWING: Of course, locomotives and things of that sort require depreciation and even renewals, but gradually those things level themselves.

Hon. G. W. Miles: Do you claim that the assets have appreciated to an extent exceeding the deficit?

Hon. J. EWING: I certainly think the assets are greatly in advance to the liabilities. Mr. Seddon referred to what has happened in the Old Country over Australian borrowing. That has been ably answered by the Prime Minister, Mr. Bruce, and by our own Agent-General. I am surprised at Mr. Seddon, because he is quite progressive in his ideas. He seems to have gone back on that view. Nothing will make for the advancement of Western Australia so much as the policy now being carried out. If borrowing is to be restricted, and cheap money not to be taken advantage of, we had all better get out of the State.

Hon. V. Hamersley: What do you call cheap money?

Hon. J. EWING: Money at 1 per cent. The Minister has told us that a large portion of the money to be borrowed in future will be at only 1 per cent. for the first five years.

The Chief Secretary: I said a fair proportion of it.

Hon. J. EWING: Well, we are now getting money at 1 per cent. for the first five years and, say, at 1½ per cent. for the next five years. Consider that as against the money we borrowed not very many years ago, for

which we had to pay 5 per cent. and even 6 per cent. We are continually building railways to develop the country, notwithstanding which Mr. Seddon says we should wait for ten years or 20 years till we have sufficient revenue for these works. The Minister the other day told us the gross debt was seventy millions, and the sinking fund ten millions, or a net indebtedness of sixty millions, equal to £150 per head of the population. He also told us the deficit is gradually being decreased. That is so, and it is to the credit, not only of the previous Government, but of the present Government.

Hon. H. Seddon: What! Having a deficit?

Hon. J. EWING: It is to the credit of the present and the previous Government that the deficit has been reduced. It shows that the government of the country is being carried on very well indeed.

Hon. G. W. Miles: How can you make out they have decreased the deficits, when they are £90,000 behind?

Hon. J. EWING: During the last two years the previous Administration decreased the deficit by £503,000, while the present Administration have further decreased it by £130,000.

Hon. G. W. Miles: No, it has been increased.

Hon. J. EWING: It has not. The Government expect that during the present year the deficit will be wiped out. Of course, that deficit should have been wiped out in the second year of the present Government's regime. The previous Government would have finished in that year had they remained in office. It is a fair deduction to make. I congratulate the Government upon the fact that the deficit is likely to be wiped out this year. That position should satisfy members.

Hon. G. W. Miles: You do not mean that the deficit itself would be wiped out, do you?

Hon. J. EWING: The hon. member knows what I mean. The actual deficit, which has for the most part been funded, amounts to about £6,000,000. I am not talking about that, but about the difference between revenue and expenditure. The loan expenditure proposed for this year is £4,832,000. That is a large expenditure. Members should consider what has to be done with the money. Rolling stock will account for £121,000, the fifth unit at the power station will account for £100,000, and the tramways another £100,000.

Hon. G. W. Miles: Do you think it is right that the Government should erect a power station at Collie?

Hon. J. EWING: I have for many years advocated the big scheme at Collie, the first section of which will be before us in a few hours. The fourth and fifth units at the Perth power station represent so much waste money.

Hon. G. W. Miles: Exactly.

Hon. J. EWING: I have even moved a motion in this House that the necessary inquiries into a power scheme at Collie should be made. I did not receive the support I expected at the hands of members.

Hon. C. F. Baxter: Could you not get the Government to move when you were Minister?

Hon. J. EWING: They did move, and it is because of what they did that the Bill will come before us.

Hon. C. F. Baxter: How much did they do?

Hon. J. EWING: Never mind what they did. I will not anticipate what I shall have to say on that Bill. Mr. Seddon spoke about restriction as to borrowing. Several railway Bills have passed through Parliament of late years. These railways will make for the development of the State, and are the only things that will largely advance the State. We can see, therefore, how wrong a non-borrowing policy would be. It is probable we shall get a certain amount of this loan money at 1 per cent., to be used for the construction of railways. If we do not build railway lines the State will soon be in a bad way. We must push ahead. The only thing that is worth while is to borrow properly and expend judiciously. The State will always be doing well if it can borrow money, and spend it to advantage.

Hon. V. Hamersley: You borrow money for one thing and spend it on something else.

Hon. J. EWING: That may be so.

Hon. G. W. Miles: A couple of years ago we passed a Bill for the construction of a railway from Pemberton to Denmark, but it has not yet been built.

Hon. J. EWING: I wish to refer to our harbours. A sum of £10,000 is provided in connection with the Esperance harbour. I hope it will be possible to make an excellent harbour there, for the settlers already established and those who are to follow will require an outlet for their produce.

Hon. G. W. Miles: They have a harbour.

Hon. J. EWING: It has been said that it will cost a good deal of money to make the harbour suitable.

Hon. C. F. Baxter: The jetty has been put in the wrong place.

Hon. J. EWING: A start has been made with this £10,000. If the land is to be developed, harbour facilities must be provided. For Fremantle and Geraldton sums of £50,000 have been provided, but only a paltry £15,000 for Bunbury.

Hon. C. F. Baxter: It is not necessary to spend more there.

Hon. J. EWING: Apparently the harbour at Bunbury, the development of which will be necessary if the South-West is to make proper progress, is in jeopardy. I refer to the report of Sir George Buchanan, who has thrown a serious light upon the port. I hope the Government will be able to overcome the prejudice engendered by this report. Sir George Buchanan was asked for a report on a scheme that would provide for the necessary expansion of the port of Bunbury, including facilities for wheat handling, cold storage, coal bunkering, and timber export, having in view the advantages of wharf frontages as against jetty accommodation, providing for a depth of 30 feet below low water mark, with a possible further deepening to 35 feet, and measures for the prevention of silting of the present harbour. The reply is not satisfactory. The report has not yet been laid on the Table of the House, for I suppose it is not yet in the hands of the Government. He did, however, make a report which was published on the 9th October last. He said that Bunbury could be made into a first class port, but only at great expense, both in the matter of initial cost and subsequent maintenance. He went on to say that when the figures were before the Government it would be for them to consider the action to be taken, bearing in mind the financial possibilities of the port. I am looking forward with interest to seeing the detailed report, and ascertaining what justification there is for it.

Hon. G. W. Miles: There can be only one opinion about that.

Hon. J. EWING: It must be in favour of Bunbury. If we are going to develop Albany to deal with the products of the South-West it will be no good for that part of the State. Bunbury is capable of becoming a very important port.

Hon. G. W. Miles: At considerable expense.

Hon. J. EWING: It costs money to make every port efficient.

Hon. A. Burvill: Not in the case of Albany.

Hon. J. EWING: The Engineer-in-Chief is preparing plans, and we hope as the outcome of his report that the Government will give us something in the nature of a good and commodious harbour at Bunbury. In view of the development that is going on in the South-West it is time the prejudice against that port was overcome. Group settlement has been a great adjunct to the development of the South-West, and is going ahead well. In view of this I was surprised at the remarks made by Mr. Holmes the other evening. If he would only read the papers, and take an interest in that part of the State, he would see what the scheme was doing. Last Saturday we read of the opening of a butter factory at Manjimup. That is a great advancement.

Hon. G. W. Miles: And a cheese factory too.

Hon. J. EWING: Mr. Holmes says that never before has three and a quarter million pounds been put into such a bad proposition as this group settlement. The hon. member and I have been at hots before on this question. I hardly think he could have considered what he said. There has been wonderful work and development in the South-West. He goes on to say that the loss will be not tens of thousands, but hundreds of thousands of pounds. He is a man who is well thought of, and whose word carries some weight. He said the time had come when we should cry a halt and not put these millions into group settlement. I was very interested in the recent visit of the Empire Parliamentarians. On that occasion the Minister for Lands made an interesting speech. Mr. Holmes was not in the State at the time or I think, had he read that speech, he would not have made the statement he did. He should read that speech, and learn what has been done in four years in the South-West. He would then see that there was every justification for the expenditure.

Hon. E. H. Harris: Do you think he is easily converted by a speech?

Hon. J. EWING: Not by a speech, but by pure, unadulterated facts. The Minister for Lands said that there were 135 group settlements, containing 2,275 settlers, who ac-

counted for a population of 9,580. The area developed represented 352,462 acres of land which four years before was forest. There were 1,903 cottages, and 913 dairy buildings, which showed how dairying was going on. The area under pasture was 50,000 acres.

Hon. G. W. Miles: Do not the cows go dry down there?

Hon. J. EWING: The hon. member would also have known what stock have been brought into that part of the State during the past four years. For instance, 192 pedigreed bulls were taken down there, 9,000 cows, and 3,000 pigs.

Hon. E. Rose: There were not 9,000 cows brought into the State.

Hon. J. EWING: A great many were brought in, but that number was sent to the South-West. The fact that the settlers are already sending cream to the factories shows how wrong it is for members to say we should not spend money on this class of work. I hope that Mr. Holmes will read what has been said on this matter, and pay particular attention to the figures quoted by the Minister for Lands. He will thus learn what has been and is being done in the South-West, and will realise that it is the best work of its kind that has ever been undertaken in Australia.

HON. W. T. GLASHEEN (South-East) [5.43]: I listened with a great deal of pleasure to Mr. Seddon's speech, and also to Mr. Ewing's remarks. Mr. Seddon appears to express doubt as to our assets in relation to our liabilities. We should not be greatly concerned in that regard. I have noticed that while our assets might not be as great as our liabilities, those people who are in the best position to judge—I refer to those who lend the money, and make all investigations before doing so—seem perfectly satisfied with their securities. We have always found, when the State has gone on the market, that we can float a loan as readily and on terms as good as is the case with any other State of the Commonwealth or any other part of the world. The arguments used by Mr. Seddon appear to be quite out of step with the facts. If we review our assets in comparison with our liabilities, it will be readily agreed that we have a wide margin of assets over liabilities. However, it is not only from that aspect we should judge the position. We should also judge it with regard to the amount of devel-

opment work and its results. We should look at the results from loan moneys, especially having regard to the 30-million bushel harvest we are about to enjoy and the huge quantities of wool we are about to export. The expenditure of loan moneys has enabled the State to achieve those results. Mr. Seddon would do well to consider our assets from that aspect rather than from the aspect of public buildings. If he does that, then he, like the lenders of money in other parts of the world, will be satisfied with what Western Australia has got. Mr. Ewing expressed surprise at Mr. Seddon's desire for the curtailment or abandonment of the borrowing policy. Mr. Ewing seemed to think that this would be a breach of faith. I could not read any such intention into Mr. Seddon's remarks. To my way of thinking that hon. member showed himself far more progressive than Mr. Ewing, inasmuch as Mr. Seddon said he considered the borrowing policy might be continued so long as we went on with efficient production. He contended that while we borrowed millions of money it was necessary, if corresponding results were to be obtained in trading and revenue, to adopt up-to-date and efficient methods. Anyone who has read the pamphlet circulated regarding the results of efficient methods in America must be convinced that there is great need for our adopting similar principles. The pamphlet particularly sets out, and clinches the argument from page to page, that where men are given a job to do and are given money in proportion to the amount of work they do, the result has invariably been great national prosperity. Where that policy is in force and is accepted by capitalists and by those who use capital, it has had the effect of raising the wages of those who work far above any trade union demand or arbitration award. If a similar policy is adopted in a developmental State such as Western Australia, one gets that internal revenue and internal wealth which does away with the necessity for overseas borrowing. The sooner we abandon the policy of endeavouring to get our revenue and our standard of living out of politics instead of out of what we do, the better it will be for the State. If that change is brought about, there will be no need to go on the London market periodically for four or five millions of money. Mr. Seddon's views in that respect seemed to me more progressive than those of Mr. Ewing, who practically said that we should grope in the dark and borrow

millions while continuing our inefficient processes.

Hon. J. Ewing: We will never get anywhere without a borrowing policy.

Hon. W. T. GLASHEEN: There is another statement of Mr. Seddon to which I cannot subscribe. Speaking of the Agricultural Bank, he said that numerous settlers had abandoned their holdings.

Hon. H. Seddon: Mr. Holmes told us that the other day.

Hon. W. T. GLASHEEN: Mr. Seddon told us it, too.

Hon. H. Seddon: I quoted Mr. Holmes.

Hon. W. T. GLASHEEN: Mr. Seddon said that because of that fact practically the whole of the amount advanced by the State on farms subsequently abandoned had been lost. When a person says that, he practically asserts that the abandoned farms are of no value whatever. We all know it to be a fact—it has been expressed by the officials of the Agricultural Bank and the Industries Assistance Board—that during the last three years, because of developmental work made possible by the expenditure of loan moneys—railways, water supplies, and facilities for production—and also because of the great demand for land consequent on our territory being the cheapest agricultural land in the world, our farms have appreciated almost to the extent of wiping out the big dead loss which we were supposed to be incurring a few years ago. I do not subscribe to the view that that money is lost to the State if the Government, while borrowing money for developmental work, will at the same time pay the necessary attention to our internal industrial processes. We have an instance of what has been achieved in America.

Hon. V. Hamersley: By private enterprise.

Hon. W. T. GLASHEEN: By private enterprise or any other enterprise. If American industrial processes are adopted in this young country we shall get similar results, that is to say, internal revenue and internal wealth which will obviate the necessity for going abroad to borrow. There is one broad fact which we have heard mentioned time and again, and which I should like to reiterate now. I refer to the result of the enterprise of Henry Ford, the enterprise that has made him the wealthiest man in the world. He has never had a strike in his works. He has never paid anything near

so small a wage as the industrial unions demand. He has given the public a motor car that the public can buy. While people talk about the vast wealth of Henry Ford, I doubt whether he has so much wealth in his pocket as any member of this Council. All his wealth has gone towards permeating the great organisations which create further wealth for those using the facilities that money will provide. Henry Ford's wealth scattered about among the people would not create half the amount of employment that it creates under existing conditions. If American methods were introduced here, we would get internal revenue and internal wealth. I hope, therefore, that attention will be paid to the internal efficiency problem.

HON. J. E. DODD (South) [5.55]: It is not often that I speak on a financial Bill. I feel that many other members are better able to deal with those matters than I am. I have, however, listened carefully to various members who have spoken. I always listen most carefully to Mr. Holmes, because I realise that however pessimistic he may be, he always pays great attention to the subject of finance, and that his words are to be treated with respect. There was one point, however, on which I could scarcely follow Mr. Holmes, and that was in regard to group settlement. Mr. Holmes seems to think that the people of the present moment are to be responsible for the whole of the money spent and to be spent on group settlement. I cannot agree with him there. In regard to such a large operation as group settlement, which involves so much work and the expenditure of so much money, and which will be of value for a hundred years to come, it is hardly right to view those living now as bearing the whole of the cost. Group settlement will be of value to Western Australia when this generation is dead and gone, when many other generations are dead and gone. Posterity will reap the benefit of what is now being done. There are one or two other points I wish to touch upon. For the Esperance harbour works an amount of £10,000 is provided. The Government might have provided a little more. Undoubtedly Esperance has a great future. The harbour is splendid, and if the Government are in earnest as regards making Esperance no less than Albany a port for the output of the south, they will certainly

require to spend a great deal more than £10,000. Again there is a good deal of agitation at Ravensthorpe as to the charge which the Government are making for the carriage of wheat to Fremantle. Meetings are being held at this centre even now to protest against the charge as excessive. I sincerely hope something will be done to reduce the charge to ls. per bushel from Ravensthorpe to Fremantle. The present charge makes wheat growing in Ravensthorpe district almost impossible. The Government would not lose much if they reduced the charge by one-half or even more. Then as regards the Esperance railway. Surely no railway has ever had so chequered a career as this particular line. I really do not know whether it is possible for the railway ever to be finished. For the last 25 years it has been before the people of Western Australia, and it is still before them. Some time ago I asked a question as to whether the line was likely to be completed in time for the Christmas traffic. I was informed that no guarantee could be given on that point. If the Government could only get the Esperance line out of the road, it would be to the benefit of the people of Western Australia. I sincerely hope the Minister in charge of the work will do something to hurry it on. Then, probably by next Christmas or the Christmas after, he may be able to say that Esperance is linked up with Kalgoorlie and so with the railway system of the State and of Australia.

Hon. G. W. Miles: Next year they will be doing only a quarter of a mile a day.

Hon. J. E. DODD: I think more money might have been placed upon these Loan Estimates for necessary works throughout the province I represent. Nearly all the new wheat lands now available are in that province, and quite a number of public works are needed there.

HON. J. CORNELL (South) [6.0]: The question whether or not we shall continue borrowing, and where our borrowing policy is likely to land us, is more or less an academic problem. It is one that may please the pessimistic section of the community to a very large extent. The problem will have little bearing on the optimistic section of Western Australia, who take as their slogan "Bank on your State and you cannot go wrong." There is no gainsaying the fact that the position Western Australia finds it-

self in to-day, with its meagre population scattered through its vast territory with over 2,000 miles of seaboard, means that we must do one of two things. We must either stand still, which will mean that the State will retrogress, or else we must borrow money to develop our great natural resources. If we adopt the latter course, we will do as the pioneers of the past did and trust to the future. Those pioneers were not afraid to borrow and to bank upon the possibilities of the State. I can cite three great instances of that spirit in a statesman who has gone from us. He banked on the possibilities of the State with three of the great enterprises that have done so much to bring Western Australia to its present stage of prosperity. Had that statesman taken cognisance of the current public opinion of his day, he would not have found in that opinion the slightest justification for committing the State to the expenditure involved in his works. I refer to the late Lord Forrest. He committed the State to expenditure on the Fremantle Harbour scheme, on the extension of the railway from Northam to Southern Cross and then to Coolgardie and Kalgoorlie, and finally to the expenditure on the Coolgardie water scheme. Had he listened to pessimists instead of adopting the broader view of things, those three works would never have been started. It is only by taking chances that we succeed. Those three great enterprises alone stand as monuments to the foresight and breadth of vision that the late Lord Forrest possessed. Would that we had more persons in Western Australia to-day who possessed the broad vision that Lord Forrest had! There are one or two phases of the Bill that I will deal with briefly. The future development of the State cannot be fostered without taking a broad view of the position and banking on the future. With respect to agricultural lands, we have almost reached the limit of land available for wheat growing in close proximity to existing railways. We have come to the parting of the ways. We must determine whether we are to continue the policy of the past in allowing people to go out 30 or 40 miles from a railway without any provision being made for water supplies or transport facilities. On the other hand, we must decide whether we shall reverse that policy and strike out in a direction indicated by the Minister for Lands recently, and build railways ahead of settlement.

Hon. W. T. Glasheen: That has been talked about for over ten years.

Hon. J. CORNELL: It could be accomplished only by a vigorous policy and a large expenditure of loan money. I have come to the conclusion that if it is justifiable to allow people to settle on agricultural lands away from existing facilities, it is equally justifiable for us to provide those facilities at an earlier stage. Sometimes we are asked why we do not follow the example of America where private enterprise constructed railways ahead of settlement under the old land grant settlement. Private enterprise in that instance banked on the future, and they have come into their own since then.

Hon. W. T. Glasheen: And have monopolised the land alongside the railways.

Hon. J. CORNELL: In Western Australia we are in the happy position of railway transport being a function of the State. We are committed to a policy of State-owned railways, whereas in other countries private enterprise controls those facilities. If it is good for private enterprise to bank on the future and build ahead of settlement, it is equally good for the State to embark upon a similar policy.

Hon. V. Hamersley: But the work must be done by contract!

Hon. J. CORNELL: That is so. While on that point for the moment, I wish to point out that I am one of those who endeavour to change their views and keep in stride with the general opinions of their day. I have no set convictions in the sense that if any hon. member opens my eyes to a greater vista than I have been able to discern in the past, I am prepared to scrap the past and chance the future. We have reached a stage in the development of Western Australia where we must either cry a halt and bank on group settlement in the South-West, or take a chance with opening up a vast area of agricultural land ahead of settlement. There are millions of acres in the south-eastern corner of the State that are suitable for a scheme of that description.

Hon. G. W. Miles: That is what we want to get on to.

Hon. J. CORNELL: There is a large territory, extending south-eastward from Narrobin to Duke of Orleans Bay, that can be developed. It would be necessary to adopt a vigorous policy regarding the provision of water supplies and transport facilities. If that policy of opening up the country ahead of settlement were adopted—there is no more ardent advocate of that policy than the present

Minister for Lands—the future development will help to keep the State in the favourable position it now occupies, and will attract a larger population, leading to a greater outlook for the State than is possible under existing conditions. In advocating such a policy, I do not desire to disparage the group settlement scheme at all. So much for the general policy that should guide us in the future. There are other phases that I could deal with such as, for instance, the development of the North-West.

Hon. G. W. Miles: That is a national question; it is too big for the South-West.

Hon. J. CORNELL: There is no gainsaying the fact that the land that still remains unalienated in the State constitutes an asset that is more than a full set off against all our loan moneys to-day.

Hon. G. W. Miles: It is worth ten times as much as our loan indebtedness.

Hon. J. CORNELL: We form the only part of the British Dominions, apart from the stretches of Northern Canada approaching the Arctic Circle, where there is such an extensive unalienated tract of country still remaining in the hands of the State. I join with Mr. Dodd in his references to the Esperance Harbour. There is an item on the Loan Estimates for £10,000. I know that the Government are fully aware of the situation and Esperance and that the Engineer-in-Chief and the Minister for Works realise that a new jetty is required there.

Hon. C. F. Baxter: But in a new position.

Hon. J. CORNELL: It is providential that the present jetty is standing to-day. Anything is likely to happen to it, and much more than £10,000 will have to be spent on harbour facilities at the port of Esperance.

The Chief Secretary: There is more provided.

Hon. J. CORNELL: I hope that any Government who may be in power will be prepared to provide improved harbour and jetty facilities there. There is another point regarding the wharfage charges at Hopetoun. I recognise that that is rather a delicate question to take up. The charges work out at about 1s. per bushel.

Hon. V. Hamersley: On wheat?

Hon. J. CORNELL: Yes.

Hon. G. W. Miles: That is the whole charge round to Fremantle.

Hon. J. CORNELL: It is not a legitimate charge. It represents an impost upon the settlers of the Ravenshorpe and Hopetoun districts that does not apply in any other

part of the State. We who represent the wheat growers in that part of the State realise that something must be done.

Sitting suspended from 6.15 to 7.30 p.m.

Hon. J. CORNELL: During the tea adjournment fellow members were kind enough to direct my attention to certain terms I employed, which constituted a murdering of the King's English. I thought the terms were mild until I saw Dr. Saw make a hasty exit, and then I concluded that they must have been atrocious. I was touching on the charges levied on the wheatgrower in the Hopetoun district*and referred to them as an impost that no settler in any other part of the State was called upon to bear. I am assured that the charges for freight for the 38 miles of railage from Ravensthorpe to Hopetoun, for loading the wheat on to a State ship and its transport to Fremantle amount to 1s. per bushel. When that charge is compared with the railway freight from other wheat-growing districts which, I believe, works out at not more than 6d. per bushel, members will realise the handicap that is being imposed on the settlers pioneering the Ravensthorpe district. I recognise there are difficulties at the port of Hopetoun that are hard to overcome. A similar set of circumstances presented themselves at the port of Esperance until last year when the difficulty was overcome by the Westralian Farmers Ltd. chartering a sailing ship that also had auxiliary power to call at Esperance. That reduced the charges substantially, and I understand that a like arrangement will be made again this season. The value of the State Shipping Service to the South-East ports must be admitted; they could not function without such a service. The manager of the State Shipping Service endeavours to get a reasonable return for the services rendered, but the problem confronting that part of the State lies outside the power of the State Shipping Service to remedy and really becomes a State matter. Should not the Government, in their efforts to develop that part of the State, give further relief to the settlers? It cannot be gainsaid that there is not another portion of the State that can excel Ravesthorpe district for wheatgrowing and mixed farming generally.

Hon. A. Burvill: It is only 160 miles from Albany, and the remedy is to link it up with that port.

Hon. J. CORNELL: It costs an enormous sum of money to maintain the Ravensthorpe-Hopetoun railway.

Hon. A. Burvill: Over £7,000 a year.

Hon. J. CORNELL: The railway was not built for the purpose for which it is being used to-day. It was built purely and simply as a mining railway in the palmy days of Ravensthorpe. We have been told that when the turnover increases, some adjustment will be made, but some adjustment is due now, and I trust the Government will review the situation at the earliest possible moment. If the representatives of the South Province can be of any assistance in solving the problem, their services will be at the disposal of the Government. I congratulate the Government on having included an amount for the construction of two authorised railways in South Province, namely the Kalkalling to Bullfinch and the Lake Grace to Kalgarin lines. The latter particularly is urgently needed. There are settlers in the Kalgarin district 40 miles from a railway. That cannot be allowed to continue, and the sooner it is remedied, the better it will be. I hope an early start will be made with the construction of that line. I congratulate the Government on having provided £50,000 for the development of mining, including boring for coal, miscellaneous, and prospecting. I have been a member of the State Prospecting Board for the last seven years. The board is representative of the Mining Association, the various mining interests in and around Kalgoorlie, Meekatharra and Mt. Magnet, and the Returned Soldiers' League. The board meets fortnightly and gives one to three hours per meeting in an honorary capacity to the work. It has disbursed in the vicinity of £50,000, and what is the result? I candidly admit that the result has not been too great, but the fact remains that prospecting is going on and the recent discovery at Glenelg Hills is a direct result of assistance rendered by the board. If the find at Glenelg Hills turns out as well as it promises to do, it will be impossible to judge its value to the State. It is hard to estimate what might be done with the £50,000, but the fact remains that boring operations are being continued and the board is still functioning. The success of the board's work is largely governed by the material with which it has to deal. It is rather depressing to have to say that the old prospectors are slowly but surely dying out. It is unfortunate for the State

that that should be so. An amount of £100,000 has been provided for the electric power station at East Perth. As one who has been privileged to realise what electric power means to a community, I am of opinion that that amount could well have been increased to half a million—

Hon. G. W. Miles: It is proposed to expend additional money on electric generation at Collie.

Hon. J. CORNELL: I was about to say that it could well be increased to half a million in the State. The sooner we convince ourselves of the value of electric power, the better it will be. In the metropolitan area the use of electric power is almost a luxury whereas it should be regarded as a necessity for lighting, heating and domestic purposes. It can become a necessity of every home only by cheapening the cost and increasing the turnover. When one travels and sees the benefits accruing from the supply of cheap power, particularly to lighten the duties of the housewife, it is a revelation.

Hon. Sir William Lathlain: It is the utensils that should be cheapened. The charge for current in Perth is very cheap.

Hon. J. CORNELL: The City of Winnipeg supplies power for lighting purposes at 1½d. per unit. Think what it would mean to the community if it could be supplied at that rate here and used for heating and domestic purposes in every home.

Hon. J. J. Holmes: The City Council pay the Government only half of that amount for it.

Hon. J. CORNELL: I have been taking some interest in the question of reduced tramway fares in the metropolitan area. There is only one logical way to tackle the question, and that is on a flat rate basis. The man who lives within 20 yards of the Perth Town Hall should not be benefited at the expense of the man who lives five miles distant.

Hon. A. Burvill: Why not apply that to the railways?

Hon. J. CORNELL: There is no analogy between the two. The tramways have only one class of work to do and that is to transport passengers. The railways, on the other hand, have to transport freight as well as passengers. It is ridiculous that we should have a penny section for the benefit of the man living close to the city, while a man living a few miles out should have to pay a fare of 4d. or even 5d. In other parts of the world cities with a population of 150,000

have adopted the flat rate, and that rate applies to cities having a population up to 5,000,000 or 6,000,000. There is one other phase of the Loan Bill to which I wish to refer and that is group settlement. There is an item on the Loan Estimates for group settlement amounting to £1,500,000. I am given to understand that the total commitments on group settlements to-day run into about £5,000,000. I am not one who desires to decry the State or to decry group settlement, but I ventured this opinion some time ago, that group settlements is one of the greatest experiments ever attempted in Australia. I have no wish to pose as an alarmist, but when I meet and converse with men who are in a position to know, and who act in administrative capacities, and hear them say they are fearful of this ever-increasing expenditure, I wonder then where it is all going to lead and what return we shall get. There is no gainsaying the fact that although we are committed to this experiment it is about time we called a halt and endeavoured to bring a portion of the scheme to a condition of productivity. To go on as we have been doing in the past without any true sense of responsibility and realisation, is wrong. I do not wish to appear as a carping critic, but I can see no immediate substantial return from group settlements, nothing that will help us to reduce materially the imports of dairy products from the Eastern States. Remembering how the dairying industry was established in the Eastern States, and knowing as we do how it became established in Western Australia, we have lost sight of this salient fact, that the psychology of the generation of to-day is not the psychology of the generation of those days, when the dairying industry was put on a sound footing in Victoria, New South Wales and Queensland. Moreover, the causes that led to the development of the industry on sound lines in those States do not appear with us to-day. It was a necessity to undertake the industry in those days. That was some 25 or 30 years. If we made a retrospect of the past we would find that the young people of Australia are not prepared to do to-day what the young people of Australia did 25 years ago. That is going to be the greatest factor that would have to be overcome in respect to group settlements. I wish group settlement every success, but for the life of me I cannot see that the success is going to be in any way commensurate with the great outlay that has taken place. In my

humble opinion, the position can only right itself as we go along and as we profit by experience. There was a time in the history of group settlement—Mr. Holmes, Mr. Gray, Mr. Lovekin, and Mr. Moore were also of this opinion—when I urged that the control of group settlement, considering the amount involved, should be placed in the hands of a capable trust or commission, a body of experienced men who would have nothing else to do but to organise and control the scheme. The officers who have done all the work to date cannot be expected to give to the scheme the consideration that it deserves. I am more than ever convinced that had the group settlement scheme been administered from the commencement in the way I suggest, the money saved in a score of different directions would have more than paid the high salaries and other expenses incurred by the appointment of such a commission. The scheme is not going to be self-supporting for many years, even though it is capable of greater expectations than I imagine. To-day it is being administered by officials of the various departments. There is a general desire to cease that form of administration and hand the scheme over to the Agricultural Bank. The bank, it is generally admitted, is controlled at the present time by three very capable men, but the scope of the bank's activities is such that the trustees are worked to the fullest possible extent. Even at this late moment I urge that the present policy be overthrown and that we appoint full time men who are au fait with all matters connected with an undertaking of that character. I may be permitted to make a comparison. Though we have invested so much money in group settlements, I venture the opinion that we should use every endeavour to open up that tract of country running from Narembeen in a south-easterly direction and from Newdegate eastwards and lose no time in settling people there. If we follow that course, that part of the State will be a paying asset long before the south-western corner of the State can be expected to show satisfactory results. In conclusion I urge that simultaneously with the pushing ahead of group settlement we should settle, wherever possible, the agricultural parts of the State, all those parts that will give us a quick return. If we do that then such a policy must prove a useful set-off against the policy being adopted in the south-western part of

the State where we shall not get full benefit from the expenditure for perhaps another 20 years. I support the second reading of the Bill.

HON. C. F. BAXTER (East) [7.55]: The ever-increasing borrowing that we are indulging in would alarm me were it not for the fact that practically all the money to be raised by way of loan is to be on this occasion used for developmental purposes. One cannot but congratulate the Government on their policy in that direction. We require a great many railways to open up the agricultural parts of the State. Indeed, looking at the list of railway Bills, one is reminded of mushrooms that spring up after an autumn shower. One wonders what will happen early next year. I was interested to hear Mr. Cornell mention the position of Ravensthorpe and the cost of transporting wheat from that district to Fremantle. He told us that the amount was 1s. per bushel. If that is correct, wheatgrowers at Ravensthorpe are engaged on what must be an impossible proposition. If that is the expense that is involved in removing wheat to Fremantle then the farmers in that district require heavy crops indeed before they can show a profit.

Hon. G. W. Miles: What about transhipping it to Albany?

Hon. C. F. BAXTER: I do not know that they would derive any advantage if that were done. The difference in the cost would not be so great. What the Government have to face in this direction is the fact that there are good wheat lands in the Ravensthorpe district, and efforts should be made to alleviate the position of the people who are down there and assist them to make a success of their holdings and so increase development. That policy would mean that the railway line which is now a losing proposition—a line that by the way has been termed a mining line—would clear expenses and perhaps eventually show a profit. I do not agree with Mr. Cornell that we should call a halt in our borrowing policy. We must borrow if it is our desire to make any progress at all. There are parts of the State at the present time where there are numbers of settlers who are in such a position that they cannot make full use of their land until they get transport facilities. The construction of railways would also influence

development in many ways. We have large areas of country that we must develop. We are still up against it in respect of virgin land for new settlers. It is improved properties that are being taken up to a considerable extent at the present time. That merely amounts to areas going from one ownership to another, and it is not good for the State. It would be much better if we could make use of the vacant lands, but we cannot do that until such time as we build railways to open up our areas. There are hundreds of thousands of acres not yet touched by railways; a number of those areas will in time be settled, but we can only bring about that desired result by a policy of railway construction. I am pleased to see the amount that has been set aside for agricultural water supply. I congratulate the Government on the policy they have adopted of supplying water from rock catchment areas. That policy will assist in development to a considerable extent, and together with transport facilities there should be a wonderful improvement in the development of our lands. A farmer cannot expect to make much progress if he is tied to his land to the extent of having to cart his produce a considerable distance and in addition to have to cart water as well. He is not able to utilise his time in the right direction, that is, the production of wealth from the soil. I was surprised to hear Mr. Holmes speak of the Wyndham Meat Works in the way he did. He said they might just as well be closed, for all the good they were. I am astonished that a representative of the North speaking like that of works that have been of so much benefit to the North.

Hon. J. J. Holmes: Of benefit to the men who work in them.

Hon. C. F. BAXTER: And to the beef raisers as well. I am only sorry that my small interest in the North is not located close enough to the works to allow me to get rid of my product. What are the beef raisers doing about producing a proper class of beef?

Hon. E. H. Gray: Very little.

Hon. C. F. BAXTER: I agree that the cost of the works has been too high. They are over-capitalised. But I do not agree that they should be closed. The men for whom they were constructed ought to be ashamed of themselves for not producing the right class of beef.

Hon. J. J. Holmes: I do not know whether you know anything about it, but you will find that up there the tick ruins every herd.

Hon. C. F. BAXTER: That has to be combated. We find the management of the works has to handle bullocks of 450 lbs. They cost just as much to handle as does a good weighty bullock. How, then, can the works show a profit.

Hon. G. A. Kempton: Did you say 450 lbs.?

Hon. C. F. BAXTER: Yes. That is a very good average for Wyndham beef.

Hon. J. J. Holmes: Absurd!

Hon. C. F. BAXTER: I wish Mr. Holmes would go into the figures and see the weights for himself. I am speaking of what I know.

Hon. J. J. Holmes: You are talking about the portions they export.

Hon. C. F. BAXTER: I am referring to the average killing weight. The works have this in their favour, that they can get rid of a class of cattle that they would not dream of shipping. Some of the beasts could not even be used for tinning; they are simply boiled down. The Wyndham Meat Works have been a godsend to the people up there.

Hon. G. W. Miles: A very expensive one.

Hon. C. F. BAXTER: Of course the works are over-capitalised, and so the expenses are far too high.

Hon. H. A. Stephenson: They have not been a godsend to the taxpayers.

Hon. J. J. Holmes: The Government have had to reduce the rent.

Hon. C. F. BAXTER: If the right class of cattle were produced there, the meat works, although over-capitalised, would not show so great a loss each year. As to talking about the heavy loss, what did members say when I wanted sound administration for the group settlements? Did they support me? No, they sat silent, or, alternatively, they called me a traitor and said I was not fit to sit in the House. I said then that the capital cost would run to £7,000,000. It has reached £5,000,000 now, and we are only half way. I was not decrying the group settlements, as Mr. Holmes has decried the Wyndham Meat Works, but was merely out to put the administration on a sound footing, for I realised that group settlement was perhaps the safest way of developing the South-West.

Hon. J. J. Holmes: The Royal Commission on which I sat reported on the question before you woke up to it.

Hon. C. F. BAXTER: I took my stand about group settlement before any Royal Commission was appointed to inquire into it. All that the Royal Commission on which the hon. member sat did was simply to back up my statements and make the same recommendations as I had previously made. Yet when I made my statement, politically speaking, I had not a friend in Western Australia.

Hon. J. Ewing: The Royal Commission did not do much good.

Hon. C. F. BAXTER: No, unfortunately they did not.

The PRESIDENT: Order! Please allow the hon. member to proceed with his speech.

Hon. C. F. BAXTER: There is not much left to be said; in fact I have gone farther than I intended. I am pleased to see the amount the Government propose to raise, for I realise it means so much to the development of the State. We have the country and we must develop it. By continuing the old policy of borrowing, the Government show they are seized of the position and are ready to take a step in the right direction. I will support the second reading.

HON. SIR WILLIAM LATHLAIN (Metropolitan-Suburban) [8.5]: The debate has been spread over a great number of items, but I will confine my remarks to those coming under the heading of "Other Undertakings," such as the State Implement Works, the Boya Quarry, the State Brickworks, the State Steamships, and the State Sawmills. Some time ago an Act was passed prescribing that no further moneys were to be spent on State trading concerns without the sanction of Parliament.

Hon. E. H. Gray: What are you asked for now?

Hon. Sir WILLIAM LATHLAIN: The Bill is asking us to sanction a further £259,500.

Hon. E. H. Gray: All the profits of the concerns have gone into Consolidated Revenue.

Hon. Sir WILLIAM LATHLAIN: Of that amount, £170,000 is for the State Steamship Service. I presume it is to pay for the new steamer. Without that amount there is still £90,000 of loan moneys for State trading concerns. This is to be borrowed to be put into those concerns. One of those concerns, one asking for £50,000,

is the State Sawmills. Here is an advertisement culled from the "Sunday Times"—

West Australian Timbers—Unequaled for all building purposes. Place your orders with The State Saw Mills and Joinery Works, Miller-street, Carlisle (late Victoria Park East). We carry full stocks of G.C. iron, builders' hardware, floorings, linings, scantling and joinery of every description. Our joinery is above all others for quality and workmanship. Our carts deliver anywhere in the metropolitan area. No order is too small or too large for our modern plant to deal with.

We are to borrow money in order to build up the stocks of this concern. Under Item 85, on page 6, it is proposed to borrow £25,000 for the State Implement Works. Looking at the balance sheet, we find that this concern shows a loss for the year of £1,650. At the inception there was a reduction of capital by £120,140. In addition to that they had stock on hand valued at £78,715. If I were running a concern like that and my manager came to me for £50,000, I would say to him, "You have £78,715 worth of stock. Take it out of that."

Hon. A. Burvill: What sort of stock?

Hon. Sir WILLIAM LATHLAIN: That is what makes me suspicious. I fear the stock is not worth the money, or they would realise on it.

Hon. E. H. Gray: That is a very serious statement to make.

Hon. Sir WILLIAM LATHLAIN: And it is very serious to borrow £50,000 to carry on a concern that has £78,715 worth of stock on hand. Now we get the Boya Quarry, on page 92. I have had something to do with quarries, for I was instrumental in purchasing the quarry that the City Council own to-day. Ever since, that quarry has been run at a profit, and has provided depreciation and sinking fund.

Hon. E. H. Gray: Municipal socialism.

Hon. Sir WILLIAM LATHLAIN: In the instance before us we find they have for the year a net loss of £849 17s. 9d. The auditor, in his report, says—

Boya Quarry.—The financial operations of this undertaking for the 12 months ended 30th June, 1926, show a loss of £849 17s. 9d., and an accumulated loss of £6,565 17s. 4d. . . Comparing the balance sheet with the previous year, which shows a loss of £2,367 14s. 5d., and the loss this year of £849 17s. 9d., there is an improvement of £1,517 16s. 8d.

That is what they call an improvement.

Hon. E. H. Gray: It is an improvement.

Hon. Sir WILLIAM LATHLAIN: An improvement from bad to worse. Still they have the front to come along and, under the Bill, desire to borrow a further £1,000 to carry on a concern that has shown a loss of over £6,000. In my opinion it is borrowing another thousand to throw into the sink. Then we come to the State Brickworks, on page 94. They have on hand bricks valued at £847 and they desire to borrow a further £10,000.

Hon. E. H. Gray: How much profit have they made this year?

Hon. Sir WILLIAM LATHLAIN: I do not care. Instead of borrowing money, let them take it out of their profits. Then there are the State Sawmills, on page 97. They desire to borrow £50,000, probably to make up the stock, out at Victoria Park, of sheet glass, galvanised iron and builders' hardware. We are to borrow money to carry on concerns like that! When we turn up their balance sheet we find they have on hand stocks valued at £203,907.

Hon. E. H. Gray: How much profit did they make last year?

Hon. Sir WILLIAM LATHLAIN: I do not care. They have no right to borrow money when they have that amount sunk in stock. They should sell their stock instead of borrowing money. Any sound organisation would be compelled to do that. But because they have the people of the whole of the State as shareholders, they think they can borrow as much money as they like. In the aggregate we are to borrow over £90,000 to put into this concern, which in the opinion of this House is contrary to the best interests of the country. Then there are other amounts for State hotels and tourist resorts. Surely some of these concerns ought to be able to find the whole of their requirements out of the profits they make, instead of our borrowing money to be spent on trading concerns. In my opinion it is a grossly immoral proposition. I doubt whether those from whom we are to borrow the money would lend it if they knew that it is to be put into these concerns. I desire specially to draw attention to these items, because I contend they are in direct opposition to the best interests of the people. I will not speak on the other items, because other members have already dealt with them.

Hon. J. J. Holmes: Will you not draw attention to the fact that they converted a million of trust money?

Hon. Sir WILLIAM LATHLAIN: We know that £120,000 was written off the State Implement Works by direction of the Mitchell Government when Mr. George was Minister for Works. Other members have already expressed an opinion regarding the other items.

Hon. J. J. Holmes: You know they have taken three-quarters of a million of trust money for these trading concerns.

Hon. Sir WILLIAM LATHLAIN: The money written off the State Implement Works, during the life of the Mitchell Government, came out of loan funds. It is commercially immoral to borrow money for purposes such as these.

On motion by Chief Secretary, debate adjourned.

ASSENT TO BILLS.

Message from the Governor received and read notifying assent to the undermentioned Bills:—

- 1, Reserves (No. 2).
- 2, Special Lease (Esperance Pine Plantation).
- 3, Legitimation Act Amendment.
- 4, Public Education Acts Amendment.
- 5, State Children Act Amendment.
- 6, Roads Closure.
- 7, Navigation Act Amendment.
- 8, Justices Act Amendment.
- 9, Wire and Wire netting.

BILL—SOUTH-WEST ELECTRIC POWER.

First Reading.

Received from the Assembly and read a first time.

Second Reading.

THE CHIEF SECRETARY (Hon. J. M. Drew—Central) [8.20] in moving the second reading said: This is a Bill to enable the Municipalities of Bunbury and of Collie to undertake, carry on and administer a large electric power scheme for their mutual advantage. In the first place it is considered that with the provision of electric power on

the spot the cost of working the Collie mines will be very much cheapened. In the second place, it is argued that transmission of electric power from Collie to Bunbury will save the latter municipality the expense of replacing its present obsolete plant, and at the same time confer great benefit on the ratepayers. The matter was fully investigated by a Committee appointed by Mr. Scaddan when he was Minister for Railways, and this Bill is largely based on its recommendations. The two municipalities have come to an agreement in connection with the proposed undertaking and they have had promises of assistance by way of loan from the Government. The result is this Bill which provides for the constitution of a trust, for the construction, maintenance, and management of the proposed works. The Bill will enable the municipalities of Bunbury and Collie to establish an electric light and power house plant at Collie and to operate within a radius of 40 miles of that town. The trust is to consist of five members, one of whom is to be appointed by the Municipality of Bunbury, one by the Municipality of Collie, and three by the Government. The term of office of members is to be three years, and the remuneration is to be fixed by the Governor on the recommendation of the municipalities. The trust is endowed with all the ordinary powers of such a corporation, as well as special powers necessary for its purpose. It will be given authority even to the extent of impounding the waters of the Collie river in the Minningup Pool. It is to be deemed a local authority under the Public Works Act, 1902, and the provisions of that Act are incorporated in the Bill. Those provisions will enable it to resume land. The municipalities will be empowered to raise a sum of £110,000, subject, of course, to the provisions of the Municipal Corporations Act. Of that amount £60,000 will be raised by the Collie Municipality and £50,000 by the Bunbury Municipality. The State Treasurer is to provide by way of loan an equal amount—that is, £110,000—under the Industries Assistance Act. This will bring the total amount up to £220,000, which is estimated to be the probable cost of the works.

Hon. J. J. Holmes: Who puts up the money first?

The CHIEF SECRETARY: The municipalities must put up the money first, and the State will find pound for pound in the shape of a loan, not a grant. Should the

works cost more than £220,000, as may happen, for such things have happened before—

Hon. Sir William Lathlain: What about the Wyndham Meat Works for instance?

The CHIEF SECRETARY: Then the municipalities will have power to raise their share in excess of that amount, and the Treasurer's contribution will be increased correspondingly on the pound for pound basis. The Bill will enable the trust to issue debentures to secure advances to the municipalities and the Treasurer. Provision is made for the trust to supply electric current to the municipalities in bulk.

Hon. J. J. Holmes: Who will have the first charge on the assets?

The CHIEF SECRETARY: The municipalities and the Government will rank alike; they will stand on equal terms. One of the main reasons which actuated Mr. Scaddan in appointing the committee, and, subsequently, in the committee recommending the scheme was a desire to advance the coal mining industry. There will be a big market on the spot for electric power per medium of the mines. Were it not for that fact, it is probable that the proposition might not have reached the stage of legislative action. It is provided that the trust shall pay interest on debentures and provide an amount equal to the annual contributions to the sinking fund for the redemption of the loan and to liquidate the advance received from the State Treasurer. The sinking fund will be established to clear off the amount issued by the Treasurer and provision will be made for a renewal fund. If there is any balance after a renewal reserve fund of £50,000 has been established, it will be divided between the municipalities. The Bill should cheapen production at Collie and be of great service also to Bunbury. It must be remembered, however, that if this Bill becomes an Act that Act will be inoperative until the ratepayers both of Bunbury and Collie have given their approval. They have to be consulted just the same as they would have to be consulted if an ordinary loan was being raised. Until the property owners of both municipalities have signified their assent, nothing can be done. The loans are subject to Part XXIV. of the Municipal Corporations Act, except that the restrictions as to the amount which may be borrowed do not apply, and except also that it will not be necessary to provide sinking funds for the repayment of the loans during the first two years after

they have been raised. Members representing the Bunbury and Collie districts will be able to speak with some authority as to how this legislation is regarded by their constituents, and as to whether it is likely to have a good result from an economic standpoint that its advocates foresee.

Hon. Sir William Lathlain: Is provision made for other municipalities to come in?

The CHIEF SECRETARY: No.

Hon. J. J. Holmes: Is there any time limit as to when the works should be started?

The CHIEF SECRETARY: Until they put up the money the Government will make no advance. The whole thing rests with them.

Hon. J. J. Holmes: Then they may never go on with it.

The CHIEF SECRETARY: That is the business of the two municipalities. It may be decided not to take action immediately. That is their concern. If they do decide to go on, and put up between them £110,000, it is expected that the Government will come to light with a similar amount. From what I can learn, every effort will be made to bring the question to speedy finality. I move—

That the Bill be now read a second time.

HON. J. EWING (South-West) [8.30]: The Leader of the House has clearly explained the provisions of the Bill, and it is not necessary for me to speak at any length. I wish to make a reference to the position obtaining at the Perth power station, and to show how wonderfully that undertaking has advanced in recent years. From figures I looked up to-day I find that in 1922 the consumption from that power station was 27 million units, whereas it is now at the rate of 50 million units annually. That is an increase of 46 per cent. during the brief period of five years, and in itself is sufficient to show how wonderfully the people of Perth and the surrounding districts appreciate the benefits of electric power. The Bill before us is one in which I am deeply interested. Speaking this afternoon on the Loan Bill, I referred to the advisability of securing information on such matters as the subject of this Bill. I referred to motions relating to a power scheme at Collie which I moved in 1920 and 1921. Those two motions either lapsed or were defeated, showing the small amount of interest taken in the question at that time. I was then advocating not the smaller scheme which the Minister has now submitted for our consideration, but a larger scheme, which appealed to me, and which

should appeal to every member of the Legislature and to every person in the country. Great things must be done if we are to get great results. The result of the larger scheme would be a reduction in the cost of electricity. When hon. members read and consider what is going on in other parts of the world, they must realise this. Let them bear in mind what is happening in New South Wales, where it is proposed to generate electricity at under a farthing per unit, transmitting it hundreds of miles. Let them recall what has taken place at Morwell, where electricity is generated and transmitted to the city of Melbourne with highly advantageous results. Let us also call to mind what has been done in the same connection in the Old Country. I acknowledge that it is not a good thing to look a gift horse in the mouth. I am indeed pleased that the scheme has come before us in its present form, which is the nucleus of the big scheme. At the time I moved my motions, the Mitchell Government, including Mr. Scaddan, told the advocates of the scheme that it was not feasible because sufficient circulating water could not be obtained in Collie. Mr. Taylor, the manager of the Electricity Supply Department, took up that position, and said on hundreds of occasions that in ten or fifteen years it would be time enough to go into the business. I could not obtain authority from this House to inquire into the subject. However, in 1923 Mr. Scaddan lent ear to the proposal, and consulted with Mr. Taylor. The result was that an examination was made of the Collie River and considerable surveys were undertaken. Thereupon the Government were satisfied that they would get at Collie not only enough circulating water for the scheme now submitted, but enough for a scheme to generate electricity for the whole State of Western Australia.

Hon. G. W. Miles: For the south-western part of it, you mean.

Hon. J. EWING: These facts show what a sad thing it is when people express opinions on something of which they know nothing. Those who have visited Collie know what a wonderful pool of water exists there, and how easily that pool can be augmented. Previous Governments turned a deaf ear to the proposal, but those who knew the position were aware what the results would be when the surveys were made. The present Government have now brought down this Bill, for which I thank them

most sincerely. If hon members will call to mind that it costs 13s. to transport a ton of coal from Collie to East Perth, they will readily understand that the total cost occasioned by coal transport amounts to between £50,000 and £60,000 per annum—an enormous expenditure. At the site of the fuel is the place where power can be generated cheaply. That fact was discovered in England during the great war. Hundreds of thousands of pounds were lost by reason of the scattered nature of power generation in the Old Country. The generation has now been concentrated, and the position is much more satisfactory. The Chief Secretary has set forth the details of the Bill, and I shall not endeavour to do so. In looking through the report of the committee appointed to inquire into the subject, I find that the cost of the scheme is estimated at about £216,000, and that the scheme is expected to pay practically from its inception. When the generation of electricity is doubled, however, the scheme is expected to return ten per cent. That will be in about two years' time. For a commencement the scheme is only expected to sell to the Collie mines and to the Collie and Bunbury municipalities about four million units per annum. That amount of trade, it is estimated, will involve no loss. But when the consumption is doubled, as is expected in the course of two years, and the scheme is generating and selling eight million units per annum, decent dividends will result. As the Minister has said, the scheme will greatly improve the position of Collie. It has one feature which cannot be regarded as an improvement, inasmuch as some of the mines will have to scrap their existing power plants. Some consideration must be allowed for that. Rumours of all sorts have been going about in the district and in Perth, but I believe the trust to be appointed under the Bill will be thoroughly satisfactory, and that no undue consideration will be shown to any particular mine. I believe, too, that the securing of the necessary fuel for generating power will be arranged on a sound, solid and fair basis. That matter, of course, will rest with those who may be appointed to the trust. To me the trust seems rather a large one, but I have no doubt it will prove satisfactory. We owe a good deal to those who have done the initiatory work of the scheme—Mr. Wilson, the member for Collie; Mr. Clark, Mr. King, Mr. Williamson, the electrical engineer; and Mr. Taylor, who is the prime mover in the whole

business. It must be said to the credit of Mr. Taylor that when in the Old Country recently he secured all necessary plans and specifications. He has everything in his office ready to start the scheme to-morrow morning. I have examined the plans, and Mr. Taylor has also gone thoroughly into the matter. Therefore, when the £60,000 to be raised by the Bunbury municipality and the £50,000 to be raised by the Collie municipality are available, the Government will be able to advance the rest of the money under the Industries Assistance Act straight away, and there need be no further delay. We may hope, therefore, that the work will soon be in progress. An interesting feature of the scheme is that pulverised coal is to be used. Mr. Taylor, when in the Old Country, went into the question thoroughly and found that pulverised coal was the most satisfactory fuel for this purpose. We have a lot to learn and a lot to gain from this generating scheme, and I hope that before many years it will be extended. Under the Bill the area of the scheme would extend from the town of Collie over a radius of 40 miles; but the measure also contains provision for extending the area in any direction and to any distance the trust may consider satisfactory. The people of Busselton are already contemplating an extension. Once the scheme reaches Busselton, it will go to Bridgetown, and then through to Donnybrook. It is also intended to go as far up as Pinjarra. We shall find it very extensively used in the South-West.

Hon. Sir William Lathlain: How far is Collie from Perth as the crow flies?

Hon. J. EWING: About 120 miles.

Hon. Sir William Lathlain: An easy proposition.

Hon. J. EWING: I do not think there will be any trouble whatever about the transmission of current from Collie to Perth. In other parts of the world the loss in transmission is very small indeed. I hope the day is not far distant when this nucleus of a scheme, two units of the big scheme, will prove so satisfactory and produce current so cheaply that an extension will be made to the City of Perth, and that all this enormous expenditure which is now going on in the City of Perth will cease. I hope hon. members will receive the Bill well, and I extend my thanks to the Government for their prompt action. I did not think that so speedily after the investigations of the Com-

mittee the Government would take the matter up in a practical manner. The people of the South-West appreciate very much what has been done, and look forward to an era of great prosperity from the initiation of this small scheme, which I hope will soon prove a very large scheme.

HON. J. CORNELL (South) [8.40]: I apologise to the House for rising so frequently during this sitting, but to my mind the Bill is an extraordinary measure. Certainly it proposes an extraordinarily ingenious method of financing. I have nothing whatsoever to say on the merits or demerits of a central power station for Collie—so far as I understand the subject, I approve of the proposal—but I certainly think the method of financing the scheme requires a good deal of investigation and a terrible lot of explanation. It is proposed that towards the cost of the undertaking £110,000 shall be raised by the municipalities of Collie and Bunbury, and that a further £110,000 shall be advanced by the Government on the security of debentures of the proposed trust. The Bill also provides that if the amount raised by the municipalities is not sufficient, those said municipalities and the Government can, so to speak, borrow ad limitem until the sum required has been reached. The point I want to make is that under Clause 14 of the Bill the Treasurer may, by virtue of Part III. of the Industries Assistance Act of 1915, advance to the trust a sum of £110,000.

Hon. J. Ewing: That is for the Government.

Hon. J. CORNELL: You, Sir, and I and other members well recall the introduction of the Industries Assistance Act following the calamitous year of 1914. That Act, if hon. members will refer to it, was intended to operate for only two years. The measure was necessitated by the disastrous drought year of 1914 and the great war. Its primary purpose was to draw upon the Consolidated Revenue fund for the purpose of keeping on their holdings settlers who had been overwhelmed by those calamities. Really the measure had no other purpose. The war being upon us, and the commercial and financial stability of the Empire being in the melting pot, was the sole reason for the enactment of that measure. During every session from 1917 onwards we have had a short Bill to continue the provisions of the Industries Assistance Act under which ad-

vances have been made to farmers. Further, we have had the spectacle of the Agricultural Bank trustees, who functioned as the Industries Assistance Board, absolutely refusing to grant settlers any assistance whatever under the Act. The sole desire of the previous Government, and of this Government, has been to wipe the Industries Assistance Act off the statute-book altogether. If hon. members will throw their minds back over past years they will realise that the definite object of that Act was to render assistance to the primary producers of the State. The assistance rendered to the mining industry under Part 3 of the Act has been in proportion to the cost of a postage stamp to the Rothschild millions. Now, in order to finance the trust at Collie, the Industries Assistance Act is being resorted to to find 50 per cent. of the money necessary. Without the slightest hesitation I affirm that the Industries Assistance Act was never framed for that purpose. In the course of his reply, the Chief Secretary should tell the House what financial assistance has been rendered under Part 3 of that Act to the mining and other industries, since the inception of that legislation. I affirm that such assistance will be found to be a mere bagatelle. Now we find ingenuity displayed regarding the raising of the money for the Collie trust. For some time past at least two Governments have been endeavouring, by devious and other means, to wipe the Industries Assistance Act off the statute-book, and yet the Government to-day are resorting to that measure. The Bill has been sprung upon the House and in order to provide the finances necessary, the Government have been obliged to stretch the provisions of the Industries Assistance Act to the full extent of their elasticity. Part 3 of the Industries Assistance Act comprises Section 24, which reads as follows:—

(1) It shall be lawful for the Colonial Treasurer to render financial assistance by making advances, or guaranteeing the repayment of advances to be made, to any persons engaged in mining or any other industry, if it is proved to his satisfaction that in the interests of the State such assistance should be given, and that it is not practicable for the applicant to obtain assistance through the ordinary financial channels. (2) Advances under this section shall be repayable at such times or by such instalments as the Colonial Treasurer may determine, with interest at a rate to be fixed by the Colonial Treasurer, but not less than six per centum per annum, and such interest shall be calculated on the daily balance. (3) Before making any advance the

Colonial Treasurer shall enter into an agreement with the applicant setting forth the terms of the advance and the industry in respect of which the advance is to be made, and shall take from the applicant such mortgage or other security for the repayment of the advance with interest as to the Colonial Treasurer may seem fit. (4) The Colonial Treasurer may, in his discretion, exempt any securities under this Part of this Act from stamp duty or registration fees.

[I have hurriedly run through the remaining sections of the Act, and I can find no provisions there that could be construed as authorising the financing of a trust that is not yet an entity. The money for which the two municipalities will be responsible is not yet available. In my opinion this proposal to stretch the provisions of the Act is a monstrosity. As I interpret the Act, it was intended to extend assistance to live entities, to established industries, or to people engaged in mining or some other industry. The assistance rendered was to be commensurate with the assets available.]

Hon. E. H. Gray: Several co-operative companies have been assisted under that Act.

Hon. J. CORNELL: The co-operative concerns to which money was advanced were going concerns.

Hon. H. Stewart: It would be acceptable to know the names of these co-operative companies.

Hon. J. CORNELL: Probably the assistance in those instances was given on the same basis as assistance was rendered the primary producers, for it was realised that without that help the companies, like the farmers, would probably go out of business altogether. I raise the point as it appeals to me, and I will leave it to other hon. members who are more conversant with financial matters than I am. I do not want to hamper or hinder the scheme. On the contrary, I would rather encourage the establishment of a large central power station at Collie. But I have a distinct objection to the provisions of a statute being stretched for uses other than those for which it was intended. I will leave the position in other hands more able to deal with the situation than I am.

HON. SIR WILLIAM LATHLAIN (Metropolitan-Suburban) [8.52]: I support the second reading of the Bill because it is a step in the right direction. In the course of my first speech in this House. I dealt with the question of electricity and mentioned the fact that in England there was no

question receiving more attention than that of providing cheap electric power. So much so that I believe the British Government have erected five or six large generating stations in various parts of England in order to supply the whole of the requirements of the United Kingdom. In that respect it has been stated definitely, on the authority of people interested, that there will be a saving in England alone of over £8,000,000 per annum. In Western Australia there are hundreds of plants generating electricity at varying costs. If it were decided to concentrate the growth of electric power in one large station, a step would be taken in the right direction. The point I am somewhat dubious about is the throwing of the responsibility of the scheme on to two comparatively small local governing bodies. I hope the time is not far distant when a scheme of large proportions will be consummated at Collie. I support the Bill because, in my opinion, it represents a starting point for such a scheme, and we will be able to learn from the experience gained as a result of the accomplishments of the Collie undertaking. That will be of importance in the creation of a larger scheme. As Mr. Ewing pointed out, the carting of coal from Collie represents an economic loss seeing that the power can be developed at Collie itself. I support that view, more particularly from the standpoint, as I indicated during an earlier speech I made on this point, that small coal that has no commercial value at present could be utilised for the production of the power at Collie. Apart from that aspect, Collie is particularly well situated for the transmission of power to the greater part of the southern portions of the State. That power could be conveyed as far as Northam and other towns in that vicinity, and could also supply the requirements for the whole of the metropolitan area. To-day high tension power can be carried with little loss over distances much greater than that between Perth and Collie. As to the establishment of the scheme at Collie, I am very pleased because I have held for many years that in the near future we must contemplate the electrification of our metropolitan railways. If we are to be successful and keep up with the times, that task must be undertaken. In that event it will be necessary not only to have cheap electric power but to produce it in large quantities. Turning to the points raised by Mr. Cornell in the course of his speech just now. I consider members are entitled to some informa-

tion regarding the manner in which the money is to be borrowed. Will it be possible for both municipalities and the Government to borrow money at 1 per cent., of which we have heard so much lately? Will the Government be able to borrow the funds they require from the Migration and Development Commission, which has £32,000,000 to lend at 1 per cent.? If the Government can borrow the money from that source at 1 per cent., will the two municipalities be compelled to pay 5 per cent. for money borrowed in the ordinary way? Mr. Cornell made a strong point when he referred to the fact that the scheme from the Government standpoint was to be financed under the Industries Assistance Act. During the debate on the proposal to continue that Act for a further term, Mr. Nicholson asked the Chief Secretary whether it was not time that that Act should be allowed to become inoperative. In the course of his reply the Chief Secretary stated that members of the Industries Assistance Board were fully seized with the desire of Parliament and of the Government to see the end of the operations under that Act at the earliest possible moment. Mr. Cornell's remarks had an important bearing on that phase of the question. We have been led to believe that operations under the Industries Assistance Act will cease in the near future. Every hon. member will agree with the statement of the Chief Secretary when he said that after the present bountiful harvest had been garnered, the amount remaining on the books of the Industries Assistance Board would be so small that they would be, in all probability, transferred to the Agricultural Bank. In that event, the Chief Secretary asserted, there would be no further use for the Industries Assistance Act. On the other hand, if the Government are to avail themselves of funds under that Act for the purposes set out in the Bill, there will be no finality to that Act.

Hon. J. Cornell: Why not raise the money under a special Act?

Hon. Sir WILLIAM LATHLAIN: The Bill will cast a great responsibility on the two municipalities. I hope they will be able to face it. I do not want the scheme to be dropped even if the Government have to undertake to find the whole of the money, for I regard this movement as being in the right direction. The creation of such a scheme will give us not only experience that will be useful in providing power for Collie and

Bunbury, and for the areas within the radius over which the scheme will operate, but it will enable us to ascertain at what price electric power can be generated at Collie. The generating of power is a very peculiar proposition. If it costs £50 to produce, say 3,000 units, it is possible to produce 3,500 for about £55 and as the production is increased, the cost increases in a very much smaller ratio. I shall listen with interest to the reply of the Chief Secretary as to the manner in which the money is to be borrowed. If the municipalities are compelled to pay five per cent. or six per cent. for the money, it will load the concern heavily whereas if it is possible to secure the money under the migration and development scheme at one per cent. it will be an easy matter for the municipalities and the Government.

HON. J. J. HOLMES (North) [9.1]

This Bill came before us only half an hour ago, but a hasty glance at it convinces me that it requires the careful scrutiny of members. I am sorry that I cannot follow Sir William Lathlain's argument because, about the time this Bill was being introduced in another place, Sir William Lathlain was at tacking State trading concerns and telling us he was not prepared to allow another penny to be invested in them.

Hon. E. H. Harris: Now you are on a good topic.

Hon. J. J. HOLMES: Yet just before Sir William sat down he said he was prepared to see the scheme initiated and the Government to find the whole of the £220,000 to establish, what? Another trading concern in the south-western portion of the State.

Hon. E. H. Gray: A public utility.

Hon. J. J. HOLMES: I am not prepared to authorise the Government to provide the whole amount or to provide half the money as suggested in the Bill. First of all there is no time limit stipulated in which the municipalities shall enter upon and complete the undertaking. If the municipalities obtained the concession under this Bill they could sit down and play dog-in-the-manger by keeping everyone else out. If we do nothing else, we should insert a time limit within which they must start operations or allow someone else to do so. The next objection is that though the Bill mentions a sinking fund it does not state what the amount shall be. Anyone who looks through the Auditor General's report must be convinced that the time has arrived

when Parliament should stipulate the amount of sinking fund to be provided and insist that it is provided each year.

Hon. J. Ewing: Quite right, too.

Hon. J. J. HOLMES: Another point was raised by Mr. Cornell—the advancing of the money under the Industries Assistance Act, which statute has already been strained beyond all reason. The Industries Assistance Act provides that the Government shall enter into an agreement with the person concerned, who has an asset, and shall take a mortgage over the asset to secure the repayment of the money to the State. This Bill does nothing of the kind. It proposes that the Government shall simultaneously put up £110,000, and if that is not sufficient—the Chief Secretary suggested that it would not be sufficient—who will find the difference? The Government will come in again pound for pound with the municipalities to complete the scheme. Though there may be advantages under the Industries Assistance Act, that measure involves disadvantages also. Sir William Lathlain referred to £70,000 or £80,000 worth of machinery at North Fremantle that could not be sold. In our Royal Commission inquiry on group settlement we learnt that, when a man was free from the Industries Assistance Board, he was able to buy his harvesters and ploughs from people who knew how to manufacture them; but when he was under the heel of the Industries Assistance Board and not likely to be able to pay, the board insisted on his taking agricultural implements from the State works. Some of the machinery referred to by Sir William Lathlain may be worked off on the Collie people, because they would be under the heel of the Industries Assistance Board and would have to buy it.

Hon. J. Ewing: They could not supply the machinery that would be required.

Hon. J. J. HOLMES: To show that we must be careful as to these advances, let me refer members to page 45 of the Auditor General's report, which shows that £228,000, principally assistance, represents the total of various amounts written off. Now we are asked to sanction an advance of £110,000 to people who at the present time have no assets whatever. I gather that the manager of the East Perth power station, Mr. Taylor, is in favour of this scheme. I think it was mentioned that he is in favour of the bigger scheme of gen-

erating the power at Collie and transmitting it to Perth.

Hon. J. Ewing: I did not say that.

Hon. J. J. HOLMES: I can carry my memory back to the time when Mr. Colebatch occupied the Ministerial bench and I think that Mr. Taylor, acting under him, was entirely opposed to producing the current at Collie and transmitting it to Perth. When we have a Minister in power who is opposed to the scheme, and the chief officer opposes it, and then when we have a Minister who is favourable to the scheme and the chief officer supports it, well, one is apt to discount his opinion and suggest that further inquiry is necessary. I gather from people who have come from the Eastern States to embark on secondary industries in this State that the one redeeming feature is the cheap power supplied in Perth as compared with that supplied in the Eastern States. In view of that fact we should be careful before we embark on additional large expenditure to produce cheaper power. We are supplying power cheaply enough to induce people to come here from the Eastern States, and while we have so much back country to open up, the money could be used to great advantage there. I suggest that the Bill is worthy of close scrutiny before members decide to support it.

HON. G. W. MILES (North) [9.9]: I am rather disappointed with my rapid glance through the Bill. I thought that the Government were bringing forward a scheme to generate power at Collie and supply the whole of the metropolitan area.

Hon. J. Ewing: That is what it ought to be, of course.

Hon. G. W. MILES: That is what it ought to be. This Bill will require careful consideration. It is not even a commencement of the big scheme. If we undertake the big scheme, this one will have to be scrapped.

Hon. J. Ewing: Not at all.

Hon. G. W. MILES: That is what the hon. member says.

Hon. W. H. Kitson: Every undertaking of the kind must have a start.

Hon. G. W. MILES: Yes, but it must start on right lines.

Hon. J. Ewing: This one is being started on right lines.

Hon. G. W. MILES: Let me first direct attention to the definition of district. For the purposes of this measure a district, to

be known as the South-West Electric Power District is hereby constituted, and such district shall comprise all land situated within a radius of 40 miles from the town hall at Collie. That is all right for this Bill, but what will happen if the Government wish to start a power scheme at Collie and transmit the current to Perth? I do not agree with Mr. Holmes's view. At present we haul the coal from Collie to Perth and generate the current cheaply. If we can generate it still more cheaply at Collie, the scheme at East Perth should be scrapped and a power house established at Collie. What will happen if we start a big scheme at Collie to supply Perth and electrify the railways? The concluding clause in the Bill reads—

Nothing in this Act shall be deemed to affect the powers conferred on the Commissioner of Railways under the Government Electric Works Act, 1914, or to prevent the Commissioner of Railways from at any time erecting a generating station within the district and transmitting electricity therefrom to any part of the State; but the Commissioner of Railways shall not supply electricity within the district except for railway or other Government purposes, or to the trust.

That means that when the Government start the big scheme they will be unable to supply current within the district.

Hon. W. H. Kitson: Within 40 miles of Collie.

Hon. G. W. MILES: That is so, except for railway or other Government purposes or for the trust. We should scrutinise that clause carefully before we agree to it. Clause 17 states that the trust may within the district impound, divert and take the water of the Collie River and the Minningup pool, and construct and maintain all such works as may be deemed by the trust to be necessary or expedient for the purpose. What is going to happen when the Government embark upon the big scheme and want a water supply?

Hon. J. Ewing: They will have it just the same.

Hon. G. W. MILES: No, the trust will have control of it.

Hon. W. H. Kitson: To which scheme are you referring?

Hon. G. W. MILES: The big scheme that I hope to see inaugurated shortly. This is rush legislation. We get it every session. The Standing Orders are suspended and Bills of this description are rushed through.

Hon. J. Ewing: This Bill is harmless.

Hon. G. W. MILES: That may be the hon. member's opinion, but I urge members to consider it very carefully before they agree to it.

Hon. C. F. Baxter: It is very far-reaching.

Hon. G. W. MILES: The Bill does not say whether the chairman shall have a casting vote or not. That shows how hurriedly the Bill has been prepared. Clause 9 provides that when the chairman is absent from any meeting the members present shall appoint one of their number to be chairman to act during such absence, and he shall preside and have a casting as well as a deliberative vote. That is when he is absent. When he is present there is nothing to show whether he is to have a casting vote or a deliberative vote only.

Hon. J. R. Brown: Why worry about that?

Hon. G. W. MILES: It should be clearly stated. The Bill has been rushed in and the House should consider it very carefully before agreeing to it. As to financing the scheme and the point raised by Mr. Cornell, if the Bill reaches Committee the provision that the Treasurer shall advance money under the Industries Assistance Act should be deleted. Not only this session but every session for the last six or seven years we have argued the point whether the Industries Assistance Act should be allowed to continue. It has been pointed out that the Chief Secretary stated in reply to Mr. Nicholson that the Government were anxious to have the Industries Assistance Act finalised, but they now bring down another Bill that will perpetuate the Act for all time. There is no consistency at all in that. As Mr. Holmes has pointed out, there is no provision for interest or sinking fund. The House at any rate should know what rate the Government are going to charge. There is too much of this kind of business of not submitting enough information to members.

HON. E. ROSE (South-West) [9.16]: It affords me great pleasure to support the second reading of the Bill. This Bill has been asked for for some considerable time and it has been discussed very freely in the South-West. We have had the assistance of Mr. Taylor who, being a qualified man, should know what the cost is going to be. The scheme, when put into operation, will have a big bearing on the industries of Western Australia, not only those in the South-West but throughout the State. Superphos-

phate works are to start in Bunbury and these will take a great quantity of current. A flour mill which has been closed down because it has not been able to get cheap power will start operations again. There are dozens of other secondary industries that will spring into existence as the result of the provision of cheap current and all these will prove of great benefit to the State. Mr. Miles quoted Clause 3 which constitutes the power district and sets out that it shall comprise all land situated within a circle with a radius of 40 miles from the town hall of Collie. He did not, however, read the proviso which states that the Governor may by proclamation extend the boundaries of the district. The Government can, if necessary, extend the boundaries to Perth. In Victoria to-day electricity is being generated at a very cheap rate and it is being conveyed hundreds of miles. Why cannot we do the same here? I agree with Mr. Miles that this should be the largest scheme and that Perth should be connected with it.

Hon. J. Ewing: The 40-miles radius is a good start.

Hon. E. ROSE: We shall have our railways electrified in the course of a few years and it will be possible then to run them at a cheaper rate than is the case at the present time.

Hon. G. W. Miles: They will surely not allow Collie and Buntury to supply electricity for our railways.

Hon. E. ROSE: The power house here will be the distributing centre. Why not have a power scheme capable of generating electricity for our railways? The scheme at Collie should receive general support. The only exception that may be taken to the Bill is on account of the method of raising the money. I would rather see the Government advance the £220,000 to the trust and make Bunbury and Collie responsible for half the amount. I consider that the Government can borrow a large sum like that at a cheaper rate of interest than it is possible for the municipalities to do. I consider it is the duty of the Government to go to the assistance of these municipalities to produce cheap power for the whole of the South-West. Quite a number of townships are situated within 40 miles of Collie and these will be served by the power station there. There are, for instance, Narrogin, Donnybrook, Harvey and Brunswick, and it should not be long before extensions are made to other places. Second-

ary industries will spring up and these will provide employment for a number of men who to-day are without work. There are hundreds of men who are not suitable for work on the land. Those men could be employed in secondary industries which are bound to spring up as the result of the inauguration of this scheme. Exception has been taken by Mr. Cornell to the method of raising the money. I do not know whether the I.A.B. can advance this money. I am under the impression that it ought to be possible to obtain this money under the Trade Facilities Act at 1 per cent. If we could possibly get the money at that rate of interest it would make a very big difference to the working of the scheme. The Chief Secretary, I hope, will be able to tell us whether the scheme can be operated so that we may be able to get cheap money. I am confident that after the scheme has been in operation for four or five years it will easily pay interest and sinking fund, for the quantity of current to be consumed will increase at the same rate as has been the case in Perth. I ask members to support the Bill. We all know perfectly well that cheap power has materially helped all industries. Machinery worked by electricity reduces the cost of production considerably, and in this respect the position in Western Australia should be no exception to the rule.

HON. H. SEDDON (North-East) [9.22]:

We have recognised the necessity for establishing a generating station at the source of supply and the proposal we are now considering will attain that result. I have been examining the returns of the East Perth power station and I find that there they quote the generating costs in the region of .9d. per unit. We have to recognise that the cost of fuel alone at East Perth is just double what it would be at Collie because of the cost of conveyance, and when we realise that that cost will be entirely eliminated by the establishment of a plant at the source of the coal supply, and that there will be other economies effected by the use of pulverised coal, we can easily understand that it will be possible to generate current there much more cheaply than it is possible to do in Perth. There is another point, and it is that existing plans provide for an extension of operations. It is recognised that this is only a beginning, that although the plant is to be of 5,000 kilowatts, the demand for current will increase to such an extent, after practical re-

sults have demonstrated what it is possible to do in the way of producing cheap power, that it will be necessary to extend the operations. By putting in a most up-to-date plant power will be generated by using pulverised fuel as the source of energy. Wonderful results have been obtained in America by using this class of coal. Sir William Lathlain referred to the advantages obtained from the law of increasing returns. He recognised that the larger the generators used, the more power will be produced and the cheaper will be the cost of generating it. There is an aspect of the case that has not yet been dealt with. It is recognised that Western Australia, of all the States, has the greatest possibilities in the way of establishing manufactories. I understand that investigations have already been made with the idea of utilising the cheap power obtained from the fuel we have at Collie and using the raw material in chemical manufactories. There has been a great advance in chemical manufactures in recent years by utilising electrical heat. Many chemical manufactures require careful heat control to complete the reactions, and it is recognised that this is the best way to maintain the heat satisfactorily. There is an additional inducement offered to the big chemical firms coming to Western Australia to take advantage of the cheap current for heating as well as for power purposes. I consider it is one of the wisest steps that have been taken towards advance and progress in Western Australia. The matter, moreover, should very properly come within the scope of the Migration and Development Council because it will be recognised that by supporting large works of this description we are providing employment, and men engaged in technical work in the Old Country can come out here and follow their trades. With regard to transmission costs it has been found that under the fine climatic conditions that exist in Western Australia, our losses would be much less in the transmission of current from Collie to Perth than would be the case in other parts of the world. If we examine the report of the Railways Commissioner we will find that transmission losses were under 10 per cent. In fact, 8.3 per cent. was the result obtained in 1926 with voltages of 20,000. If the transmission is at a much higher voltage then the loss should be much less. I understand that 7 per cent. would be recognised as a reasonable figure under

these conditions. If we take the ratio of loss through transporting fuel as against the loss of 7 per cent. in transmitting current we will recognise the tremendous advantage to be gained by generating at the pit's mouth and transmitting at the voltages now in common use elsewhere. The Bill is a step in the right direction and I will give it my support.

On motion by Hon. W. J. Mann, debate adjourned.

BILL—LEGAL PRACTITIONERS' ACT AMENDMENT.

Assembly's Message.

Message from the Assembly received and read notifying that it had agreed to the amendments made by the Council.

BILL—DRIED FRUITS.

In Committee.

Resumed from the 9th December; Hon. J. Cornell in the Chair; the Chief Secretary in charge of the Bill.

Clause 4—Dried Fruits Board (partly considered) :

Clause put and passed.

Clauses 5 to 15—agreed to.

Clause 16—General powers of the board.

Hon. C. F. BAXTER: I have on the Notice Paper an amendment, but on further consideration I find there will be ample power for the board to act in the direction aimed at by my amendment. Therefore I will not move it.

Clause put and passed.

Clauses 17 to 35, Title—agreed to.

Bill reported without amendment, and the report adopted.

Third Reading.

Read a third time and *passed*.

BILL—HEALTH ACT AMENDMENT.

Second Reading.

Debate resumed from the 10th December

THE CHIEF SECRETARY (Hon. J. M. Drew—Central—in reply) [9.41]: It had been my intention to reply at some length to Sir William Lathlain's speech in criticism

of the measure. However, after a careful examination of the Bill Sir William, I am pleased to say, has withdrawn his opposition to it.

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 and third time and passed.

BILL—MANJIMUP-MOUNT BARKER RAILWAY.

First Reading.

Received from the Assembly and read a first time.

Second Reading.

THE HONORARY MINISTER (Hon. J. W. Hickey—Central) [9.45] in moving the second reading said: Bills of this description give one a lot of satisfaction, more especially when they deal with railway transport.

Hon. E. H. Harris: They give a lot of satisfaction when the railway is built.

THE HONORARY MINISTER: This also deals with the development of the agricultural industry. I suggest that members look well at the plan hanging on the wall. They will see that this line is closely connected with the Boyup Brook-Cranbrook line. The advisory board state that the Boyup Brook-Cranbrook, the Pemberton-Denmark and the railway under discussion will, when constructed, serve a huge tract of country between the Great Southern railway and the sea. I have not a great experience of that part of the State, except the first portion of that over which the line is to be constructed. The report of the board deals with these three railways, which have been gone into closely. It is estimated that when they are constructed, the whole of this part of the State will be well served. The line will be about a hundred miles in length. No doubt it will be a big undertaking, but it should be effective. The board were very much impressed with the class of country to be served, particularly as to its possibilities for closer

settlement. Every proposal that is connected with closer settlement must receive the support of the community in general. The total area of country between Manjimup and Mt. Barker, within a profitable radius of the line, is 1,800,000 acres. The important factor is that the greater proportion of this area is Crown land. The board assumes that 800,000 acres will not be available for settlement, as it will be required for permanent timber areas. There thus remains an area of a million acres suitable for settlement. This consists of first class land, and second class land which can be turned into valuable pastoral country. This land requires railway facilities before it can be properly developed. We know that many North-West squatters have thought it advisable to take up country in the southern parts of the State. That was probably one of the factors taken into consideration by the board when they looked into this question. On the basis of 400 acres per settler this line should provide homes for 2,500 people. That represents a big asset to the State. The board are of opinion that the opening up of this district in the way proposed is fully warranted. When these three lines are built they will be approximately 25 miles apart, and no portion of the district to be served will be more than 12½ miles from a railway. It has for years been maintained that profitable farming cannot be carried on beyond a radius of 12½ miles from a railway, but, notwithstanding the developments that have lately occurred in the way of motor transport, it is felt in this case that the 12½-mile radius should be preserved. In the past this portion of the State has had its development retarded because of the lack of railway facilities. The lines I have mentioned have been talked of for many years, but to-day they are within a reasonable distance of being built. I have gone into all aspects of the matter, and do not know of any argument that can be used against the construction of this railway. I am sure I shall have the support at least of Mr. Burvill and Mr. Ewing. Perhaps the report of the advisory board may tend to influence members in favour of the Bill. The report is as follows:—

As instructed, the Railway Advisory Board have made an inspection of the country between the Bridgetown to Manjimup railway, Boyup Brook and the Great Southern railway, with a view to reporting on the best route to be adopted for a railway to open up the country between Bridgetown and Mt. Barker. During the inspection the board interviewed representative settlers at

Boyup Brook, Cranbrook, Mt. Barker, Frankland River, Corbalup and Manjimup, many of whom came considerable distances to put their views before the board and from whom much valuable information was obtained as to the capabilities of the country examined. For about 20 miles South-East of Boyup Brook the country is well settled with very little Crown lands available for selection, while the same state of affairs exists for about 30 miles West of Cranbrook and about 12 to 15 miles west of Mt. Barker. The remainder of the area is sparsely settled, due no doubt to remoteness from railway facilities. The board were very favourably impressed with the class of country travelled over, and, while it has to be admitted that a considerable portion of the large area between the Bridgetown and Great Southern railways and Kojonup and Denmark railways must be looked upon as second class, are satisfied from an inspection of departmental plans and from personal observation that there is a very large area of first class land that, in conjunction with the second class country, is admirably adapted for dairying and allied industries, while the well watered nature of the country and the fine climate render it well suited for close settlement. The total area of country between Manjimup and Mt. Barker outside the $12\frac{1}{2}$ mile radius from existing railways and exclusive of that to be served by the authorised Pemberton-Denmark railway, is about 1,800,000 acres, the greater portion of which is Crown lands. Assuming 800,000 acres to be not available for agricultural settlement being either not suitable for that purpose or required for permanent timber reservations, there remains an area of about 1,000,000 acres of land suitable for settlement consisting of first class land and second class land that can be turned into valuable pasture country but which requires railway facilities before it can be profitably developed. On a basis of 400 acres per settler this should provide for 2,500 holdings. The board have given the matter the fullest consideration and are decidedly of the opinion that the opening up of this district by railway is well warranted. It is obvious, however, that it would be impossible to serve such a large district by the construction of one railway only, and two (2) lines will be required at approximate distances apart of from 20 to 25 miles, which, with the construction of the Pemberton-Denmark railway will completely serve the whole of the country between the Bridgetown and Great Southern railways and the South Coast. Mr. Anketell, a member of the board, has made further investigations since the board's visit to the district and has located approximately the two (2) routes with ruling grades of 1 in 60. If this district is to be opened up, the board recommend the construction of light railways from Boyup Brook to Cranbrook and from Manjimup to Mount Barker, each a length of about 107 miles, as shown in blue lines on attached lithograph, at an estimated cost of about £2,300 per mile. (Signed)—John P. Camm, Chairman; R. J. Anketell; W. J. Lord; Geo. L. Sutton.

It is possible that the cost will be greater than estimated under different circumstances. Even so, the end will justify the means. We are warranted in passing a Bill for the construction of an agricultural railway such as this in the South-West, which was in the limelight during the recent visit of delegates from overseas. I have placed hon. members in possession of the views of the Railway Advisory Board, and have pleasure in moving—

That the Bill be now read a second time.

HON. A. BURVILL (South-East) [10.10]: I support the Bill. The line in question is one of the most promising railways ever proposed in this State, and will run through some of the best country we have for group settlement. The rainfall at Mount Barker is about 28 inches, and increases towards Manjimup, where it is something over 35 inches. Therefore the whole of the country which the line will serve is well watered.

Hon. E. H. Harris: All along the route?

Hon. A. BURVILL: Yes. I need say little about the land after what the Minister has quoted from the Railway Advisory Board's report. However, I may cite a few statistics of what has been done within a radius of 12 miles from Mount Barker. Hon. members are aware that in the Mount Barker district much fruit is grown. The export of apples in 1911 totalled 5,600 cases. It takes some time to establish an orchard, and in 1925 the Mount Barker district exported 110,000 cases of apples. Last season the export was 90,000 cases. The season was bad by reason of a hailstorm, which destroyed a large percentage of the fruit. Apart from exports, the State's consumption of apples is 25 per cent. more than the quantity shipped away. The Mount Barker fruit-growers, without any Government aid whatever, have established cool storage and packing sheds to the value of £32,000. On the route to Manjimup there is a great deal of the same class of country as that at Mount Barker. Within the radius of 12 miles to which I have referred, the residents have during the last few years discovered that it is not a good thing to depend on one product alone. They have therefore gone in increasingly for sheep and for top-dressing pasture. Within that radius there are now some 10,000 or 12,000 sheep, and the increase during recent years has been at the rate of 25 per cent. annually. The Mount Barker

district, like every part of the State, contains some poor land; but on the route of the proposed line there is less second class country than in any district I know. Some of the poorest class of ironstone country in the Mount Barker district, carrying only one sheep to ten acres, can now carry two sheep to the acre as the result of top-dressing. Much better than that can be done on the better-class land. The country between Mount Barker and Manjimup is timber country practically all the way. Wheat farmers would term it heavy forest country, but Denmark or Pemberton residents would consider it lightly timbered country. It adjoins the wheat belt up to the South-West, being practically border country. Fifty miles out from Mount Barker I have seen three or four sorts of grapes growing, and also other fruit. The country also grows potatoes. A little settlement existed there nearly 90 years ago, and some 60 or 70 years back the first wheat grown near Albany was grown at Forest Hill. The country is particularly adapted for group settlement. The Honorary Minister has said that it takes on the average 400 acres to make a farm in this class of country, while in the Denmark and Pemberton districts it takes only 160 acres. A special advantage of the land on the route of this railway is that it carries a native grass, and is not scrub country like the South-West. Therefore, as soon as a holding is fenced in, a certain amount of feed is available for stock. This is an immense advantage. As the timber is not so close as in the South-West, the present methods of rough cultivation and top-dressing make it possible to get feed grown as soon as a holding is put into operation. Many of the older settlers persist that there is special advantage in this country, as, not being quite so wet as the South-West, it can be more readily got under grass. Although in time to come the country further south, towards Pemberton and Manjimup, may prove more valuable, our aim is to settle lands from which the farmer will soon be able to obtain returns and thus repay the initial cost, which is a large factor in land development. This particular railway formed part of the original scheme formulated by Sir James Mitchell when his group settlement proposals were inaugurated. I have always thought that this should have been the first railway to be constructed for group settlement purposes. I am satisfied from what I have seen, that the line will traverse the best class of

country for that purpose, and that we shall secure returns quickly. I support the second reading of the Bill.

HON. W. J. MANN (South-West) [10.16]: I have much pleasure in supporting the second reading of the Bill. I know the country that will be traversed by the railway and I believe that the line is quite justified and that it will rapidly become a paying proposition. It is a good many years since I first went through the country, but I recollect some 20 years ago the late Mr. Frank Wilson telling me that he had travelled right through this belt of country and that it was destined to be a very rich part of the State. A portion of the land is classified as second class, but that area is much superior to some that is classified as first class in other States. There are many rich flats and some very valuable swamps. I believe that country is capable of carrying not only large numbers of cattle and sheep, but of growing great quantities of produce. There is no part of the State that is more adapted for the growing of subterranean clover and the other grasses that are now transforming the South-West and making it possible, as Mr. Burvill suggested, for land that formerly carried one sheep to 10 acres, to carry one sheep to the acre. There is no necessity for me to enlarge upon the good qualities of the country at this late hour of the sitting. Had I not been personally acquainted with the country I would not have taken up the time of the House. I have travelled over it on horseback and by vehicle, and I have every confidence in recommending the Bill to the House.

HON. W. T. GLASHEEN (South-East) [10.18]: When the Bill is passed, I hope it will not suffer the fate that many others have experienced in the past. Years after they have been authorised, the lines have remained unbuilt for indefinite periods. I trust the railway will be constructed speedily. Like other hon. members, I have an intimate knowledge of the country that will be traversed and I know the class of settlers who will be served by it. From both standpoints the proposition is quite all right. I do not know whether I understood the Honorary Minister aright when he said that at present, it was possible to farm great distances from railways because produce could be taken to the line by means of motor trucks. If that was what the Honorary Minister asserted, I

differ from him. While it is quite possible to get produce from greater distances to our railways, the main consideration is the question of cost. In the light of the experience I in common with others have had, I know we have not yet solved the problem of transporting wheat by means of motor trucks over any distance greater than 12½ miles from a railway. However, I hope the Bill will be agreed to and that the line will be speedily constructed.

HON. J. J. HOLMES (North) [10.20]: I wish once more to protest against the action of the Government in bringing down proposals such as that now before us, at this late hour of the session. I can take hon. members back five years when we had a special session of Parliament to authorise the construction of a line between Pemberton and Denmark. That railway has not been constructed yet!

Hon. H. Stewart: Is it being constructed now?

Hon. J. J. HOLMES: Several railways have been authorised this session and now a railway to run for a distance of about 100 miles, at a cost of anything from £250,000 to £500,000, is placed before us and Mr. Glasheen hopes it will be proceeded with forthwith.

Hon. W. T. Glasheen: What is the good of passing the Bill if the line is not to be constructed speedily?

Hon. J. J. HOLMES: That is what I say. I do not know what railway construction costs under the day-labour system; it may be £4,000 or £5,000 a mile. On the Loan Estimates there is provision for several railways, including £10,000 to build this line. Surely this is barlesquing the situation. There is no hope of building the railway for many years to come. By continuing to pass such Bills we mislead people and at the end of the session we are asked to rush legislation through without an opportunity to give it proper consideration. I protest against this class of legislation altogether.

HON. H. STEWART (South-East) [10.22]: I do not know just what class of expenditure of loan moneys would meet with the approval of Mr. Holmes!

Hon. J. J. Holmes: I want them to build other authorised railways first.

Hon. H. STEWART: Railways are built in the order in which they are authorised.

Member: Is that so?

Hon. H. STEWART: They are supposed to be built in that order, although there have been one or two exceptions. It is rather unfortunate that the railway referred to by Mr. Holmes was not gone on with at an earlier date. At present it is under construction from the Denmark end. When we realise that there is provision on the Loan Estimates for the expenditure of £200,000 on the East Perth power house, how on earth can that expenditure of loan funds in the city be met unless we make provision for developing the rural areas? Mr. Holmes fully realises that the people cannot settle in the outer parts of the State, where the land is suitable for mixed farming, and to conduct their operations on a profitable basis, unless they are provided with proper railway facilities:

Hon. J. J. Holmes: You will never provide that with the expenditure of odd amounts of £10,000.

Hon. H. STEWART: It is well known that in the first instance a certain amount of money has to be provided in order that preliminary work may be carried out in connection with various railway proposals.

Hon. J. J. Holmes: To provide for general elections!

Hon. H. STEWART: The line under discussion has been promised for many years. Old-established settlers in both the Manjimup and Mount Barker areas are not given to speaking wildly; they speak with a sense of responsibility. Men like a relative of Mr. Rose, who has land in that part of the State, say that the country is suitable for settlement and that this railway should have been constructed many years ago. As the Advisory Board has recommended the construction of the line, the Government have introduced the Bill to authorise the construction of the line to enable the country to be properly settled. I support the second reading of the Bill.

HON. E. ROSE (South-West) [10.25]: I am not surprised at the remarks of Mr. Holmes regarding railway Bills. The one before us should have been introduced long before now. We have this experience repeatedly, and important Bills have been introduced in the last day or two of the session. I agree with the remarks of Mr. Holmes, for such a practice should not be indulged in. No one who knows the Manjimup and Mount Barker areas would oppose the line being constructed.

Hon. E. H. Harris: Should it be constructed from the Mount Barker or the Manjimup end?

Hon. E. ROSE: The line should be started from both ends. Both the Mount Barker and the Bridgetown districts represent some of our best fruit-growing country, and the line under discussion will also open up some of the finest orchard country in the State. Hon. members are aware of the quantity and quality of the fruit exported from Bridgetown and Mount Barker. As a result of the construction of the line under discussion, settlement will be increased in that part of the State far beyond what the Minister suggested. Over a million acres have been reported upon by the Advisory Board as representing good agricultural land. I believe that from 30 to 40 acres of that land will be sufficient to enable a man to make a good living. We are able to see what can be done on small areas in the Bridgetown and Mount Barker districts, and that bears out my statement. The land to be tapped by the line is not only good fruit-growing country, but is eminently suitable for all kinds of mixed farming. We know what has been done by means of artificial grasses, subterranean clover, and fertilisers. The results in the South-West have exceeded the anticipations of Sir James Mitchell. He always held a high opinion of this belt of country and prophesied that it would be a large dairying district in years to come. After having traversed the land a few months ago, he told me that the development was beyond all he had expected to see. Anyone travelling through those districts and attending agricultural shows must agree with what has been stated to-night. This part of the State is capable of carrying a very large population. The dairying industry, which was the salvation of Victoria, will do the same for Western Australia. I hope to see the time when a large area in the South-West will be so developed that all importation of dairy produce will cease, factories will spring up in different parts of that portion of the State, turning out not only sufficient to meet the requirements of Western Australia but for export purposes as well. We are exporting a tremendous lot of fruit and we shall later on export dairy produce as well. I do not think there will be any opposition to the construction of this railway. The opposition that has been raised has been on the ground that this and so many other Bills have been introduced at such a late

hour of the session. I support the second reading.

HON. J. EWING (South-West) [10.31]: I am gratified at the introduction of a second Bill to provide a railway in the South-West, and I greatly appreciate the action of the Government in having brought the measure down. It is a recognition of the immense value of the land in that portion of the State. The South-West produces apples, besides all sorts of other produce, and I hope the day is not far off when it will export as many apples as Tasmania does. I understand that certain areas of the land to be served is capable of growing any of the products that can be raised elsewhere in the South-West. Mr. Holmes was quite right in what he said. We are authorising a tremendous lot of railways, and it was natural that he should ask when they were likely to be built. The best policy for the State to adopt is to borrow as much money as possible. Doubtless some members will disagree with that view but, if we open up the South-West areas, we shall have in that part of the State in the next 10 years a population of 50,000 or 60,000 people.

Hon. E. H. Harris: In how many years?

Hon. J. EWING: I should say in the next 10 years. Only by constructing railways to develop the country quickly can we hope to reach the goal of making this State second to none in the Commonwealth. I appreciate the action of the Government in taking this step to open up that territory. I am sure the railway will pay and there is no doubt that the people who settle there will have the advantage of an excellent climate, good rainfall and assured prospects. If 1 per cent. money can be made available for building railways there should be nothing to prevent the Government from going ahead, and thereby conferring an immense benefit on the State.

THE HONORARY MINISTER (Hon. J. W. Hickey—Central—in reply) [10.33]: Mr. Glasheen sounded rather a jarring note by inferring that the introduction of this measure represented only a pious resolution and that the Government, having got the measure passed, would mark time.

Hon. J. Ewing: I hope you do not intend to do that.

The HONORARY MINISTER: I assure the hon. member that it is quite an easy

matter to talk about constructing railways, but it is quite another matter to build them.

Hon. W. T. Glasheen: When you get the Bills passed you ought to construct them.

The HONORARY MINISTER: It is in the mind of the Government to construct them. The policy of the Government is one of agricultural development, and there is only one way successfully to advance it and that is by building railways to serve the settlers. Mr. Glasheen should have in mind that this State started its career with very little in the way of agriculture. Then it developed its goldfields and that made possible the development of the agricultural industry.

Hon. W. T. Glasheen: Who is questioning that?

The HONORARY MINISTER: I am bearing in mind the remarks of the hon. member and the fact that he has had both mining and agricultural experience.

Hon. W. T. Glasheen: You are getting mixed.

The HONORARY MINISTER: I have no doubt what the hon. member said. He inferred that the passing of the Bill would be merely a pious resolution. Nothing of the sort. The Government will build the railways that have been authorised, given sufficient time and money.

Hon. J. Cornell: That is a good qualification of your statement.

The HONORARY MINISTER: Let me assure the hon. member that the Government are serious.

Hon. W. T. Glasheen: That is all we want to know.

The HONORARY MINISTER: Then the hon. member should be satisfied. The goldfields have done much for the State and now we are looking to the agricultural industry for future development. Mr. Holmes may be described as a Job's comforter or a doubting Thomas. I expected him to adopt the attitude he has adopted on other occasions by suggesting that too much money was being spent in the South to the neglect of the North. If he had objected to the building of railways in the South, only 25 miles apart—so that the settlers would not have to cart their produce more than 12½ miles—I might have agreed with him that perhaps a little more might be done for the North. The Government are prepared to build railways wherever required, provided they can find the money. They intend to spend as much

cheap money as they can obtain for the building of railways.

Hon. J. Cornell: That is good propaganda.

The HONORARY MINISTER: Objection has been raised to railway Bills being introduced at a late hour. The hour cannot be regarded as late when the railways are designed for agricultural development. I cannot understand that objection.

Hon. E. H. Harris: Members are only doubting the sincerity about building it.

The HONORARY MINISTER: I cannot regard the objections raised as serious.

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 passed.

BILL—ALBANY HARBOUR BOARD.

Assembly's Amendments.

Message from the Assembly received and read notifying that it had agreed to the Bill, subject to five amendments, now considered.

In Committee.

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

No. 1, Clause 4, Appointment of members.

The CHIEF SECRETARY: I move—

That the amendment be agreed to.

It will be remembered that Mr. Burvill was responsible for amending this clause when the Bill was before this House. The Assembly restored the clause to its original form.

Hon. A. BURVILL: I am given to understand that the Government will drop the Bill if I insist on the amendment I was responsible for. That amendment provided that there should be direct representation for the producers. I find that the reason of the Government for not accepting the amendment I proposed is that they object to sectional representation on harbour boards. Another alleged reason is that this is the first time in the history of the State that legislation has been brought forward to pro-stressed that this was not political repre-

sentation on a board of this kind. When the amendment was moved in this House it was stressed that this was not a political representation. I insisted on the amendment because similar amendments had been made in other Bills. The Timber Bill is an instance, and there is also a similar provision in the Mines Regulation Act. Ever since the primary producers have been represented by a political body in Parliament it has been their aim to have the same representation as other bodies, especially the workers, on these boards. I have been told that the amendment I was responsible for was totally unnecessary, mischievous in spirit, and that it would create a discordant note. When there was a vacancy on the Fremantle Harbour Trust, caused by the death of Mr. Basil Murray, there were then on the board an industrial workers' representative and two representatives of the shipping interests. The industrial workers wanted another representative and they got him. If this is not sectional representation, I do not know what is. The Statistical Abstract contains figures of the State's exports and these support our request for representation for the primary producers. In 1925-26 the value of the more important products exported came to over fourteen millions sterling, the principal items being wool $3\frac{1}{2}$ millions, timber $1\frac{1}{2}$ millions, wheat $4\frac{1}{2}$ millions, flour over $1\frac{1}{4}$ millions and fruit over £250,000. No less than 90 per cent. of the revenue of the State came from primary production. I do not intend to insist on the amendment that I had inserted; the matter will have to remain in abeyance until a Government gets into power that will give representation to the growers, directly and not by proxy.

Hon. J. J. HOLMES: If Mr. Burvill runs away from his amendment, I hope the House will not. Mr. Burvill should not be influenced by any outside body. There is sectional representation on the Fremantle Harbour Trust, and there is sectional representation on the Licensing Board. Now we are told by another place, the very people who created sectional representation, that this is a vicious practice.

The CHIEF SECRETARY: I hope Mr. Burvill will not take Mr. Holmes's advice.

Hon. A. Burvill: I do not intend to.

The CHIEF SECRETARY: There is not sectional representation on any harbour board in the State. When a Labour Government has been in office it has selected a member of the Labour Party, and why not? But

is it a disqualification that a member of a board should be a member of the Labour Party? I have gone through the files and I cannot find that in any case a person was appointed to a position on a board simply because he was attached to any organisation, primary producers or otherwise. Mr. Basil Murray was appointed to the Fremantle Harbour Trust because of his business ability. He was appointed by the Seadden Government.

Hon. G. W. MILES: Did a business man succeed him?

The CHIEF SECRETARY: He was succeeded by a man who will serve the best interests of the State.

Hon. H. STEWART: The regrettable position is that a section of the community get representation when they are politically strong enough to demand it. It is also a matter of regret that we must do without representation until we can compel a Government to give it to us. Albany is an important port from which the produce of that part of the State should be exported. The people there have waited for many years to get a harbour board. While the present Government have done something by way of introducing the Bill, I claim that the producers are entitled to sectional representation in the interests of the community. We recognise, however, that our first obligation is to Albany and we cannot imperil the proposal for the establishment of a harbour board. It is regrettable that the Government should have broadcasted the statement that if the amendment be insisted upon, the Bill will not be proceeded with.

Hon. G. W. MILES: I am surprised at the remarks of the Chief Secretary. When the Collier Government was elected I said that they were a Western Australian Government. I considered that once elected they would put party considerations aside and act on behalf of the whole of the people.

Hon. E. H. Gray: So they are.

Hon. G. W. MILES: Now we find the Government are a purely party political machine. The Leader of the House said it was their duty to nominate their members to positions on trusts.

The Chief Secretary: No.

Hon. G. W. MILES: That is what the Minister's statement amounted to. He said that his party had not been represented on the boards until the Government secured power and elected their representatives.

They do not take into consideration ability, but only their political views. It is merely spoils to the victors.

Hon. W. H. Kitson: Nothing of the kind.

Hon. G. W. MILES: That is what the Minister inferred. He told us that they had had no representative on the Fremantle Harbour Trust until the Government came into power. That statement was not correct because Mr. Taylor was on the trust as the representative of the workers. On the death of Mr. Murray who, the Chief Secretary stated, had been elected as a business man, the Government did not replace him with another business man but with an additional Labour supporter. The same thing happened at Bunbury. It is the duty of the Committee to insist upon the amendment and to give the producers representation on the Albany board.

The CHIEF SECRETARY: What I said was that for many years membership of the Labour Party had been regarded as a disqualification for appointment on harbour boards and so forth.

Hon. G. W. Miles: Mr. Taylor was appointed years ago.

The CHIEF SECRETARY: I added that when the Labour Party were elected to power it was not regarded as a disqualification. That was the essence of my remarks.

Hon. G. W. Miles: Then I misunderstood you.

The CHIEF SECRETARY: When such questions arise we desire to administer the trust in the interests of the State and consequently representation should not be provided for by statutory authority.

Hon. A. Lovekin: It is provided for in the Metropolitan Market Bill.

The CHIEF SECRETARY: That is a different matter and the primary producers are entitled to representation on the market trust. Should a member of the Primary Producers Association have the requisite ability, that fact will be recognised and membership of that organisation will not be regarded by the Government as a bar against appointment to a seat on the Albany Harbour Board.

Hon. H. Stewart: Why should industrial and commercial representation be granted?

The CHIEF SECRETARY: I have a long list of different bodies that desire representation on the board. The Government wish to be fair in these matters and to appoint a board that will administer the affairs of the harbour in a satisfactory way.

Hon. H. Stewart: When you have the political strength, you demand representation and get it.

The CHIEF SECRETARY: For a long period a member of the Labour Party was not acceptable for such positions no matter what his ability might have been. That is not the view that the present Government take in these matters.

Hon. J. J. Holmes: I could not follow the Chief Secretary.

Hon. E. H. Gray: There are none so blind as those who will not see.

Hon. J. J. HOLMES: While the Chief Secretary says that other bodies desire representation on the board, he cannot see past his own party.

Hon. E. H. Gray: Quite right, too.

Hon. J. J. HOLMES: What will happen at Albany, if they do not grant representation other than Labour on the board, is obvious. To use an expression of the Premier, Albany has been "whining for years" because her trade has been taken away. The bulk of Albany's trade relates now to bunkering activities and that is done by piece work, not by day labour. If Labour representation controls the Albany Harbour Board, it will be good-bye to piece work and with it that part of the trade in the port. They say that a section of the community never sleeps and that one section is represented by Labour. It never sleeps and never loses the point. Piece work has been a thorn in the side of Labour for years past, and with Labour in control I can see piece work being discarded and the bunkering trade of Albany drifting to Fremantle, where the lumpers will work per hour, not per day.

Hon. A. BURVILL: I want to disabuse the minds of the Minister and of the Committee that we want political representation. When I moved that amendment I stressed that what we wanted was that the primary producers should have representation. Even if the Government decided to appoint a primary producer with Labour leanings we would be content, so long as he really did represent the primary producers. All we want is that the primary producers should have representation on the board.

The CHIEF SECRETARY: About three months ago a board of classifiers connected with the Education Department had to be appointed. It was a reform to give the teachers an independent classification board. One member of the board was to be appointed by the Director of Education, a

second by the teachers, and a third by the Minister. I selected a man whom I considered to be the best fitted to fill the position. He was not a member of the Labour Party. He was Mr. Davy, a member of the Legislative Assembly. I was desirous of having a representative who would do justice to the position.

Hon. G. W. Miles: It is an honorary position?

The CHIEF SECRETARY: No, there are fees attached, but Mr. Davy, being a member of Parliament, could not receive the fees. However, I appointed Mr. Davy, and I am proud of my selection.

Hon. W. T. GLASHEEN: All things being considered, Mr. Burvill is wise in not insisting upon his amendment. In the light of the remarks by the Minister, I believe that even if the amendment be not insisted upon, the primary producers will not be without representation on the board. I realise that the Minister is mindful of the fact that 80 per cent. of the products that will go through Albany harbour will be primary products, and I am confident that those who will have the making of the appointments to the board will bear that fact in mind. There is just this difficulty: if the amendment were insisted upon it would not be easy to set up a franchise for the primary producers that would be agreeable to all. So many phases of primary production are dislocated that the primary producers cannot be said to have any united voice, and it would be difficult to get a generally supported nomination from the primary producers. I hope our non-insistence upon the amendment will not mean that we are not to get a representative of the primary producers on the board.

Hon. J. J. HOLMES: When Mr. Glasheen has been here long as I have been he will not be so easily pleased. Last week he and his co-members told us it was an easy matter to get representation for their organisation on the Metropolitan Market Board.

Hon. H. Stewart: No. It was the Perth City Council told you that.

Hon. J. J. HOLMES: Mr. Glasheen said it was a simple matter to get that representation. The Minister has told us he selected Mr. Davy for the teachers' classification board. However, when it comes to a selection for the Albany Harbour Board the Minister whom we trust to make the appointment will be overruled by some organisation whose idea of right is power. The

Minister has not told us why Mr. Skewes was appointed to the Bunbury Harbour Board. Was he a Nationalist? Was he a Country Party man, or was he selected for his ability?

The Chief Secretary: He was selected as the Mayor of Bunbury.

Hon. J. J. HOLMES: Was he a member of the party?

The Chief Secretary: I do not think so.

Hon. J. J. HOLMES: My information is that he was.

Hon. V. HAMERSLEY: I regret the Committee has thought it necessary to make any reservation as to who shall be represented on the Albany Harbour Board. Having in mind the latest appointment to the Fremantle Harbour Trust, I have the impression that it is imperative we should begin to stipulate as to what representation shall be given on these boards. As a rule we leave it to those in authority to make the appointment, trusting to their good intentions. An enormous volume of the trade through Fremantle harbour is the direct production of those on the land, whether it be wool, wheat, sandalwood or other products. I know the difficulty we have had when boats have come into Fremantle laden with material required for our farmers inland, and the difficulty we have had in getting berthing accommodation when we wanted to compete against certain interests. It was only after years of agitation that representation on the Fremantle Harbour Trust was given to us. When we have no direct representation there is much more wasting of our wheat on the Fremantle wharf. When a bag of wheat weighs, perhaps, only 3 lbs. over the prescribed 200 lbs., the men on the wharf think nothing of putting a knife into the bag and wasting the greater part of the wheat.

Hon. E. H. Gray: That is not so. That has never yet been done on the wharf.

Hon. W. T. Glasheen: It has been done at the sidings.

Hon. H. A. Stephenson: More than 200 lbs. in a bag of wheat is not allowed.

Hon. V. HAMERSLEY: He says nothing about the bags of wheat that weigh nothing like 180 lbs.

The CHAIRMAN: I point out to the hon. member that the discussion is drifting.

Hon. V. HAMERSLEY: It has everything to do with the question of representation on the harbour board.

The CHAIRMAN: Then I hope the hon. member will connect his remarks with the amendment.

Hon. V. HAMERSLEY: Unless the producers have direct representation on such a board, what chance have they? Friends of mine, who have visited the port, have seen the wheat pouring into the sea, and they are concerned to have someone to look after their interests. Wheat should increase in weight during the voyage owing to its absorption of moisture, but many vessels do not show the results that might reasonably be expected.

Hon. W. H. Kitson: Do you suggest that representation on the board would alter that?

Hon. V. HAMERSLEY: Let me remind members of the frightful losses of grain consequent upon bags of it being removed from the Fremantle wharf.

Hon. E. H. Gray: What do you mean by removed?

Hon. V. HAMERSLEY: The growers desire representation so that their interests may be safeguarded. If they do not have a representative, they feel that they are not getting the fair deal to which they are entitled. We have failed to get a representative at Fremantle and so we are trying to get one at Albany. I regret that another place has not agreed to the provision, but I hope that when the Government are making the appointments, they will give representation to the men in the country who provide the wherewithal to keep our bar-hours going.

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

Ayes	..	..	..	12
Noes	..	..	..	7
				—
Majority for	..	..	5	
				—

AYES.

Hon. J. R. Brown	Hon. J. W. Hickey
Hon. A. Burvill	Hon. W. H. Kitson
Hon. J. M. Drew	Hon. W. J. Mann
Hon. E. H. Gray	Hon. H. Seddon
Hon. W. T. Glasheen	Hon. H. Stewart
Hon. E. H. Harris	Hon. J. Ewing

(Teller.)

NOES.

Hon. V. Hamersley	Hon. G. Potter
Hon. G. A. Kempton	Hon. H. A. Stephenson
Hon. A. Lovekin	Hon. J. J. Holmes
Hon. G. W. Miles	

(Teller.)

Question thus passed: the Assembly's amendment agreed to.

No. 2. Insert a new clause to stand as Clause 10 as follows: "Each member, other than the chairman, may receive a prescribed fee for every ordinary meeting of the board at which he attends."

The CHAIRMAN: I point out that this and succeeding amendments appeared in the original Bill in italics.

The CHIEF SECRETARY: I move—
That the amendment be agreed to.

Question put and passed: the Assembly's amendment agreed to.

No. 3. Insert a new clause to stand as Clause 11 as follows: "The chairman shall receive a prescribed fee for every ordinary meeting of the board at which he attends."

No. 4. Insert a new clause to stand as Clause 12 as follows: "The fees payable to the chairman shall not in any one year exceed £100 and those payable to any member other than the chairman shall not in any one year exceed £50."

No. 5. Insert a new clause to stand as Clause 54 as follows: "All dues, charges, rents and other moneys levied and collected by the board—(1) Shall be collected and received by them or their authorised officers for the use of His Majesty and paid into the Treasury or a bank to be approved by the Minister to the credit of an account to be called the Albany Harbour Board account; and (2) Shall, in each year, be chargeable with the fees payable to the members of the board, with all fees, salaries, and wages paid by the board, and with all expenditure lawfully incurred by the board in exercise of their powers under this Act. (3) The balance shall be carried to the Consolidated Revenue fund, subject to such regulations as may be made by the Governor for the payment of interest on capital, the provision of a sinking fund, and of a fund for the replacement of depreciating property.

On motions by the Chief Secretary, the foregoing amendments were agreed to.

Resolutions reported, the report adopted, and a message accordingly returned to the Assembly.

BILL—ADOPTION OF CHILDREN ACT AMENDMENT.

Received from the Assembly and read a first time.

House adjourned at 11.32 p.m.