

need to stress the importance of works such as these. We now have in the State over six million sheep, or an average of 20 sheep per head of the population. The average consumption is only nine, so that there must be an outlet found for the surplus. If they are not exported we will have to do what has been done in the past, that is, allow them to die off after the wool has been taken from them. The establishment of the works will enable the surplus sheep to be dealt with; if they are in good condition they can be sent to the freezing works and if they are in poor condition they can be sent to the canning works. I do not expect any opposition to the Bill. It is only a formal measure, and nothing but good can come from the establishment of the works. I move—

That the Bill be now read a second time.

The PREMIER (Hon. J. Mitchell—Northam) [9.31]: I have no objection to the Bill. It will be a very good thing for the State when the meat works become an accomplished fact. If the House can do anything to expedite the erection of those works we ought to do it. Personally I think more than £60,000 will be required but, after all, that is the concern of the shareholders. There is in the Geraldton district a large number of enthusiastic men willing to back the works, and there is up there a vast area that can well produce the sheep necessary to keep the works going. Further than that, Geraldton is 300 miles from Perth. In the circumstances I am sure no hon. member would wish to delay the erection of the works for one day. It is necessary that the Bill should be passed, because, unless we legalise the proposed allotment, the company will have to wait until 80,000 shares have been applied for. Alternatively, any shareholder could demand his money back. I am glad to know that the works are so near to being started. For many years I have thought that Geraldton ought to have such works. Of course I know that the hon. member will attribute all the trouble and delays of the past, and even the possible hitches of the future, to the want of water at Geraldton.

Mr. Willcock: It certainly has had a considerable effect on the enterprise.

The PREMIER: I think the water scheme will be there long before the works are erected.

Mr. Willcock: I hope so.

The PREMIER: I hope so, too, notwithstanding that the people of Geraldton are very energetic. It will be quite useless to build the works without the water supply. The hon. member need have no fear as to the determination of the Government to provide a proper water supply for Geraldton. I have no opposition to offer the Bill, indeed I have pleasure in supporting it.

Mr. MALEY (Greenough) [9.35]: In supporting the second reading, I should perhaps

explain that I am a shareholder in the company, notwithstanding which, I do not think I am abusing my privileges as a member of the House. The Westralian Meat Works, Limited, was launched before either the works at Carnarvon or the works at Fremantle. Were it not for the fact that some of the large pastoralists on the Murchison supported the Fremantle venture, the Westralian Meat Works would have had no difficulty whatever in securing the full amount originally determined upon. There is plenty of room in the State for these three ventures. Of the three concerns our company has the largest number of individual shareholders. I join with the member for Geraldton (Mr. Willcock) and the Premier in asking the House to pass the Bill.

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.

House adjourned at 9.40 p.m.

Legislative Assembly,

Tuesday, 14th September, 1920.

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

QUESTION—ROYAL TRAIN ACCIDENT.

Mr. PICKERING asked the Minister for Railways: 1, Has an inquiry yet been made into the cause of the railway accident in which the Royal train was concerned? 2, If so, will be cause the finding to be laid upon the Table of the House?

The MINISTER FOR RAILWAYS replied: 1, Yes. 2, Yes.

QUESTION—WORKERS' HOMES BOARD.

Hon. W. C. ANGWIN asked the Premier: 1, Has the Workers' Homes Board any funds to its credit by repayments of capital expenditure on workers' homes or otherwise? 2, If so, are the funds deposited and is interest being paid on same, and what is the rate per cent. paid or credited to the Workers' Homes Board on such funds? 3, What is the reason for the Workers' Homes Board not entertaining any application or granting any funds for the erection of workers' homes in the metropolitan area?

The PREMIER replied: 1, Yes. 2, Yes. 5 per cent. on £30,000 (Treasury bills), 4½ per cent. on £7,000 (Treasury bills), 4 per cent. on £10,000 (State Savings Bank), 1 per cent. on £20,500, average monthly credit balance at Treasury. 3, In order that men and material may be available for soldiers' homes, and in view of the excessive cost of building.

Hon. W. C. Angwin: And yet you lend the money at 4 per cent.

QUESTION—HANDBOOK OF WESTERN AUSTRALIA.

Mr. ANGELO asked the Premier: 1, Has there been issued lately an illustrated handbook dealing with the industries and resources of Western Australia? 2, If so, how many copies were printed? 3, What method is being adopted for the distribution of these handbooks? 4, Seeing that members of Parliament have a keen interest in the development and progress of the State, will the Premier avail himself of the opportunity to advertise Western Australia by supplying each member with copies to send abroad?

The PREMIER replied: 1, Yes. 2, 1,250. 3, The method which will ensure the fullest publicity possible, through channels such as the Agent General's office, rail and steamer services, the leading libraries, and other institutions of Australia. 4, Many members have already been supplied with copies of this work, but to make assurance doubly sure an additional copy was forwarded to every member of Parliament last week.

QUESTION—CHARITIES TAX.

Mr. GREEN asked the Premier: Will he consider the advisability of introducing a charities tax this session, and so do away with the present unsatisfactory overlapping of public appeals?

The PREMIER replied: The matter will be considered.

QUESTION—DARWIN WHARF LABOURERS.

Mr. GREEN asked the Premier: 1, Is he aware that during the debate on the Address-in-reply the member for Guildford (Mr. Davies), in referring to the workers on the wharf at Darwin, quoted the following statement:—"There are men working on the wharf in Darwin who are engaged at a 40 or 44-hour week, and for whom a weekly wage is prescribed, because they would not accept any other condition, and who are receiving from £7 to £7 10s. a week, although for 13 weeks on end no steamship has entered Darwin," and added:—"These men were drawing wages all the time"? 2, Is he further aware that the Acting Administrator of the Northern Territory (Hon. Staniforth Smith) in the "West Australian" of the 9th September is reported as saying with reference to the same matter, "A great deal has been made of 5s. per hour being paid for work on the wharf. The system was admittedly defective, but it had been introduced by Vestey's as stevedores. As normally the port handled about 400 tons per month the wages of the waterside workers did not average more than £10 per month, which was insufficient to buy food and clothing and to buy a tent"? 3, In view of the apparent misstatement of the member for Guildford, with regard to the wharf labourers at Darwin, will he give the fullest publicity to the report of the Acting Administrator of the Northern Territory?

The PREMIER replied: 1, Yes. 2, I have observed a Press report to that effect. 3, Full publicity has already been given the statement.

QUESTION—HOE PRINTING MACHINE.

Mr. LUTEY asked the Minister for Railways: 1, Has he seen the statement relative to the Hoe press which appeared in the "Sunday Times" of 29th August? 2, Is he aware that in the statement referred to, the "Sunday Times" Proprietary stated *inter alia*:—"On hearing this, the 'Sunday Times' asked the Commissioner of Railways what he would take for it, and he (the Commissioner) said, 'Well, what about £500'; so we took it"? 3, Is he aware that the Commissioner of Railways stated in his report of 2nd September that the "Sunday Times" made the offer of £500? 4, Which statement is correct? 5, What is the full text of the Government Printer's report of January, 1920?

The MINISTER FOR RAILWAYS replied: 1, 2, and 3, Yes. 4, The Commissioner is of opinion his statement is correct. 5, The answer to this question will be found in a report dated 13th January, 1920, by the Comptroller of Stores, which is on the file laid on the Table of the House.

QUESTION—POLICE.

Prince of Wales's Visit.

Mr. JONES asked the Minister for Mines: 1, What did it cost the Government for the Police department to bring men and horses from the outlying and other police stations to Perth on the occasion of the visit of His Royal Highness the Prince of Wales, including extra salaries and allowances? 2, What extra salaries and travelling expenses were paid to detectives and policemen? 3, How much was paid to the Commissioner of Police for extra salary and travelling expenses?

The MINISTER FOR MINES replied: 1, (a) Freights and fares, £621 17s. 11d.; (b) travelling allowances, £1,016 9s. 10d.; (c) salaries, £802 1s. 1d. 2, Answered by No. 1. 3, (a) Salary, nil; (b) a claim for travelling allowances due will be submitted in due course.

ADDRESS-IN-REPLY—PRESENTATION.

Mr. SPEAKER [4.39]: I have to inform hon. members that I presented the Address-in-reply to His Excellency the Governor, and that I have received the following reply from His Excellency:—

Mr. Speaker and members of the Legislative Assembly: In the name and on behalf of His Most Gracious Majesty the King, I thank you for your Address. Signed, F. A. Newdegate, Governor.

BILLS (4)—THIRD READING.

- 1, Time of Registration Extension.
- 2, Friendly Societies Act Amendment. Passed.
- 3, Local Authorities Sinking Funds.
- 4, Westralian Meat Works.

Transmitted to the Legislative Council.

BILL—HIGH SCHOOL ACT AMENDMENT.

Second Reading.

Debate resumed from 9th September.

Hon. W. C. ANGWIN (North-East Fremantle) [4.45]: A comparison between the constitution of the Perth High School and other secondary schools in the district shows that special provision was made with regard to the High School, and that it has virtually been under the domination of the Government since its establishment. At first it enjoyed subsidies, which were increased from yesterday, and eventually were wiped out altogether. The governors or managers of the school have been nominated entirely by the Government since the inception of the institution. When the subsidy was wiped out the governors obtained a power which they

never had before, for prior to the abolition of these grants, a limit was placed on the charges that could be made for students attending the school. As against that, the managers were handed one of the most valuable pieces of land in Perth, that on which the school stands, and the governors have power, with the consent of the Governor-in-Council, to mortgage or lease any portion of that area. I do not think the Governor in Council would hand over such a valuable block of land if he had not power to nominate or appoint the governors of the High School. At all events, the Government would not have handed such a valuable piece of land to a private individual to deal with it on similar lines. The Bill itself contains only a proposal that the old boys shall elect three of the future governors of the school. We are told that there are about 2,000 old boys of this institution, and that over 200 of these have formed themselves into an association in Perth. These 200 old boys want to have a say in future in the management of the school. It is true that Parliament to-day is not contributing anything towards the upkeep of the school, but Parliament has placed the institution, by the donation of land, in such a position that it owes a certain amount of responsibility to the country. We should pause before we hand over a third of the representation on the management of the school to approximately 200 old boys residing in or near Perth, while there is excluded from this right the large number of old boys of the school who are outside the association. No reason has been assigned for the increase in the number of governors, and it has not been shown that the school has lost any of its prestige as a result of the present system of management. Further, it has not been shown that those who had their training in the school—the majority of them at a low rate because of the existence at the time of a Government subsidy—should enjoy special privileges in the way of appointing additional governors to assist in the management of the school. Have past or present governors of the school neglected their duty in any way, or the interests of the school? The records of the school, which have been published, prove conclusively to my mind that the institution has been a success, and that the governors have carried out their duties faithfully and well. That being the case, why the necessity to alter the constitution in the way proposed? I do not think the Old Boys' Association has any right to make this demand. There is another institution in Western Australia which, if a similar Bill were brought down, should no longer be permitted to elect its senate in the same way as has been done in the past. I trust the Government will not hand over to any private monopoly the power to control education in this State. I hope the Bill will not pass, and that the governors who have carried on the school so successfully in the past will continue to be nominated by the Governor-in-Council.

Mr. PICKERING (Sussex) [4.50]: There is nothing contained in the Bill which would lead one to assume that nominations by the old scholars of the High School would be confined only to old scholars residing in Perth. I presume the ordinary process of ballot would be carried out in this case, and that everyone who was an old scholar of the school would have a vote in the election of the three governors.

Hon. W. C. Angwin: If they were all members of the Old Boys' Association.

Mr. PICKERING: Presumably most of them do belong to that body. Clause 4 does not appear to contain any provision for the re-election of governors.

Mr. Underwood: What does it matter now?

Mr. PICKERING: Some provision should be made whereby governors elected by the old boys should be eligible for re-election, as is done in most other cases. I trust that in Committee we shall receive some information on that question.

Hon. T. WALKER (Kanowna) [4.51]: I have a great interest in the success of the High School, but I am anxious to know whence this Bill originated.

Mr. Underwood: The old boys.

Hon. T. WALKER: What old boys.

Mr. Underwood: The boys of the old brigade.

Mr. Hudson: It was necessary for us to have something to do this week.

Hon. T. WALKER: We should have had something more important to do than this. Has there been any deputation to the Government? Have the present governors made any representations for a change and do they agree with this proposal?

The Premier: Yes, they do.

Hon. T. WALKER: For what reason?

The Minister for Mines: It is a democratic method of electing governors.

Hon. T. WALKER: Not necessarily. I want to know the starting point of the Bill, and whether it is merely a desire on the part of the old boys—

Mr. Underwood: Two or three old boys want to get on the board.

Hon. T. WALKER: There are proper methods by which persons may get on the board of management. It is proposed to increase the number of governors to nine. Why nine? Why not have the apostolic number of twelve?

The Honorary Minister: We want to keep the Judas out.

Hon. T. WALKER: He can be kept out by keeping the number down to twelve, although there is just as likely to be a Judas included in nine as in twelve. I do not see how this is going to ensure the better management of the school. If the number of governors is increased, the possibility of dissension in the management of a school like that, a purely private organisation for educational purposes, is also likely to be increased.

The Minister for Mines: Do you think that if you reduced the number of members in this House you would also reduce the possibility of dissension?

Hon. T. WALKER: Quite possibly, but there is a wide distinction between the two things. There would be a possibility of a small clique carrying things on in their own way. People could not approach or influence 50 members of Parliament with the same ease that they could 20. There is, therefore, safety in having a larger number of members in a House such as this. But when it is purely a matter of the management of a school, to multiply the number of governors will be likely to create dissension, disturbance, a variety of opinions, and division of action.

Mr. Underwood: You could work that right down to the community. We should not have immigration because, through having an increased number of people, dissension is caused.

Hon. T. WALKER: That, too, is entirely a different matter. A country requires numbers of people so that it may be developed. In that case it is not a matter of government. In the case before us we are speaking of the management of an educational institution.

Mr. Nairn: For what length of time are the present governors elected?

Hon. T. WALKER: For three years. There is a chance for other people to get on the board of management if they go the right way about it.

The Minister for Mines: They are all appointed by the Governor-in-Council.

Hon. T. WALKER: That does not place any difficulty in the way.

Hon. W. C. Angwin: It is a good board now.

The Minister for Mines: We do not suggest that it is not, but it is always possible to have an improvement.

Hon. T. WALKER: Is there inefficiency or inexperience on the part of the present governors? A number of brains bent upon the same thing does not intensify the fruitfulness of the product or its value. The present governors have not been accused of incapacity, so that it has become necessary to give them a new sense or a new direction. I have not heard a word against them. In the circumstances, why the necessity for disturbing them? If they are capable of doing their work, and they have done it hitherto efficiently and well, as the results from the school show, I cannot see any necessity for disturbing the present conditions.

Mr. Underwood: That is so. Let them sleep on.

Hon. T. WALKER: No, let them go on doing right. If they had been asleep it would have been an argument for replacing them. If they were incapable in any sense whatever, I should say let there be new blood on the board of management. I would remove the old blood and entirely replace it. I would make the Governor-in-Council res-

possible for getting a proper class of men to manage the school; but there is no allegation of that kind, and not one shadow of aspersion is cast upon these governors. Why, therefore, make this alteration; merely to add to the vanity of a section of the old boys of the school? It is only a section of the old boys, because every old scholar does not belong to the Old Boys' Association. It is only a certain group who are actuated by some ambition to take a part in the management of this particular school. The ambition may be laudable or not. If it is laudable, the necessary notification should be laid in the proper form before the Governor-in-Council; and when the time comes let the three additional governors be appointed. But to give a sort of special representation of the old boys alongside the representatives of the Government as nominated by the Governor-in-Council is to put two cliques in and almost to set them at each other's throats straight away. What may happen is not an accretion of wisdom or of efficiency, but disturbance and quarrel and dissent, leading to paralysis of energy and to the loss of that spirit which has hitherto animated the governors in making the school the success it has been. Until I hear further, I fail to recognise the necessity for this Bill.

The PREMIER (Hon. J. Mitchell—Northam) [5.2]: The last speaker has said that the old boys are ambitious to do something for their school, and that is perfectly right. They are ambitious, among other things, to raise money for the purpose of adding class rooms to their old school. I know of no better means of getting representation of the old boys on the school board than that suggested by this Bill. Who of all people have a greater interest in the school than the old boys of the school?

Hon. T. Walker: Then this Bill comes partly from the old boys?

The PREMIER: Yes, and it has been agreed to by the governors, as expressed by Dr. Saw in the Legislative Council. The High School is an institution which has existed for very many years in this State, and which I hope will live a long time; and if we can improve its management by the means suggested in this Bill, I think we should do so.

Hon. W. C. Angwin: Can we? That is the question.

The PREMIER: I think we can.

Hon. W. C. Angwin: Would it be done by mortgaging the school land?

The PREMIER: That cannot be done without the permission of the school council. There is sufficient safeguard against ducks and drakes being played with the property. Under this Bill there is a fair prospect of better management; not that I suggest the present management is not efficient. I do not understand the opposition to this Bill.

Hon. T. Walker: It is not so much opposition as a desire for information.

The PREMIER: If it is a desire for information, then, of course, the request came from the old boys. The old boys are ambitious to do something for their school, and the Government think good will come of this proposal, and I hope the House will carry the Bill. Certainly there is no risk in passing it. I think the suggestion that the board of governors should be increased by three, as here proposed, is an excellent one.

Mr. NAIRN (Swan) [5.6]: From information I have received I understand that the main object of the Bill is to give power to utilise the enthusiasm of the old Boys' Association. At the outset it is to be noted that the High School is in an entirely different position from any of the other schools. Originally the High School received a considerable direct grant from the Government, but that has now ceased, and the only privilege enjoyed by the school is that of occupying the land upon which the school buildings are erected, land of a very considerable value, about £20,000 or £30,000.

Hon. T. Walker: With power to mortgage.

Mr. NAIRN: Whilst all other schools of this nature, without exception, have the influence and support of some denomination, the High School has no such backing.

Hon. W. C. Angwin: It has the name, though.

Mr. NAIRN: It has the name, but in these days the name is not sufficient to live on. The point most desired is that the school shall be enabled to make full use of the enthusiasm of the old boys, who will take an active part in supporting the school. It is a perfectly natural feeling that a man who has been educated at a school should like to see that school advance, and maintain the traditions and the principles which were inculcated on him as a youth. It is solely in that regard, I understand, that the power proposed by this Bill is desired; and without legislation the three additional governors cannot be appointed. They will not in any way interfere with the six nominated by the Governor-in-Council. The proposal has been supported by at least two of the present governors.

Hon. W. C. Angwin: The three to be appointed under this Bill, and those two make five, which is a majority out of nine.

Mr. NAIRN: There is no rivalry in question. The present governors wish to have the support of the Old Boys' Association, and the association are not in a position to advance the objects of the school as they desire, without this Bill.

Mr. UNDERWOOD (Pilbara) [5.10]: I have quite an open mind in regard to this Bill. I had decided to support it, but since hearing the remarks of the last speaker, I feel doubtful. Looking at the question broadly, and taking into consideration the way almost all people are inclined to lean on the Government to provide everything,

we can appreciate such people as are prepared to help themselves. I think that in a State which spends such an enormous amount on education as Western Australia does, parents who are prepared to pay for the education of their children are to be commended; and if there is a genuine request from the management of a school for some legislation which they think will tend to improve the institution, it is our duty to grant such legislation. If the school is not carried on, in this instance, all we shall have done is to grant a block of land. That is getting off pretty lightly, in view of the half-million Western Australia spends annually on education. If the High School is discontinued, the land reverts to the Crown. However, I see a danger. The member for Swan (Mr. Nairn) says that this Bill is to make provision for the enthusiasm of the old boys.

Mr. Nairn: To give effect to that enthusiasm.

Mr. UNDERWOOD: Yes, to make a sort of safety valve for it, and let the old boys come forward. I know what these waves of enthusiasm are. There may be two or three enthusiasts, and then they die away, and then we may find ourselves with this provision that three old boys must be elected, and without any old boys caring about taking on a governorship. Just at present we have a wave of Cornish feeling in this State. I undertake to say that in a year or two we shall not know whether a man is a Cousin Jack or not. We have got on very well without a Cousin Jack association up to date. This wave of enthusiasm of the Cornish men has resulted from the visit of the Duke of Cornwall, and this wave of enthusiasm of the old boys of the High School may have been merely brought about by old boys who were at the Front or at the opera house. What I fear is that the enthusiasm of the old boys may wane, and that then there will be no old boys coming forward, and that thus the school management may find itself hampered. That is the only point of danger I perceive in the Bill.

Mr. ANGELO (Gascoyne) [5.13]: It gives me, as an old High School boy, very great pleasure to support the Bill. The records of the school show that large numbers of its scholars have held or are holding prominent positions in this State. Consequently, when the Old Boys' Association ask for a Bill of this nature, it is evident that they are proud of their school and are willing to assist not only to carry it on in the same successful manner as in the past, but possibly to improve the conditions that exist. Who are better qualified to act as directors of the policy of a school than a board of governors with a sprinkling of old boys? The old boys probably observed during their scholastic career the benefits and the drawbacks attaching to any particular system adopted in the school. Therefore it is good policy to have a sprinkling, or even a small

majority, of old boys on the board of governors.

Mr. JONES (Fremantle) [5.14]: If I oppose this Bill, I do so in what I conceive to be the best interests of the boys attending the school and of education generally in this State. As even the Government must be aware, great changes have taken place in the education, knowledge, and general progress of society during the last 20 years; and to place the management of any particular school or of any particular branch of education in the hands of a generation back is not fair to the State. I am not concerned with the number of governors of the High School, but if the Government would bring down a Bill to increase the number, and to allow the governors to be elected by the boys attending the school, they would have my unqualified support, for, from what I can gather, more particularly from the various acts of the Government, the boys of the school would be better qualified to elect the governors than many members of the Legislative Assembly would be.

The Premier: You are entitled to speak for one member.

Mr. JONES: I speak from the result of my observation of the measures brought down. If the Government really want to benefit the school, they should make the number of governors 12. Let the old boys elect three governors for the dear old Alma Mater, but give the schoolboys a chance to elect the others in order to counteract the blighting influence of the dead hand of the past which this Bill seems desirous of perpetuating in our educational system.

The MINISTER FOR MINES (Hon. J. Scaddan—Albany) [5.15]: The hon. member's suggestion will receive due consideration. In the meantime we hope that the House will pass the Bill and forget all about the dead hand and the red hand or any other sort of hand. Let me tell the member for Pilbara (Mr. Underwood) that the Government are not really keen on the old boys having representation, except from the standpoint that the old boys have formed an association and are desirous of showing their interest in the school by having three of their members elected as governors. The hon. member evidently has not read the Bill. Had he done so he would have seen that the difficulty he suggested cannot arise; because if the Old Boys' Association goes out of existence, the Governor-in-Council will appoint the three additional school governors. To-day we appoint six governors to control the school, and it is proposed that there shall be three additional governors, who may be elected by the old boys, provided that their association comprises 200 or more active members. If the membership should fall below that number, the Governor-in-Council will appoint the three additional school governors. Consequently it will be seen that the danger of having no one to appoint cannot arise. Hon. members sometimes imagine that this school is a Government institution.

Beyond the fact that we have granted the school public land in trust for a definite purpose, we have no responsibility, except to scrutinise the regulations framed from time to time which, under the Act, require the approval of the Governor-in-Council. The whole responsibility for the management of the school, even to the cost of its maintenance, falls on the school governors. Those governors confess to having received assistance from the old boys of the school who, naturally, take a pride in the institution. If the old boys are prepared to combine for the purpose of assisting the school, without cost to the Government, we ought to encourage them by giving them a one-third representation on the board of governors, so long as their association comprises a membership of 200 or more. The present governors, I believe, are all old boys.

Hon. W. C. Angwin: Then the Bill is not required.

The MINISTER FOR MINES: Probably we could have got over it in another way, but we prefer to let the old boys show their appreciation of the school and, in return, to give them the representation asked for. I do not think it will mean better management, but at all events the management will be easier by reason of the assistance of the 200 old boys. University undergraduates claim special distinction because they have attended a university; and so, too, we often hear it said that certain boys have passed through certain schools and consequently are entitled to some advantage because they have paid for their education. As a matter of fact one cannot pay for his education. Apart from benevolent bequests made from time to time in favour of certain schools, the State pays for all education. Nobody in the British Empire actually pays for the cost of his education. It is sometimes contended that our own University should not be free. If we were to impose university fees tomorrow, they would not nearly cover the cost of that institution. However, the old boys of the High School are desirous of having representation on the board of governors in order that they may help uphold the prestige of their school, and we say in effect, "By all means let them have some voice in the school management."

Hon. W. C. Angwin: What, in effect, you say is that the six old boys on the board of control are failures.

The MINISTER FOR MINES: That is not correct. There is no suggestion of any differences existing between the old boys and the management. The old boys are not complaining of the present governors, have not suggested that the governors appointed by the Governor-in-Council are not satisfactory, either to the old boys or to the present pupils. But we suggest that in order to encourage the old boys in the rendering of assistance to the school they should be given representation on the board. That is all the Bill asks for. It will cost the community nothing, and its sole effect will be the encouragement of enthusiasm.

Mr. Underwood: All right, let her go.

Question put and passed.

Bill read a second time.

In Committee.

Mr. Stubbs in the Chair; the Minister for Mines in charge of the Bill.

Clause 1—agreed to.

Clause 2—Increase in number of governors.

Hon. W. C. ANGWIN: I move an amendment—

That "nine," in line 3, be struck out.

At a later stage I will move to insert "seven," which will give the old boys the right to appoint one governor only, thus avoiding the possibility of the old boys securing a majority on the board. Personally I do not see any necessity for the Bill, because the Governor-in-Council has power to appoint the school governors and so a change in the personnel could easily be brought about if it were thought desirable. Again if, as we are told, all the present school governors are old boys of the school, there is no necessity for the Bill. Moreover, scattered, as they are, all over the Commonwealth, a large majority of the old boys can take no active interest in the proceedings under the Bill, which will be confined to a few in the metropolitan area. The school at present has a distinct advantage over all other secondary schools around Perth, and I do not think it is right to hand over a part of the control of the school to any institution. We do not subsidise the school to-day, it is true; but for years we did so, and therefore paid for the goodwill of the school. In my view it is a pity that the State did not take over the school altogether, instead of founding the Modern School. Although not free, the High School is in reality a Government school. The management is in the hands of the Government to-day, and if we do not intend to retain control of the school as a Government institution, we should hand it over entirely to some other control.

The MINISTER FOR MINES: I was under the impression that the governors appointed by the Governor-in-Council were old boys, but on looking up the speech delivered by the Minister for Education in another place I find that, of the six governors, one only is an old boy.

Hon. Sir H. B. Lefroy: Two, Dr. Saw and Mr. Loton.

The MINISTER FOR MINES: The member for North-East Fremantle is not serious in his amendment. If we are going to give recognition, it should be some satisfaction to know that it is not a question of conferring an honour but giving the school representation which will be of value. After all, the number of governors to be elected by the Old Boys' Association will only be a third of the total.

Hon. T. WALKER: This is practically a Government school. It is true that the Government do not work it; at the same time it is a Government institution, inasmuch as the governors of it are appointed by the Governor-in-Council. Furthermore, by its whole history it is a Government institution. It was subsidised handsomely in days gone by and that subsidy was provided annually until comparatively recently. Even now the school stands on Government property, and the institution will have to rely more or less on Government generosity if any difficulty should befall it in the future. The proposal contained in the Bill—the division of control—is a dangerous innovation. For what purpose do the Old Boys' Association want to participate in the government of the school? Because they are dissatisfied? No. It may be in opposition to the Government and therefore may lead to divided control. It would be better if the Government abandoned their appointments altogether and handed the school over to the old boys.

Mr. Thomson: But the Government have an interest in the land, which is worth £34,000.

Hon. T. WALKER: Then let us not have divided control.

Hon. Sir H. B. LEFROY: The question is whether we want to break up the High School or not. I take it that it is not the desire of the hon. member to break up the school. The Bill simply provides for a change in the method of control; at the same time Government control is not removed. Names are submitted by the Old Boys' Association and it will remain for the Government to approve of them.

Hon. W. C. ANGWIN: There is no power given to the Government to reject any nomination.

Hon. Sir H. B. LEFROY: The Government always have power to reject a nomination. The nominations need not necessarily be accepted.

Hon. W. C. ANGWIN: According to the Bill, the nominees "shall" be appointed.

Hon. Sir H. B. LEFROY: It is wise to give the old boys some power of control. The Bill would have a good effect on the school and would arouse greater interest and enthusiasm in it. If the old boys were restricted to one nominee, we might as well cut out the whole of their proposed representation.

Hon. T. WALKER: The Governor would be unable to reject the old boys' nominations, except for some very extraordinary reason.

Hon. Sir H. B. LEFROY: The Governor can always reject such nominations.

Hon. T. WALKER: Not so under this Bill, because subclause 2 makes their appointment mandatory.

Mr. Pickering: Does not that apply to most boards?

Hon. T. WALKER: No. In other cases the Governor has discretionary power. Here there is no discretionary power. Divided control would be dangerous. It is incon-

ceivable that the Government should seek a partnership of this kind. Let the control be of one kind or the other. The member for Moore said it would not be worth while the old boys having one representative. It would be still less worth while for them to have three. The provision of one nominee would make the enthusiasm the keener, because the fight for the honour and distinction would centre around the one position.

Mr. ROBINSON: Will the Minister tell us who appoints the six governors other than the ones sought to be appointed by this Bill?

The Minister for Mines: The Governor-in-Council.

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

Ayes	11
Noes	15

Majority against .. 4

AYED.

Mr. Angwin	Mr. Rocks
Mr. Chesson	Mr. Walker
Mr. Green	Mr. Willcock
Mr. Jones	Mr. Wilson
Mr. Lutey	Mr. O'Loghlen
Mr. Munzie	(Teller.)

NOES.

Mr. Angelo	Mr. Pilkington
Mr. Brown	Mr. Robinson
Mr. Davies	Mr. Scaddan
Sir H. B. Lefroy	Mr. Thomson
Mr. Mitchell	Mr. Veryard
Mr. Mullapy	Mr. Willmott
Mr. Nairn	Mr. Hardwick
Mr. Pickering	(Teller.)

Amendment thus negatived.

Hon. W. C. ANGWIN: I move an amendment—

That in line 1 of Subclause 2, "shall" be struck out and the word "may" inserted in lieu.

According to the Interpretation Act, the use of the word "may" permits of the exercise of discretion. "Shall," however, is mandatory. The member for Moore agreed that the appointments should be at the discretion of the Governor. If the Old Boys' Association does not exercise discretion in the people it nominates for the positions of governor, power should be given to refuse to accept the nomination.

Mr. ANGELO: I oppose the amendment. The Old Boys' Association has asked for this, and if the word "may" is substituted for the word "shall," the whole object of the Bill will be defeated. If the amendment is carried, the Governor may appoint nine governors, none of whom is a member of the association.

Hon. W. C. ANGWIN: The hon. member is quite wrong. It might be dangerous to appoint the persons who are nominated. Those whose names are sent in may be Bolsheviks.

Mr. Angelo: There are none of these connected with the High School.

Hon. W. C. ANGWIN: The greatest Bolsheviks to-day are those who have come from the seats of learning. My desire is to see that the youths of the school and the school itself are not interfered with, and that discretionary power is given to the Governor to make these appointments.

The MINISTER FOR MINES: The clause merely states that three governors shall be appointed. It does not say that nominations "shall" be received from the Old Boys' Association, but that nominations shall be in the prescribed manner. We can arrange that the Old Boys' Association shall submit six names, from whom the Governor shall select three. The only thing that is mandatory is that the Governor "shall" appoint three.

Mr. Munsie: What if only three were nominated?

The MINISTER FOR MINES: The prescribed manner of nomination would then come into operation. The method of nomination is left to be prescribed by regulation.

Hon. T. Walker: You cannot provide for the nomination of six governors when only three are required.

The MINISTER FOR MINES: In other cases we have demanded that more than the required number of names shall be submitted to the Governor-in-Council, who decides which of the nominees shall be appointed. Our desire is to give recognition to the Old Boys' Association, and I hope the Committee will accept the Bill as it is printed.

Hon. T. WALKER: The measure provides that there shall be three appointments on the nomination of the Old Boys' Association. There is only prescribed the manner of nomination, and not the number to be nominated.

Progress reported.

Sitting suspended from 6.15 to 7.30 p.m.

ANNUAL ESTIMATES.

Message from the Governor received and read transmitting the Annual Estimates of Revenue and Expenditure for the financial year 1920-21, and recommending Appropriation.

FINANCIAL STATEMENT FOR 1920-21.

In Committee of Supply.

The House resolved itself into Committee of Supply to receive the Annual Financial Statement, Mr. Stubbs in the Chair.

The PREMIER AND COLONIAL TREASURER (Hon. J. Mitchell—Northam) [7.35]: My task to-night is not only to present to this Committee a statement of the affairs of the country and a forecast of what may happen in the next 12 months, but also

to make the financial position of the State quite clear. Too often even members of this House have discussed the financial position of the country without quite understanding what it is. As hon. members know, the discussions in Parliament throw a flood of light on the affairs of the country, and the people of the old land know, through the Press, what is said here; and if the stability of the country's financial position is discounted, it can only do harm. I propose to show that, notwithstanding the deficit, the country is in a very sound financial position. I propose to make that quite clear to hon. members. The figures which I am about to submit have been prepared with great care, and are fairly full; but I consider it essential that the position should be clearly understood. We have during the past year suffered from the aftermath of the war. There was no escaping it. Apparently the whole world is in trouble, and the past year has been one of trouble in this State. The cost of living is undoubtedly very high, and necessarily that has produced a good deal of the industrial unrest which has characterised the past 12 months. However, it is difficult to see just how the cost of living can be brought down, and it is very difficult indeed to see how additional wages costs can result in other than an increased cost of living. I do not say that increases in wages should not follow on increases in the cost of living, but I propose to show what can be done in this State to reduce the cost of living. There is a trouble, and that trouble should be faced, and no one can escape his responsibility in that regard. Undoubtedly every man at work, every man who does anything to increase production, does help towards the development of the country.

Early introduction of Budget.

The Budget, I think, has never been introduced earlier. I believe my colleague the Minister for Mines introduced his Budget of a few years back on the 14th September; and, I suppose, at this very hour he was engaged in that task. Otherwise, however, it has never been submitted earlier in this State. I had intended coming to the House with the Estimates even earlier than this, as I promised; but there was delay in closing the Treasury books owing to the public service strike, and so I was prevented from carrying out my good intention. Still, it ought to be possible for the Treasurer next year to bring his Budget down much earlier; and I hope he will do it.

Hon. W. C. Angwin: I may.

The PREMIER: Shall I make a promise on behalf of the hon. member?

Verification of 1919-20 Forecasts.

At the opening of my remarks when introducing the 1919-20 Budget, I drew attention to the fact that Western Australia is a country of great opportunities. I forecasted—and I was criticised for it only the

other day, after the financial year had closed and when all that had happened should have been known to hon. members of this and another House—the moneys to come in from production during the past year. I was criticised, as I say, for having made a very optimistic forecast. I said there would be a revival of trade and a general expansion of industry, and I indicated that those things would have an effect upon our finances. I stated that the outlook all over the State at that time was particularly bright for those engaged in the primary industries, agricultural, pastoral, mining, timber, and pearling. I stated also that there was a great and growing demand for our agricultural and pastoral areas. In fact, I said that everything that meant anything to us looked like developing in a most satisfactory way. I predicted that our farmers would handle £3,000,000 before March, 1920, as a first dividend from the wheat pool on their crops. I predicted that the wool proceeds would realise £2,500,000. Further, I forecasted that we would spend £1,500,000 on soldier settlement. I am delighted to be able to say that my predictions have been fully borne out. Let me quote some figures. The revenue exceeded even my estimate, which was characterised as too optimistic, by £560,733. This matter I will refer to later.

Figures showing Industrial and Commercial Activity.

Turning now to the figures which are represented by imports and exports, it will be seen that the imports for 1919 totalled £8,023,990, and those for 1920, £12,639,386, while the exports, not including gold—I could not include gold because I was not able to get the exact figures, and as a matter of fact gold has not been an export—totalled for 1919 £5,927,470, and for 1920 £12,584,323. So that the total imports and exports, the two combined, for 1919 were £13,951,460, and for 1920 £25,223,714. I do not wish to convey a wrong impression to the Committee. A considerable proportion of the exports for 1920, consisting of wheat and timber and other things, was ready for export in 1919, but was not sent away until the following year. Nevertheless, these are striking figures, and are at any rate an indication of what has happened. It will be seen that the total of imports and exports for 1920 was nearly double that of 1919. There is another indication to which I may draw the attention of hon. members, and that is the goods traffic of our railways, which during the past year increased by 234,202 tons as compared with 1919. The shipping, inwards and outwards, for 1918-19 totalled 4,232,969 tons, and that for 1919-20 5,331,401 tons. There again is a substantial increase. The same position is disclosed if we turn to the clearing house figures, those for the period from the 1st January to the 9th August, 1919, totalling £31,815,000, and those for the same period of the present year totalling £49,241,992. All these figures indicate the amount of commer-

cial and industrial activity that is going on in Western Australia. As I have said, I estimated the first dividends on the 1919-20 wheat crop at £3,000,000. They actually amounted to £3,173,793. Further dividends on past pools should amount to £1,500,000, and the production of oats and other cereals for the past year was valued at £432,000. The hay crop, at the low estimate of £3 15s. per ton, represents £1,070,000.

Hon. W. C. Anwgin: Is not most of this owing to high prices and not owing to increased production?

The PREMIER: It is due to both factors. However, I said I had forecasted the receipt of these amounts; and I am telling the Committee what actually happened.

Mr. O'Loughlen: You did not anticipate the wheat rise.

The PREMIER: I hope to make it clear to the Committee that what we then said would be achieved has been achieved, and that what we then said would happen has happened; and accordingly I want the Committee to believe that what I shall say later in my remarks is going to happen will happen. I want hon. members to have faith in my forecasts. The figures in connection with land selection also give some indication of what is going on. The area of land selected in 1918-19 was 611,135 acres, whereas in 1919-20 it reached 1,469,684 acres, or an increase of 858,549 acres. Of course hon. members know that our land has been largely held up against ordinary selection because we desired to have our soldiers settled first. However, it has now been thrown open again. I believe that if we had ten million acres of land surveyed in our wheat belt, it would be all selected within a very few months.

Mr. O'Loughlen: You have not got it.

The PREMIER: But we can still get a very big area out there. I believe, too, that our pastoral lands which are sufficiently near to existing railways will be taken up as soon as they are thrown open. Those lands also have been withheld for a very long time. In addition to those amounts I have mentioned, we had £2,569,776 for our wool, and there are 5,600 bales still to be appraised. The member for Forest (Mr. O'Loughlen) will be interested in learning that the total outturn of jarrah and karri during 1918-19 amounted to sawn, 174,420 loads, and hewn 31,894 loads, or a total of 206,314 loads, representing an increase of 61,000 loads for the year, whilst the value of timber exported increased by £132,351. All these amounts that have come from primary industries will be repeated year by year. I do not know whether we shall always get the same high prices, but the annual crop will be exported. I think it is better that the country should have its millions produced from the soil. The evidence of this can be seen to-day, when, because of this production, we could employ thousands more men than are available. The timber industry, the gold mining industry, the agricultural industry, all are short of

men. If we had borrowed a few millions it would not have done for us what these millions produced from our soil will do. I desire to draw attention to the printed returns, numbered 1 to 14, which have been distributed. I will refer to these returns from time to time.

The Financial Position.

In placing the financial position before the House, I want to make it quite clear that my references and comparisons, unless otherwise stated, are as regards estimated and actual results. The total revenue received for last year was £5,863,501, while the total expenditure amounted to £6,531,725, leaving a deficiency of £668,224, as against an estimated deficit of £688,349, showing an improvement of £20,126. I have been already reminded that this net figure is nothing. I propose therefore to devote some time to an explanation of the actual increase of revenue and expenditure. It has been said that I did not forecast well, because my figures, both of revenue and expenditure, were a good deal out. I candidly admit it. The Estimates have always been well out. On occasions the actual expenditure has been fairly close to the estimated expenditure, but if members will take the figures which have led up to the estimate they will find that the Estimates are always well out, and always must be in regard to trading concerns. For instance, take railways; who could tell what would happen there in regard either to revenue or of expenditure? Generally speaking, our increased expenditure was such that it could not be anticipated when the Estimates were framed. It is true that from taxation I estimated to derive £690,000, whereas we got £844,197, or an increase of £154,197. From territorial I estimated £374,510, whereas we got £408,800, or an increase of £34,290. From governmental, which is largely a repayment of interest and charges for services rendered, I estimated £546,028, whereas we got £654,688, or an increase of £108,660. The Commonwealth, it was anticipated, would give us £595,422. From this source we actually got £598,273, or an increase of £2,851. From Business Undertakings I thought we should get £2,958,608. As a matter of fact we got £3,181,938, or an increase of £223,330. From Trading Concerns it was thought we should get £138,200. We actually got £175,605, or £37,405 more than we expected.

Hon. W. C. Angwin: And these are the things that are making you bankrupt!

The PREMIER: And they are not much good to revenue.

Mr. O'Loughlen: Then why go in for more of them?

Hon. W. C. Angwin: You have done very well out of them.

The PREMIER: Let me deal with some of the individual items. Of the increased amount received from taxation £58,543 was contributed by stamp duty, a contribution

brought about by increased activity, due in large measure to soldier settlement. Probate duty unfortunately was responsible for £76,951 of the increase. I say unfortunately, because this is the one source from which we do not desire to see any large increase, since it means that we have lost valuable citizens. Income tax showed an increase of £11,386. I think that through the ordinary channels we shall receive a great deal more from income tax this year.

Mr. O'Loughlen: It is time you raised the exemption.

The PREMIER: Of course everybody wishes to be exempted. From Territorial, including land, mines and timber, we had an increase of £34,290. This was due to a general improvement in the payment of land rent, to activity in mining and to the increased timber trade. Mining was fairly active last year. There were several important finds, some of which no doubt will result in the development of good mines. In any case our revenue has benefited considerably from the discoveries. Governmental shows an increase of £108,660. That has resulted principally from increased business throughout the various departments, and the consequent collection of fees. These fees represent reimbursements by the departments to the Treasury. There have been practically no increases in the rates imposed, the increased amount being due entirely to increased activity. In Business Undertakings and Trading Concerns there was an increase of £260,735. The increase in the railway rates yielded £148,000 for 6½ months. For the coming year the estimate is £274,000. To some extent this improvement is due to increased freights and fares, but with this exception it can be attributed to increase of business.

Mr. O'Loughlen: What do the farmers say about it?

The PREMIER: They are quite satisfied, although my friends opposite are not.

Estimated and actual expenditure.

If we make a comparison of the estimated and the actual expenditure for 1919-20, it will be seen that the administrative cost was estimated at £548,196, whereas it actually came to £643,522, or an increase of £95,326. The domestic expenditure was estimated at £936,615, whereas actually it reached £1,069,621, or an increase of £133,006. Under the heading of "business" the estimated expenditure was £2,293,673, whereas it reached £2,586,383, or an increase of £292,710. Expenditure under special Acts was estimated at £2,212,433. The actual sum was £2,232,199, or an increase of £19,766. If from this increased expenditure we temporarily exclude the increase under Business Undertakings of £292,510, we have an increase on the remaining item of £248,098. Let me refer to the special expenditure that had to be met, but which was not provided for and could not be anticipated. The influenza epidemic cost the

State £54,000. Increased salaries and wages of civil servants represented £35,000; of teachers £24,000; of police £15,000; and of other departments £10,000. Special Acts represented £20,000; increased price of stores in Government departments, other than Railways and Trading Concerns, amounted to £14,000; cost of strikes £34,000; military leave £12,000; and rabbit destruction £3,000. Not any of this expenditure could have been anticipated. These figures, which do not by any means exhaust the extraordinary expenditure which had to be incurred, indicate very clearly that the increased expenditure which might possibly have been foreseen was only £22,000. And for this expenditure an increased ordinary revenue of £300,000 was obtained. To revert for a moment to the Business Undertakings, it will be seen that whereas we estimated receiving £2,953,608, we actually collected £3,181,938, or an increase of £223,330. The principal increases were Railways £175,426, Tramways £17,709, Fremantle Harbour Trust £29,687, Metropolitan Abattoirs £2,313, and Tourists' Resorts £2,079. These increases again indicate a revival in trade. Turning from revenue to expenditure, it will be seen that we estimated £2,293,873, whereas the actual expenditure was £2,586,383, or an increase of £292,510. This was due principally to Railways £263,302, brought about by increased wages and cost of stores, Electricity Supply £3,358, Tramways £18,126, and Metropolitan Water Supply £7,056. In this regard hon. members will find considerable information on return No. 11, which deals with the various undertakings in detail. These undertakings ought to be looked into very carefully by hon. members, for I think it is in connection with this invested money that our real trouble arises. My colleague the Minister for Mines has already given a detailed explanation of the position of the finances of the business concerns generally, with special reference to the Railway Department figures. It is not my intention to-night to enlarge on those figures beyond informing members that the strike at Kalgoorlie affected the water supply revenue to the extent of £25,000, and the railway revenue to the extent of £40,000, while the passing of the Forests Act reduced the revenue by £3,000, these three items making a total of £73,000. I will not weary hon. members by detailing the departments which under-estimated and over-estimated revenue and expenditure. The information will be found on return No. 1.

The Deficit.

Before dealing with the future, I would like to indicate where we stand in regard to the deficit. On the 30th June, 1919, the deficit was £3,418,480, and on the 30th June, 1920, it had increased by £668,225, making a total of £4,086,705. I estimate that the deficit for the present year will amount to £399,707.

Mr. Munsie: It is coming down.

The PREMIER: The deficit will thus be reduced in the year by £268,518. Such a

reduction, without increased taxation, must be regarded as substantial. The general belief is that the reduction will be even more than that. But for unforeseen troubles it would not have been as big as it was last year.

Hon. W. C. Angwin: You will get increased taxation through the increased cost of commodities.

The PREMIER: But it will not come to the Treasury. On the 30th June, 1921, I estimate that the deficit will have reached £4,186,412. The sinking fund contribution for 1920-21 is estimated at £315,141. I told the House last year that I expected the trustees in London would forego the sinking fund on the Coolgardie water scheme loans. I thought they would do that because in 1927 we shall have not only the money necessary to redeem the bonds, but we shall have £560,000 more than we shall require. Therefore, the money which is being contributed now is being stored up in London and will be available in 1927.

Hon. W. C. Angwin: Not unless money gets cheaper.

The PREMIER: It will be £560,000 in excess of what we shall require. As the trustees did not agree to our proposal, it was considered wise to continue to pay the sinking fund in full.

Mr. Underwood: When you were in opposition you told them not to agree to it.

The PREMIER: I never had the opportunity to do so when in opposition. It is because we have kept our sinking fund going that the position is as we find it to-day. It is not a question of repudiation; it is a question of overpaying. We are paying too much sinking fund for the redemption of that particular loan. I could understand the member for Pilbarra (Mr. Underwood) objecting to the Government refusing to pay ordinary sinking fund. This, however, is something we should not be called upon to pay.

Hon. W. C. Angwin: A good deal of this sinking fund is invested in 3 per cent. and 3½ per cent. stock.

Estimated Revenue and Expenditure.

The PREMIER: It was expected last year that we would receive a considerable sum from land revenue. The amount anticipated from that source was £30,000, but only £6,000 was received. The main reason for that was the rapid advance in the bank rate of interest. The revenue from this item will suffer again this year. I intend to give members a summary of the estimated revenue and expenditure for the financial year ending 30th June next. Probably this will be of more interest than the figures of the past. From taxation it is expected that we will receive £805,000; from territorial revenue £444,190, from Governmental £851,156, and from the Commonwealth £605,690, making a total of £2,706,036. From business and trading concerns we expect to receive £3,900,368. That makes the grand total revenue £6,606,404. On the expenditure side, Administrative it is estimated will account

for £662,977; Domestic—that includes Education and the various departments administered by the Colonial Secretary—£1,074,556; Business—including trading concerns—£2,831,749, and special Acts £2,436,289, a total of £7,006,111. I shall explain later what the expenditure under special Acts means. It does seem a considerable increase, but I shall show how it is made up. We expect an increase of revenue over last year's receipts from territorial—land, £25,260, mining £5,140, and timber £4,990, a total of £35,390. From departmental, which includes fees, interest, etc., we expect an increase of £209,783, and from Commonwealth £7,417, a total in those three items of £248,590. We anticipate a decrease in revenue from taxation—due to probate duty—of £39,197, law courts £997, and the Mint £8,318, a total of £48,512. It is expected that there will be an increase in the revenue from business undertakings, principally the Railways, of £551,888, but there will be a reduction of £9,063 due chiefly to the Wyndham meat works. That will give a total of £542,825, and the estimated increase in the revenue will thus be £742,903. This looks a considerable sum. It is a considerable sum, but it is largely due to the increased activity of the railways. While dealing with the revenue, I would like to specially stress the position of the forestry receipts. Last year the timber revenue was £54,010, and this year it is estimated to yield £59,000, an increase of £4,990. It is not a very satisfactory increase when we remember that a million pounds' worth of timber is likely to be exported. We should get a great deal more revenue from our timber.

Mr. O'Loghlen: You are getting it in railway freights.

The PREMIER: Last year the amount of timber revenue transferred to special Acts was £22,281.

Mr. O'Loghlen: You have not spent it.

The PREMIER: It has been set aside. The amount it is expected that we shall transfer this year is £22,000. In the good old days the money went into revenue and it remained there.

Expenditure increases.

The estimated increase of expenditure over last year's payments is £474,386, made up as follows:—interest and sinking fund £195,420, other special Acts £9,210, Domestic £1,462, Administrative £22,928, Business and Trading concerns, principally railways, £245,366. The increase is fairly considerable, but it is due to interest payable on money advanced in connection with the settlement of returned soldiers, and to the expenditure on business and trading concerns necessary to earn increased revenue. But for these items the increase is small. The estimated interest and sinking fund increase is £195,420. If hon. members will turn to the estimated revenue and look at the heading Departmental, and sub-heading Treasury, they will find an increase in revenue amounting to £176,691. These two amounts are contra, and are the result of the borrow-

ing on behalf of the soldiers. The money has been borrowed from the Commonwealth Government, and the interest is paid by the Treasury.

Hon. W. C. Angwin: They do not pay the whole of it.

The PREMIER: Yes. The amount of £176,000 will be found under reimbursements in aid as revenue coming back to the Treasury. The administration expenditure of £122,000 is made up of many small items. The principal one is in connection with Lands Department £14,263. Then there is an increase in the Attorney General's Department on account of the general election to be held next year. I suppose hon. members have heard about that.

Mr. Munsie: I remember reading something about it a week or two ago.

The PREMIER: The elections and provision for the local option poll it is expected will cost £11,644. These and other small items make a total of £45,152. Among the decreases is one in the Treasury of £20,485. This is due to the fact that this amount was paid away last year in connection with the Fremantle wharf trouble and in connection with other strikes.

Mr. O'Loghlen: What guarantee have we that they will not occur again?

The PREMIER: I hope the hon. member will endeavour to keep the peace and see that the like does not occur again. The decrease in Agriculture represents £1,188, and there are other small items which bring the total increases to £22,226. This leaves an estimated increase in the administrative expenditure during 1920-21 of £22,926. Except for the fact that we ought to reduce the expenditure as compared with last year, that is a comparatively small item. If we have increased activity, we must expect increased expenditure in the Government departments. The increase in the Lands expenditure is partly due to the classification of the pastoral areas in the North, and of the lands to be settled in the South-West.

Mr. Underwood: You expect to start that next year?

The PREMIER: No, it is being done now.

Mr. Underwood: You could not find an inspector with a black tracker. I have been all over the country and have not found one.

Mr. O'Loghlen: There is a big increase in the Police vote.

The PREMIER: I venture to say that the pastoralists have found the inspectors and will continue to find them. The inspectors are at work.

Mr. Underwood: What work are they doing?

The PREMIER: The estimated increase in domestic expenditure during 1920-21 is £1,464, which makes a total increase of £61,891. The main items accounting for the increase are Education £41,792, due largely to increased salaries; Police £11,373, due to a similar cause; Lunacy £4,616, Aborigines £2,401, Registry £814, Colonial Secretary £453, and Gaols £442. The main items

of reduction are Medical and Health £59,947 and outdoor relief £480. If we take these two amounts, which total £60,427, and put them against the increase of £61,891 to which I have referred, we find that the net increase in domestic expenditure estimated for 1920-21 is £1,464. The big saving in the Medical and Health Department is due to the fact that last year we had to provide £54,000 to cope with the influenza epidemic, an outlay which we hope will not again be incurred.

Business Undertakings and Trading Concerns.

Members may be interested to hear just how the increased revenue and expenditure on business undertakings is made up. During this year I expect the expenditure to increase by £245,366, and the revenue I estimate will increase by £551,888, showing a net improvement of £306,522. This I think is fairly satisfactory. We cannot obtain revenue from this source without paying for it. The expenditure on Railways is expected to be £179,977 more and the revenue £449,574 more, thus showing a better cash position by £269,597. I need not quote the comparatively small items, but I might mention that Tramways are expected to spend £29,182 more than last year, and to produce £26,291 more than last year, making the cash position for that undertaking worse by £2,891. Lighting is estimated to require an expenditure greater than last year by £20,019, and to return a revenue greater by £21,688 than last year, showing a better cash position by £1,669.

Hon. W. C. Angwin: Lighting is doing well considering the time it has been operating.

The PREMIER: State Batteries, it is estimated, will require an increased expenditure of £1,024 and will return an increased revenue of £11,683, thus giving a better cash position to the extent of £10,659. I have informed members that the net improvement under the heading of business undertakings is estimated to be £306,522, which position I claim must be regarded as fairly satisfactory. I will now give a summary of the financial position of business undertakings and trading concerns for the year 1919-20 and the estimates for 1920-21. Last year the ordinary revenue amounted to £2,505,958, and the estimate for the present year is £2,706,036. Last year business undertakings returned us £3,181,938, and the estimate for the present year is £3,733,326. Trading concerns produced £175,605, whereas this year we expect to get only £166,542, a decrease of £9,063.

Mr. O'Loughlen: Why is that?

The PREMIER: Because they are not expected to pay so well this year as they did last year. For instance, we cannot expect to earn so much by way of shipping freights as we earned last year. Last year the ordinary expenditure was £1,713,143, whereas this year it is estimated to reach £1,737,533. On

business undertakings and trading concerns the expenditure last year was £2,586,383 compared with an estimate of £2,831,749 for the present year. Interest and sinking fund last year amounted to £2,232,199, whereas this year it will be £2,436,829. If we take the actual aggregate revenue of £5,863,501 and put it against the actual aggregate expenditure of £6,531,725, we find that the shortage in 1919-20 was £668,224, whereas taking the totals estimated for 1920-21 we have a revenue of £6,606,404 and an expenditure of £7,006,111, or a shortage during the present year of £399,707. A great deal of our capital is invested in business undertakings, the chief of which are the Railways. These business undertakings account for investments totalling £25,000,000, and that money I think has been very well invested. In trading concerns we have invested £1,800,000, and the two together represent investments of a total of £26,800,000. I now wish to show what the result of these investments has been. The revenue received last year was £3,357,543, and the expenditure was £2,586,383, leaving a gross surplus of £771,155; but the interest charges against that £26,800,000 at $4\frac{1}{4}$ per cent. was £1,139,000, and the sinking fund £268,000, a total of £1,407,000. If from the last named amount we deduct the gross surplus of revenue over expenditure—£771,155—it reveals a shortage of £635,840, which was roughly the deficit for that year, namely, £668,225.

Mr. Munsie: But that is including the whole of our railways.

The PREMIER: Certainly. Taking the figures for the present year we find that the gross surplus of revenue over expenditure is expected to be £1,068,619, and the interest and sinking fund charges £1,407,000, showing a shortage of £338,381, which is almost the estimated deficit for this year, namely, £399,707. This is where the trouble lies. Our people are contributing quite sufficient in the way of taxation to pay for the ordinary purposes of government such as the education of our people, police protection, and that sort of thing. They are contributing really more than sufficient to meet the expenditure under those heads, but it is in connection with invested money that we are losing, and it is here that we must look for some reform if we are to square the finances. I have already pointed out to members that the improvement in the anticipated deficit for 1920-21 as against the deficit for last year is really equivalent to the improvement in the operations of these business undertakings and trading concerns. I think the House would do well to bear in mind that this invested money is worth looking after. We should do well to inquire whether it is not possible by some means or other to make these investments pay. It might be that we need more people; it might be that we need greater activity in connection with these undertakings. If we could put another

50,000 people into this State, there would be no question about railways, harbours, and other works represented by our investments paying very well indeed.

Hon. W. C. Angwin: Of course you do not believe in handing them over to private enterprise.

The PREMIER: Why not?

Hon. T. Walker: The railways?

Government Property Sales Fund.

The PREMIER: The details of the Government Property Sales Fund will be found on pages 114-119 of the Estimates. The total receipts for last year amounted to £92,742. Of this sum, loan yielded £77,961 and revenue and trust £14,781. At the 30th June, 1920, the fund stood as follows: Balance at the 30th June, 1919, £221,586, receipts for 1919-20, £92,742, a total of £314,328. There is an adjustment of credit recoup from the Commonwealth due to a Treasury error last year to the amount of £44,212 which left in the fund £270,115. The payments during the year 1919-20 amounted to £110,637, leaving a balance unexpended at the 30th June, 1920, of £159,478. The amount provided for expenditure during the present year is £141,462.

Increased Taxation not proposed at present.

As members will realise, I do not propose to introduce any measure of increased taxation at the present time. I do not know what will happen during the next few months.

Mr. O'Loughlen: The "West Australian" forecasted it this morning.

Hon. W. C. Angwin: That paper gave the figures for the Budget Speech in this morning's issue.

The PREMIER: The figures were not obtained from me, anyhow.

Hon. W. C. Angwin: I have the figures before me.

The PREMIER: I believe the "West Australian" remarked that there would be increased taxation. We hear a great deal of talk about increased taxation; we hear from different quarters that there ought to be increased taxation.

Mr. O'Loughlen: Taxation on unimproved land values?

The PREMIER: Perhaps that would be a very good thing. There is a very great demand for an increase in the amount of the income tax exemption. Only the other day I received a letter from an organisation in Melbourne, asking that the exemption under the Income Tax Act be raised to £400. I do not know what would become of the State revenue if we increased the exemption to that figure.

Mr. O'Loughlen: You admit that they can make out a good case?

The PREMIER: Of course, everyone can make out a good case, but if everybody in this State were exempted from the payment

of income tax up to the amount of £400, we would receive very little revenue from that source. I believe in increased activity. I believe in getting revenue from increased production, increased trade and increased activity on every hand. The country cannot be taxed into prosperity. It is only right that the people should pay a fair and proper share of taxation. We have our obligations to meet and I believe that the people are willing to meet them. If I could see any way of wiping out this anticipated deficit by taxation without injuring the prospects of the country, I should consider it quite right to adopt that course, but I cannot see how we can raise any very considerable sum in this way, so, at the present time, I do not propose to ask the House to agree to increased taxation. I say "at the present time" advisedly, of course.

Mr. O'Loughlen: How do you feel towards the proposal of the "West Australian"?

The PREMIER: I do not think much of it. I consider that prosperity will come from the agricultural, pastoral, timber, and mining industries. I want to show hon. members what the financial position is. It will be remembered that I told the House I had received an offer from London of £2,000,000 on very favourable terms. I could not accept that money because I did not know what to do with it. It is not often that the Treasurer of this State is in that position. I had to say, "Thank you, I cannot take it." I hope when it is wanted it will be available.

The Minister for Mines: You do not refer to me, I suppose.

The PREMIER: A year ago we borrowed one and a half millions of money and we have it still.

Hon. W. C. Angwin: You are using the money the Labour party borrowed.

The PREMIER: They spent it themselves. It was not there when I went to the Treasury 15 months ago.

Hon. W. C. Angwin: It is coming in now.

Mr. O'Loughlen: In repayments to the Industries Assistance Board.

The PREMIER: We have, in cash in hand, in Perth and the Eastern States, £297,610, and in London £211,051, making a total of £508,661. We have wheat certificates that we can turn into cash, amounting to £176,325, war bonds amounting to £1,670, cash at call, Commonwealth Government recoup of advances for soldier settlers, £797,388, and at the London County Westminster and Parr's bank, on advances available on account of the sinking fund £80,000, a total of £377,388, making a grand total of £1,564,044. A great proportion of this sum is earning interest. The Commonwealth Government debt is earning interest, and we are getting interest on our own money. We are also earning money on the wheat certificates. This money is at call and we can spend it at any time we please, and, as I have said, we are earning interest on a great proportion of it.

Loan Expenditure.

I do not know what the loan expenditure this year will be. It will be utterly impossible to get enough men to carry out any extensive works.

Mr. O'Lughlen: Oh no.

The PREMIER: Last year's loan expenditure was £2,663,320. I will show how this is made up. On soldier settlement we spent £2,051,625, which is earning full interest.

Hon. W. C. Angwin: Why do you say on soldier settlement? Why do you not say on buying people's land?

The PREMIER: I say on soldier settlement. Why does the hon. member ask?

Hon. W. C. Angwin: I want to know the truth.

The PREMIER: Does the hon. member expect me to steal people's land, their sheep and other stock? We bought the land. If I wanted half of the hon. member's block at Fremantle for soldier settlement he would expect to be paid a fair thing for it, and rightly so. I do know that the best that could be done for the soldiers in the way of buying land has been done, and the land has been bought cheaply.

Mr. Pickering: That is so.

Mr. Johnston: At much below its value.

The PREMIER: If the hon. member will look into the matter of the purchases he will find that this is so. On trading concerns and railways we spent £359,240. It is possible to earn full interest and sinking fund on this investment in the near future. The other loan expenditure was £252,455. I suppose there never was less loan money expended in a year than was spent last year.

Mr. O'Lughlen: And never less in the way of public works put in hand.

The PREMIER: No. They could not be put in hand, for it would have meant withdrawing men from more valuable production.

Hon. W. C. Angwin: I wish you would put some men on to repair some of the railways.

The Minister for Mines: They are all right.

The PREMIER: I should like to be able to put someone on to repair the Fremantle tramway track.

Hon. W. C. Angwin: It is not nearly as bad as your own.

Loan Authorisations and Flotations.

The PREMIER: As will be seen from Return No. 6 the loan authorisations and flotations were respectively £50,709,173 and £17,602,778, the balance available for flotation being £3,106,395. Our borrowings are costing us in interest £1,942,302, and in sinking fund £315,141. This is on a capital of £46,822,003. Of this, £46,822,003, we have invested in railways, agricultural bank, soldiers settlement, harbours and other business concerns, earning interest or having a reasonable opportunity of earning interest, £34,707,086, and in trading concerns £1,300,000.

Hon. W. C. Angwin: And that is what is going to make the State bankrupt.

The PREMIER: Further, a sum of £3,529,387, not earning interest, but which should be able, with an increased population and increased activity, to recover and pay interest. That means that this £40,000,000 is money that can be said to be well invested. It is true that £6,785,530 has been spent on works of a developmental nature, which cannot earn interest, at all events in a direct manner. Of that sum £2,807,653 is for the funding of the deficit. When we remember that we have a sinking fund of £6,848,825, and that the Commonwealth owe us on transferred properties £830,000, the position so far as borrowed money is concerned must be deemed to be satisfactory. Against this money, which does not earn interest in a direct manner, we therefore have this total of £7,678,825. The expenditure of borrowed money has been fairly well looked after.

Mr. Pickering: Since when?

Hon. W. C. Angwin: Hear, hear! I wish you had admitted that before.

The PREMIER: It is fairly well covered. Of course money had been so well invested over some periods—I say that advisedly—that it possibly covered some money which was not so well invested over other periods.

Mr. O'Lughlen: From 1911 onwards!

The PREMIER: We built our goldfields lines very cheaply, and some of our agricultural lines very cheaply.

Hon. W. C. Angwin: They have had to be built over again.

The PREMIER: We did build very cheaply in those days. The hon. member knows that for a few hundred pounds a mile we laid the railway from Southern Cross to Kalgoorlie, and that some part of the Murchison line also was laid very cheaply. We have assets worth a great deal more to-day than they cost. I am going to justify the investment of this borrowed money. I am not very much concerned about the method of expenditure from time to time, but I am concerned, as I hope the Committee is, to know that this money is well covered by fairly substantial assets. This invested money ought to pay its way.

Hon. W. C. Angwin: It would in normal times.

The PREMIER: Had there been no war it would have been paying its way now.

Hon. W. C. Angwin: And you would not be where you are.

The PREMIER: I was very comfortable on the Opposition bench, but as I am here now I think I will stay. Return No. 7 classifies the main head of loan expenditure, and indicates how our loan money has been spent.

The Sinking Fund.

Something was said about a desire to do away with the sinking fund. A sinking fund means sound finance. The investment in repurchasing the State's stock is also sound. Return No. 12 contains some

valuable information. The deficit commenced in 1911. I want to show what the relative positions of the sinking fund was. The growth of the sinking fund during the period 1911 to 1920 was £4,293,513, and the growth of the deficit was £4,100,003.

The Minister for Mines: That includes the surplus carried over from 1910.

The PREMIER: The total sinking fund now amounts to £6,848,825, being an increase of £694,120 for the past year. This is made up by contributions under special Acts £314,442, and State steamers £5,250, a total of £319,692. The interest on this money amounts to £386,628, less redemptions £12,200, making a total of £694,120. Whilst it is true that we have had a deficit of £668,225 last year the contribution to the sinking fund from that amount was £319,000, or nearly £320,000, and the invested sinking fund earned £386,000. I doubt if it is very clearly understood that our sinking fund is quite what it is. It is certainly not understood by our friends in the Eastern States. I had an opportunity of discussing the matter with them. Almost invariably they say, "You are in a bad way in Western Australia, and have a tremendous deficit." When we reply that we have contributed a great deal to the sinking fund, they say "We have never heard of it."

Hon. W. C. Angwin: They did not hear it when Mr. Colebatch went there. It did not suit him to say that.

The PREMIER: Our excess on account of sinking fund over the deficit was £25,895, and we redeemed £12,200 worth of stock. I will make a comparison between our sinking fund and those of the Eastern States. In New South Wales up to the 30th June, 1919, they had set aside £388,259.

Hon. W. C. Angwin: They paid none during the war.

The PREMIER: That represents a decrease of £116,662 since 1911. In Victoria the total sinking fund amounted to £7,977,611, an increase since 1911 of £959,746. These are the amounts that these big States contributed. Queensland at the 30th June, 1919, had a sinking fund of £385,540, all of which has been contributed since 1911. South Australia had at the 30th June, 1919, a total sinking fund of £1,462,400, of which £845,444 has been contributed since 1911. Then there is Tasmania with a total sinking fund of £646,197, of which £231,596 has been contributed since 1911. Thus these five States have a total sinking fund of £4,860,007, of which £2,305,663 has been contributed since 1911. The position here in Western Australia is that since 1911 we have increased our sinking fund by £3,250,973; and it now stands at £6,139,008. The other five States have a total indebtedness of £352,719,073, as against our total indebtedness of £43,637,076.

Hon. W. C. Angwin: But in 1916 your party said that the sinking fund should not be taken into consideration, that the debt was there notwithstanding the sinking fund.

The PREMIER: I am now saying what I have to say to-night, that with their enormous indebtedness the other States have made very little provision by way of sinking fund, and that during the last eight years we have contributed a million pounds more towards sinking fund than all the other States put together.

State Savings Bank.

The State Savings Bank depositors' balances have risen during the past year from £5,453,922 to £5,576,281, an increase of £122,359. That increase, of course, is not satisfactory. The number of accounts rose from 125,370 to 130,512, an increase of 5,142. The average amount per account decreased from £43.503 in 1919 to £42.726 in 1920.

Hon. W. C. Angwin: Who is going to give the State Savings Bank money at 3½ per cent. when 4½ per cent is obtainable elsewhere?

Commonwealth Payments.

The PREMIER: I can say nothing to-night with regard to the per capita payments from the Commonwealth. The position is as it was when I produced the Estimates to the House last year. We are still collecting on the old basis, and will continue to do so until the Federal Parliament alters the arrangement. My own belief is that the arrangement will not be altered. At all events, no attempt to do so will be made before the holding of a convention.

Mr. O'Loughlen: Do you think the convention, if held, will prevent a reduction?

The PREMIER: No, I do not think so. I do not believe the Federal Parliament will permit a reduction.

Loan Works.

Now, there must be some loan expenditure during 1920-21 because there are certain works that must be done. The member for Kanowna (Hon. T. Walker) has a railway at Esperance, and as we go on that railway will be completed. Then there is the Ben-cubbin line, the Margaret River railway, the extension from Nyabing, and there is also the Denmark-Bridgetown line. I hope to be able to do something this year as regards railway building. In my view our policy ought to be to build, say, 100 miles of line per annum, until the lines required to complete the railway system of Western Australia have been laid down. The advisory board are now reporting on various proposals for lines that are necessary to complete the system as regards our agricultural lands. There is not very much to do. Our policy should be to lay down surface lines as far as possible for the opening up of both agricultural and mining districts to serve until such time as the districts develop. There is something to be done also in connection with harbours. There is some work required at Fremantle, Geraldton, and in the

North-West, and possibly at Bunbury. Certain jetty extensions and new jetties are required in the North-West, and there will also be some expenditure in this connection at Busselton, though not very much. Various water supplies require attention. Perth water supply will have to be gone on with, as the city cannot continue much longer to draw its water supply from temporary sources. We have had an engineer from Victoria here to inquire into the matter of a water supply for Perth, and we hope to receive his report in a few weeks. As regards Geraldton water supply, I hope to let the Geraldton people know next week what can be done. Undoubtedly Geraldton wants a water supply very badly. There is also a work of this nature required at Collie, but that will not be a very expensive job. Then there will have to be some money spent on drainage in the South-West, where the rivers and brooks must receive attention. As a matter of fact, drainage is far more important than irrigation to the South-West. At any rate, drainage must go before irrigation. In connection with existing lines of railways, there is the Fremantle deviation, there is a certain amount of relaying and of belated repairs, and there is some rolling stock to be supplied. Full particulars on these points will be furnished to hon. members when the Loan Estimates are submitted. As regards the Fremantle deviation, the bridges must come down sooner or later, and we must get on with that work. The increased shipping demands that the Fremantle harbour should be extended, and I suppose that work will take some years. New bridges must be erected there.

Hon. W. C. Angwin: If it is not done promptly, the Government will have to pay more for damage.

The PREMIER: Yes, the work must be undertaken. Now let me say a word or two about the departments.

Pastoral Lands Classification.

As regards the Lands Department, the member for Pilbara (Mr. Underwood) said that he had not been able to find a party classifying in the North-West. As a fact, the leased lands of the North-West are now being classified by seven parties—four parties in the north division, two in the eastern division, and one party in the Kimberley division. It is anticipated that the classification of the north division will be completed by the end of the year, and the same thing applies to the eastern division. On account of climatic conditions, the Kimberley division will probably not be completed till the end of next season. The classification of the Eucla division, it is anticipated, will be completed about the end of 1921. The areas inspected up to date are, 66 million acres in the north division, 13 million acres in the eastern division, and four million acres in the Kimberley division. As regards appraisalment, it is anticipated that 25 million acres in the north division will be completed

by the end of November, and the balance of that division by March of next year. The eastern division, it is anticipated, will also be completed by that date; and the appraisalment of the Eucla division will be commenced in 1921. All pastoral lands have been held up for soldier settlement since the 1st July, 1919. They are now to be thrown open, subject to preference to soldier applicants. When the lands at present leased in the north have been classified, other pastoral lands will be classified in advance of settlement. Classification enables the Lands Department to fix the rent, which must be done after classification. All this work is in hand, or contemplated. I believe that the pastoral lands to be thrown open shortly will be leased very quickly. In Western Australia there is really very little desert. Generally water can be obtained cheaply, at a shallow depth. There is, of course, a good deal of artesian water to be found in several portions of the State. Long distance cartage will militate against some of the leased lands, but I think we can expect the numbers of our cattle and sheep in the North-West to be doubled. It is quite certain that when those numbers are doubled, the prosperity of this State will be something very different from what it is at this moment. In this way I hope we shall achieve much bigger and much better things in Western Australia than by any other means that have been suggested. Our primary industries will give us the prosperity needed to set this country on its feet again.

Agricultural Lands Classification.

The classification of our wheat lands is proceeding in the area east of the present settlement from Merredin to the south coast. This is within a fairly good rainfall. In your electorate, Mr. Stubbs, we are classifying land from Lake Grace to the rabbit-proof fence, and have already located a very considerable area of good land, an area much greater than I thought possible. But, after all, this country is very little known. There is a length of country of 300 miles, of a considerable width, to be classified, and I hope that will also show a considerable area of good wheat land. It will certainly show a very large area of good grazing land. The whole of the lands of Western Australia ought to be classified. The rainfall over this particular area is very good. It is much heavier than that at, say, Doodlakine, where, as we know, farming is carried on. Indeed, our Westonia friends want to do something in the way of wheat growing. I do not know who is to take the credit or the risk of it; I think we shall have to let the member for the district do so.

Mr. O'Loughlen: You took the risk before.

The PREMIER: Yes, but I do not want to take any further risk of that kind unless I am obliged to do so. Grazing farms will be granted over isolated patches of good land, and throughout areas where the good land is sufficient to justify a railway. I hope we shall be able to bring about a very considerable increase in the number of

sheep on our wheat areas. I think they will easily carry two million more sheep than they are carrying to-day, while at the same time doubling their area under crop; and I believe that this result will be achieved in a very few years. Of course the farmers must have fencing wire at a fairly cheap rate. Unfortunately we have no control over the price of that requisite, though I think the price will come down before long. Hon. members know full well what has happened in connection with our wheat areas. They have produced millions of pounds' worth of wealth during the five years of the war. Those wheat lands have been responsible for a great deal of the work that has been done in Western Australia, and for a great deal of the wealth that has been brought into this State. Therefore I say that if we can double the crops in the wheat areas and put another million sheep on them, and also 100,000 dairy cows, we shall be doing a national work of the first order. I hope I shall be long enough in office to see that brought about. The classification of the wet lands of the South-West, from here to Albany, is a very big work. We have located 10,000 farms now, and of course there are very many more to be located between here and Albany. That vast area of land can be settled, but its classification must first be done, and that work has occupied pretty well 12 months, costing a good deal of money. When one travels through that district one finds a fair amount of very good country which will carry a large population. The preparatory work is advancing. We can now undertake the survey of subdivisions in this area. The land will become a land of closer settlement, a land of comparatively small farms, say farms of 100 acres. The cost of making each single farm in the South-West is not, in my opinion, as great as the cost of making a farm in the wheat belt.

Mr. O'Loughlen: There is no comparison.

The PREMIER: No, I am sure it is cheaper in the South-West.

Mr. Willcock: Clearing down there costs £60 an acre.

The PREMIER: For that sum it could be cleared to a toothpick. With up to date machinery it could be cleared for a fourth of that sum. The Agricultural Bank knows all about clearing in this country, because it has paid for a great deal of the clearing done. If the land down there cost £60 to clear it would not be worth clearing, but if it can be done for £15 or £20 per acre it is well worth it. We have already lost 40 or 50 years' use of that land. That country is country for closer settlement. We shall grow maize down there and oats—some oats, I hope, for oatmeal—and potatoes and fruit, and shall fatten stock, and in fact produce for the Perth market all that it can want. Drainage, of course, is required, for they have a magnificent rainfall. However, we are going to develop that area in the same orderly fashion as we developed the wheat belt, and I hope it will achieve the same results.

Of course if we had 10,000 wheat farms we could get rid of them much more quickly, because so many people want to go in for wheat growing. The fact remains that we must develop all portions of the State. We are giving some attention to the North-West. A Minister has been appointed who will devote a great deal of his time to the development of the North. We require up there proper transport facilities, and improved harbour and marketing facilities. We must show some interest in pastoral development, in the fisheries, and in tropical culture. We have water supplies to attend to, just as in the South, and there are the natives to be cared for. All things for the good of this province of the State will be looked after by the Minister. Other departments will be largely used in this task, but the Minister for the North-West will direct the work.

Soldier Settlement.

Now we come to soldier settlement. On the 30th August we had 3,214 men settled. In all, 5,758 applied. The men on their holdings are working well. They are doing magnificent work, and with very few exceptions making an honest endeavour to win out. It has been necessary to purchase land to enable the men to settle in the districts in which they enlisted. Moreover, under this system they have secured cheaper farms than they could have built up. The single farms do not necessarily mean the displacing of a farmer to put in a soldier, for in many cases the farms have been surplus holdings. In all, 48 estates have been purchased, representing an area of 223,106 acres, at a cost of £431,949. Of those estates, 34 are open in 381 holdings. Pyrron, of 33 holdings, will be open to-morrow. Of the 348 blocks available, representing 151,413 acres, only 27, representing an area of 2,467 acres, remain unselected. The selling cost is £3,880, or about $2\frac{1}{2}$ per cent. of the total cost. So it will be seen that this settlement has been very satisfactory indeed. Most of the blocks are good. Of course in every subdivision of a fair-sized area we are bound to get some blocks not so good as others. Naturally, our soldiers are not allowed to settle on those. The total expenditure under the Lands Department on the purchase of estates and the provision of water supplies, salaries, etc., represents £516,017; Agricultural Bank advances, £2,004,071; or a total of £2,520,088, of which £106,603 was paid in bonds, leaving a balance of £2,413,485, of which we have received from the Federal Government £1,616,097. The balance of £797,388 is owing and can be collected at any time. The average total expenditure per soldier amounts to £790, but with the commitments to complete the job and make his farm what it ought to be, the total per man runs out at £1,071. The Commonwealth agreed to provide £4,600,000 for the settlement of 3,100 soldiers, that is for advances, resumptions, and works necessary to open

up the land. The unexpended balance of approximately £1,250,000 can be used for resumptions and works for further settlement. For the future we are to get a flat rate advance of £1,000 per man for all soldiers over 3,100. This money is to be used for improvements, and the purchase of stock, plant, etc., £625, and for resumptions and works £375. The Federal Government have to take their share in the losses that must attend a settlement of this sort. First there is the rebate of interest to the soldier up to £325. The Federal Government share in the loss to the extent of 12½ per cent. That is to say, for every million of money which we get from them, they give us £125,000 to cover losses and make rebates of interest to the soldiers during the early stages of their settlement.

Hon. W. C. Angwin: That includes the rebate of interest.

The PREMIER: Yes.

Hon. W. C. Angwin: Then there is very little left.

The PREMIER: No, there is a great deal left. I hope it will be enough. At any rate, it is the best form of settlement which this country has ever had. If we could get unlimited returned soldiers and settle them as cheaply and well as we have settled the 3,000 odd, it would be the best thing that could happen the State. We require to have development, and at our own expense. Under this system our loss is minimised to the irreducible. I should like to see 10,000 soldiers still waiting to be settled under this scheme, if only the Federal Government would foot the bill. We have in all 15 inspectors distributed over the various districts. Their reports show that the men are of good type, that they are working enthusiastically, and that in the main their prospects are very good indeed. The Agricultural Bank has 8,492 clients. The total advances outstanding amount to £3,047,208. The average advance outstanding is only £360.

Industries Assistance Board.

Let us consider the position of the ordinary settler under the Industries Assistance Board. There are 1,981 ordinary settlers, 497 soldiers, and 418 settlers under Clause 6, or a total of 2,896. The indebtedness at the 30th March of the ordinary settlers was, principal £1,610,222, interest £115,631, or a total of £1,725,853. But they paid in £1,214,719, and their estimated payments to outside creditors and to settlers for clearance amounted to £122,404, leaving £1,092,315, or a net indebtedness at the 31st March of £633,538. The advances made since then have been on account of current stock. The equity in the Wheat Pool of these 1,981 farmers is approximately £400,000. So it will be seen that there is not very much owing. Of course not all the accounts are good, but still it will be admitted that the position is very satisfactory.

Hon. W. C. Angwin: You will be able to close down the board shortly. It was only a temporary expedient.

The PREMIER: The area under crop by clients of the board is 555,823 acres. If we allow ten per cent. for hay from, say, 500,000 acres, it represents £2,000,000. The farmers under the Industries Assistance Board have been a very valuable asset to the State. The Board has paid to Government departments on behalf of the indebtedness of its clients for land rents, interest on loans, etc., three-quarters of a million pounds.

Hon. W. C. Angwin: And the board has been a very valuable asset to the farmers.

The PREMIER: Certainly. The claims of outside creditors were originally £678,228, of which £286,000 has been paid, or will be paid shortly. The amount paid from the 1919-20 harvest was £17,728, and the approximate further payments are estimated at £40,000. Thus it will be seen that the £678,228 of the original claim will have been reduced by at any rate £325,000. Since the inception of the board, these farmers have delivered to the Wheat Pool wheat of the value of £4,173,966.

Hon. W. C. Angwin: It is nothing more than they have had out; they have only returned it.

The PREMIER: I thought I had made it clear that they have paid this money from crops which they grew, and that they have almost paid for the money advanced to grow the crops. Is not the country the better by that £4,000,000? Of course it is.

Hon. W. C. Angwin: Are they any better off for having had the money advanced to them?

The PREMIER: Of course. There has been a production of wealth to the extent of four millions that would not otherwise have come in.

Hon. W. C. Angwin: Due to the foresight of the Labour Government.

The PREMIER: I admit the Government of which my friend was a member happened to be in office at the time.

Hon. T. Walker: A very grudging admission.

The PREMIER: I admit frankly my friends opposite introduced the legislation, but I introduced the methods which brought about this result. In the Education Department there is to be no change in policy. Increases in salaries are provided for all ranks. The increased expenditure will amount to £60,292 less a refund of strike money £18,500, the net increase being £41,792. The proposal is to amalgamate all branches of technical education, including the Kalgoorlie School of Mines and the Narrogin School of Agriculture.

The Mining Industry.

I desire to say a word or two in regard to the mining industry. The total mineral production to the 30th June last was valued at £149,475,588. The total number of men

employed in the industry in 1918 was 9,265 and in 1919, 8,346, a decrease of 919. That of course is a serious matter and must affect production. The total production of gold to the end of July, 1920, was valued at £142,198,182. During 1919 Western Australia produced 56.73 per cent. of the total output of gold in the Commonwealth. For the year ended December, 1919, the value of the gold production of the State was £3,118,113, and for the first seven months of 1920 £1,468,355. The causes of the decrease were the industrial troubles on the woodlines, the natural depletion of old mines, the want of efficient labour on the big producers, while the miners' exodus to new finds has accentuated the shortage of labour on the producing mines. The dividends paid by gold mining companies during the eight months ended 31st August last totalled £195,333 and the total dividends paid to date amount to £27,619,997. Towards the end of last year discoveries were made at Hampton Plains, Mt. Monger and St. Ives. Some rich returns were obtained and many leases were taken up, but development is not sufficiently advanced to justify an estimate of the importance of those new districts. I believe, however, that some mines of importance will be developed as the result of the operations which have been taking place. The discoveries have stimulated prospecting from one end of the State to the other. We have a very large area of auriferous country and there is no reason why other new finds should not be made.

Mr. Pickering: What about the new find out from Coo?

The PREMIER: I will leave the Minister for Mines to deal with that. With regard to coal, the total production for this State amounts to £2,482,435. There has been an increase in the production as between 1918 and 1919 of 64,874 tons. The figures for 1918 were 337,039 tons and for 1919 401,713 tons. The value of the production in 1918 was £204,319 and in 1919 £270,355, the increase in value being £66,036. To increase our supplies of coal and test for the best varieties boring is being carried on at Wilga and at Irwin River. In this direction the Government have expended £506 at Wilga and £765 at Irwin River. The advances in aid of the mining industry granted for the year ended 30th June, 1919, amounted to £3,352, while for the year ended 30th June last, this sum was increased to £25,024. The Government have appointed a prospecting board to deal with applications for assistance. The number of returned men who have been assisted by the Government to date is as follows: Equipment and plant 171, sustenance 38, and the cost has been £2,142. The Government have expended in assisting soldiers £864. The Federal Government are also contributing in this direction, but I do not know what their expenditure will be. The assistance which has been rendered has been fully justified and the result will be of incalculable benefit to the

State. The finder of St. Ives was assisted by the Government with camels and equipment and as a result 275 leases and 69 prospecting areas were taken up.

Mr. Munsie: And some good mines will result, too.

The PREMIER: I think so. An assisted prospector has just submitted samples of silver lead ore. These have been assayed at Boogardie with the following results: Silver 14ozs. 19dwts. 5grs.; lead 41 per cent. by fire assay, and there was also a trace of gold.

Mr. Munsie: It is to be hoped it is another Broken Hill.

The PREMIER: I hope so, too. With regard to State batteries there are 30 operating, this number working 205 head of stamps. The capital expenditure on State batteries to the end of 1919 was £1,210,084, and the loss on working was £639,279. The total value of the output from the inception of these batteries to date is £5,244,748.

Mr. Munsie: The State battery was the means of Meekatharra being opened up.

The PREMIER: I know they have done a great deal of good.

Mr. Munsie: And indirectly they have paid for themselves.

The Railways.

The PREMIER: With regard to the railway system, it is anticipated that during the year the earnings will be £2,725,000, and the working expenses £2,189,800, leaving a surplus of £535,200. The interest bill will amount to £720,000, so that there will be an estimated loss of £184,800. The improvement over last year's result is estimated to be £240,215. The tonnage carried over our railways in 1918-19 was 2,379,403 and in 1919-20 2,613,606, an increase of 234,203 tons. An additional train mileage of 594,819 was run to cope with the additional business. The increase in fares and freights from December 1919 to June 30th, 1920, amounted to £148,400. The railways have to be managed on business lines; it would be a very bad thing if we departed from that system. The increased expenditure amounted to £432,000. The arbitration increase in wages accounted for £294,000 and the increased price of stores to £138,000. The increased charges are not sufficient to meet the special expenditure. There was, of course, an increase in passenger fares and freight, but the two together were not sufficient to cover the total expenditure.

Mr. Pickering: Are you contemplating further increases?

The PREMIER: I am content for the moment to have the public pay £274,000, but I want hon. members to realise that the railway system ought to pay.

Mr. Pickering: What about the new extensions?

The PREMIER: There has been a suggestion for the imposition of a land tax to cover the loss on railways, but let me point out that the farmers have a sixth of the ton-

nage which is carried over the railways and they have about two-thirds of the tax to pay.

Mr. Munsie: Nothing of the kind.

Mr. Willcock: The people who did not improve their land would have to pay.

The PREMIER: The farmers would be paying all along the line.

Mr. Willcock: There would be varying degrees of payment.

The PREMIER: Why should the farmers be called upon to pay more so that the State timber mills for instance might get lower freights?

Mr. Willcock: The people who improved their land would not pay so much.

The PREMIER: The hon. member apparently does not know what has been done during the past few years. Of course we are always anxious to pass a tax on to someone else. It must be conceded that the man on the land has done his duty fairly by this country during the last 10 years. But there is no need to do that. The increased freights and fares in the various Australian States between 1915 and 1919 are:—Western Australia 17.89 per cent.; South Australia 15.18 per cent.; Victoria 19.98 per cent.; Queensland 22.21 per cent., and New South Wales 28.51 per cent., so that, with the exception of South Australia, the increase in this State has been the lowest of any State in the Commonwealth. In Western Australia the average cost per ton mile is 1.84d., and the average receipts work out at 1.61d., which gives a gross loss of .23d. The goods which are carried at less than 1.84d. per ton per mile represent our loss.

Mr. Willcock: Superphosphate, for instance.

The PREMIER: Yes. Of the total goods traffic, the unremunerative rates represent 82.03 per cent. and the remunerative rates 17.97 per cent. As the member for Geraldton mentioned, fertilisers are unremunerative, the approximate loss on the carriage of this commodity being £66,000 a year.

Tramways and Electricity Supply.

The estimated earnings of our tramways in 1920-21 are £214,000 and the working expenses £173,210, which will leave a gross surplus of £40,790. The interest on the capital will be £30,000 and, allowing for the amount of the three per cent. payment to local authorities, £6,420, the estimated net profit will be £4,370. This undertaking is now paying.

Mr. Munsie: How much of that is going to be swallowed up by belated repairs?

The PREMIER: Not very much. It is estimated that in the present year the electricity supply will earn £84,660. The working expenses are set down at £55,038 and the antiquation fund at £8,000, a total of £63,038, which leaves a gross surplus of £21,622. The interest will be £21,000, and the estimated profit will therefore be £622. This concern also is now paying its way. The power station uses local coal exclusively and

last year 31,000 tons was consumed. The power house is proving of great value to the State by generating cheap current. As a result of the work of this plant it has been possible to supply cheap current to the people of the city and suburbs of Perth for lighting and cheap power to the manufacturers, flour millers, and people engaged in industry. I believe that the operating costs of our power house are lower per unit than those of almost any other power house in the world, and we give the people of the metropolitan area the full benefit of the cheap power which we have to sell. These works, I think, will result in a great deal being done to encourage manufactures in the metropolitan area.

Agricultural Department.

I have not very much to say about the department of Agriculture. I think it is an important department and has done very good work for the State. The time has come, however, when the activities of this department should be confined to the giving of advice and direction on all matters pertaining to production. Its functions should be to advise agriculturists and producers how to combat plant disease, pests, vermin, etc., to undertake the inspection of fertilisers, stock, and that sort of thing, and to conduct experimental farms and supply seed wheat, oats, etc. It is proposed to transfer the control of all education, including that on the agricultural side, to the Education Department. The agricultural experts will be required to work to some definite end, and we propose to remove all trading concerns from the control of the department, if this House will pass a Bill for the appointment of a commissioner to control trading concerns. The Wyndham Meat Works come under the control of the Department of Agriculture. I hope we shall soon be able to alter that. What we want this department to do is to encourage production. An extension of the dairying industry, for instance, would mean an adequate milk supply for the towns, an adequate butter supply, and later on would lead to quantities of butter being available for export. The encouragement of dairy farming near to established butter factories is an important matter. We want the department to encourage the production of potatoes, onions, and other suitable crops necessary for the food of the people. Increased production in these directions would prove of tremendous benefit to the people of the State generally. Our wheat farmers were well advised to increase the areas under crop this season. It can be said that Western Australia is the only State where the area devoted to sheep raising is increasing. Our wool has brought very high prices in the world's markets, and everyone knows that our wheat is quite equal to the world's best wheat. As regards fruit, there is nothing better than our apples. The trouble is that we are not doing enough to produce these things for which

there are ready markets. These things can be produced and produced profitably. New markets are being opened up in Eastern Asia, India, and South Africa, and great opportunities are offering for those who engage in these industries. To this end we propose to open up the South-West and we propose to do everything possible in this direction during the coming summer.

Civil Service.

I should now like to discuss the civil service. I know that some members think it is quite possible to reduce the cost of the civil service by a very easy and short process. I know that this is in the minds of members. I agree that reform is needed and that economy is needed. This would mean better management. Methods in vogue are antiquated, cumbersome and dilatory, but that is not altogether the fault of the service. This is a new country and Government departments in a new country, and particularly in a land of primary production, are necessarily brought very closely into touch with the daily life of the people. It is not too much to say that no development to any extent is possible unless it follows on the activity which must take place in many of the Government departments. Take the Lands Department: there could be no settlement unless there were work in that department, though there are some exceedingly wise men who think that settlement could be brought about without such work. The Agricultural Bank, mines, agriculture, works, timber and pastoral industries, all follow on the work which must be done in the departments. We want our money's worth, whether the expenditure be from revenue or from loan. I doubt whether we can hope for less work in our Government departments, but I know that we must have more effective work. I believe that with increased development and with an increasing population consequent on the arrival of immigrants, and a desire on the part of the people generally to produce more, we must have more departments. It will not be sufficient to do merely the work which is being done now, but that work, I repeat, must be effective. Twelve months ago, a great many men might have been removed from the service. In the Titles Office, twice as much work is being done now as was done before. In the Lands Department the increase of work has been from 60 to 70 per cent., and similar increases have occurred in many other departments. I hope there will be still more work to be done in our departments, but we must have better management, proper methods and proper housing. For these things we are responsible. If we allow the management to be lax and inefficient, then we are responsible. We are responsible for the methods because we set up those methods by Act of Parliament. It should be possible to get greater results in revenue, because revenue comes very largely from the activities of Government departments. We ought

to group all kindred activities in order to prevent overlapping. Some of the sub-departments, I consider, could be weeded out entirely. If we set up a man in a room with a chair or two, he soon has a department of his own. We must avoid that sort of thing. We do not want two departments doing the same work. We must centralise. Our trading concerns are to be found scattered all over the place. Accountants, clerks, and managers, too, are scattered. I suppose if there is any one place which is not equipped for the carrying on of trading concerns either in method, experience, or in any other way, it is a Government department. The Government desire to see these trading concerns amalgamated and brought together under one head. If we do our part, economy will follow, and we shall get a great deal more work from the people whom we are paying now. I do not say that all the men in the civil service are first class men, or just what we should like them to be, but there are very few men in the service who are not good men. However, we must have reform, and that reform must come from the top. We hear a lot of talk about reform and reorganisation. That is quite right and quite necessary, but we must start at the top.

Mr. Pickering: Yes, start at the right end.

The PREMIER: We must start at the top and not at the lower end of the ladder.

Hon. W. C. Angwin: That is easier said than done.

The PREMIER: I do not agree with the hon. member.

Hon. T. Walker: We have heard that before.

The PREMIER: I think it can be accomplished if we insist that the men in charge see that those under them carry out their duties efficiently and satisfactorily.

Mr. O'Loughlen: Do you intend to do that?

The PREMIER: Inquiry should be made into the duplication of State and Federal activities.

Mr. O'Loughlen: Inquiry! This question has been discussed at every Premiers' conference.

The PREMIER: We should have an inquiry to find out the extent of the duplications.

Mr. O'Loughlen: If you do not know their extent, you never will know them.

The PREMIER: We have State and Federal electoral departments; ours was the first in existence. We have State and Federal savings banks; ours was the first in existence. We have two taxation departments; ours was the first in existence.

Mr. O'Loughlen: You have had ten Premiers' conferences at which you have discussed these duplications.

The PREMIER: And we shall have ten more and still go on after that until we find a remedy. No doubt the Federal Govern-

ment would be quite willing that their departments should take over our work.

Mr. O'Loughlen: Queensland came to an arrangement with the Commonwealth in the matter of savings banks.

The PREMIER: I propose to have an inquiry made to ascertain what can be done to alter the present state of affairs. I consider that there is no reason why the people should be asked to pay for two sets of officials to do the same class of work.

Mr. O'Loughlen: Hold another Premiers' conference.

The PREMIER: Regarding the civil service, the commissioners' reclassification and reorganisation is being proceeded with. Under secretaries have been asked to suggest reforms and economies. A special board will have to be appointed to deal with methods and staff. We do not look for any reduction in the staff or in the cost, but we do look for the same staff in numbers and cost to do increased work, and I believe we shall get it.

Wheat Pool.

The wheat pool of course is being continued much on the same lines as before. The pool has been in existence for five years, during which time 53,488,741 bushels have been delivered. The payments, including certificates held by the Treasury, amount to £11,942,946. The estimated amount still to be paid to growers is £1,500,000. The guarantee for the next season is 5s. per bushel at sidings. I hope the price realised will be 10s. on rails. The harvest prospects are very encouraging indeed.

Mr. Pickering: Do you think you are taking any great risk with the guarantee?

The PREMIER: I consider the pool has been of great advantage to our growers. How much longer it will be necessary to continue the pool, I do not know. I am afraid that our troubles in connection with the pool are about to begin, and that we are likely to experience some difficulty in connection with shipping freights.

Mr. Willcock: Who is guaranteeing the 5s. a bushel at sidings?

The PREMIER: The State Government. The financing of advances by the Federal Government and by the banks has been done on the basis of interest on advances at the rate of five per cent., which is a very low rate. The central board will now consist of Ministers and wheat growers' representatives. The wheat and flour shipped totalled 39 million bushels, local sales practically 10 million bushels, and stocks in hand four million bushels. It is hoped that dividends will be paid practically on all the pools, more on some and a substantial dividend on the last one. I hope the State will receive about £750,000 from these dividends, probably during the next month.

Hon. W. C. Angwin: You are killing the poultry farmers.

The PREMIER: We are not killing anyone.

Hon. W. C. Angwin: Wheat at 12s. a bushel? It is scandalous.

Mr. Munsie: For sweepings, third-rate wheat.

The PREMIER: No Government has a right to take from the farmers the wheat which he can sell at 12s. a bushel, and sell it at a loss.

Hon. W. C. Angwin. The people made the price.

The PREMIER: No.

Hon. W. C. Angwin: Yes, they did.

The PREMIER: It is like holding a red rag to a bull. The farmers had nothing from the people for which they did not pay. The people, however, have had a great deal from the farmers which they have not paid for. The hon. member himself has had 30s. on the cost of bread.

Hon. W. C. Angwin: Bread is nearly as dear as it is in England.

The PREMIER: I know that 12s. a bushel will not pay the poultry farmer. I have no more right to take the wheat from the farmer for less than it is worth than to go into the hon. member's house, take some of his furniture, and sell it below its value.

Food Imports.

There can be no gainsaying the fact that we should produce and manufacture a large proportion of our food requirements. Of butter our imports were valued at £482,454 and substitutes for it £20,780. Our cheese imports were valued at £74,638, milk and cream at £210,517, bacon at £108,407, smoked and tinned fish £118,652, jams and preserves £200,691, or a grand total of £1,216,139. We must endeavour to break this down.

Local Industries.

An oatmeal mill is necessary, for our imports of oatmeal were valued at £41,942. Suitable oats can be grown in the South-West, and also to some extent on better lands of the wheat belt. We also need a woollen mill. There have been inquiries from England, and I hope before long the woollen industry will be established in this State, probably by people from the old country. It is strange, when we export leather and mallet bark, that we should bring back to this State boots, manufactured harness, etc. Last year we exported hides and skins to the value of £621,314, whilst our imports in boots and shoes amounted to £425,644.

Hon. W. C. Angwin: They make good boots at Fremantle. Why not buy them?

The PREMIER: I suppose that £425,000 represents hides and leather sold by the State for £220,000 at the most, so that the people in the Eastern States have had more than half the value. The pearls and shell industry last year was worth £335,283. We ought to be able to start a button manufacturing industry here. All along the line we should endeavour to have industries for the manufacture of our raw products. Our butter

and bacon factories are doing well. We have given very little assistance in that direction. We have advanced the full cost of building and machinery up to £5,000 in approved centres on long terms. We charge no interest for the first year, two per cent. for the second year, three per cent. for the third year, four per cent. for the fourth year, and bank rate of interest for the fifth year. Factories have been established at Northam, Albany, Geraldton, Narrogin, Katanning and Gnowangerup, and there have been existing factories at Bunbury, Busselton, and Denmark. Creameries are contemplated at Harvey and Ravensthorpe. The State produced last year nearly two million pounds of butter. For other factories to manufacture our raw material in approved cases we have made a 50 per cent. advance on the security of the land, buildings and plant at ordinary rates of interest. I hope by this means we shall get factories going. Meat and cool storage works are approaching completion at Fremantle and Carnarvon, and are shortly expected at Geraldton. Returned soldiers are operating in fish canning and preserving at Shark Bay. They have turned out about 24 tons of tinned fish, most of which will be sold in the metropolitan market. A British syndicate with a capital of £80,000 has been discussing the question of dealing with edible and other turtles. We tried trawling for fish in the South-West. We located the fish but lost the boat. I believe there are good fishing grounds there for trawling. We must go on with the work, and I hope before long there will be a plentiful supply of fish as the result of that work. Apparently this is the only way of getting cheap fish along our coast. Our policy with regard to trading concerns is to make the investments pay.

Mr. Munsie: Your policy has altered from last year.

The PREMIER: It is the same as last year.

Mr. Munsie: No. The policy last year was to get rid of them.

The Minister for Mines: We want to progress.

The PREMIER: We do not propose to start new trading concerns, but propose to submit any reasonable offer for their purchase to Parliament.

Hon. W. C. Angwin: You did not submit the offer of £280,000 for the "Kangaroo," a sum double her value.

The PREMIER: The question of providing an adequate steamer service for the North-West is being taken into consideration.

Commissioner for Trading Concerns.

We are going to ask the House to pass legislation for the appointment of a Commissioner for our trading concerns. The Commissioner will stand in the place of an owner subject to control by the Minister and Cabinet so far as the financial side is concerned, and subject to the control of Parliament. I hope the Committee will agree as

to the advantage to be derived by such a change. It should effect a saving in cost on the previous administration. We will have one office accommodation, one accountancy staff, one clerical and general staff, and general expenses. We should have efficiency, and be able to control our operating costs and the marketing of our products. At present these things are scattered over a number of departments, and not only cost more money but the branches are not what they ought to be. On the trading concerns finances, the capital invested amounts to £1,800,000, the annual instalment of interest and sinking fund £100,000, and annual sales are estimated to yield £1,250,000. The receipts are expected to show in interest and sinking fund £97,792 and profits £68,750, a total of £166,542. How can a man turn over one and a quarter millions of money without a proper staff and equipment? I suppose no other business in the world would be run on those lines.

Mr. Johnston: Can you get one commissioner to control all the different industries?

The PREMIER: That is not expected. Each of the various branches will have its manager, but someone must have control over the whole. As they stand, these trading concerns are a tremendous source of danger. At the Wyndham meat works we made a start last year, and 9,218 cattle were purchased at a cost of £37,493. It is expected that the payments for this season will reach £140,476. Last year's output was valued at approximately £177,000. I do not know what the loss will be on these works, but it will be considerable.

Mr. Munsie: They are over-capitalised.

The PREMIER: There is no doubt about that. It is the policy of the Government to assist the producers to get the highest possible price for their export—whether it is in pearl shell, wheat, timber or anything else. We ought to see that whatever we send away is paid for at the highest possible price. We propose to assist the co-operative company with the bulk handling scheme. We have already guaranteed an advance against pearl shell, of which we have 80 per cent. of the world's supply. Our sandalwood industry must be organised, and if we would get a reasonable price for sandalwood we must limit the export.

Immigration.

Immigration is under way. We want men for the closer settlement of the land. We also need them for work on the goldfields, in the timber industry, and nearly every other industry that we own. It has been arranged that the Commonwealth are to assist the States. They are to have full control and responsibility overseas up to the arrival of immigrants in Australia. They are to pay the fares out to Australia. Preference is to be given to British ex-service men. The States are to advise the Commonwealth from time to time as to the number and type of immigrants required, and are responsible only from the time of the arrival

of the immigrant in Australia. The Agent General will determine the number of men to come out and the class of men. We shall have control, and the cost up to landing will be borne by the Federal Government. These men will come out and settle in the South-West. A fair number of children are coming out, apart from those who are being brought out by Mr. Fairbridge. There are some 200 war orphans with pensions, who will be reared in Australia and should make good citizens.

Hon. W. C. Angwin: Are they fixed up yet?

The PREMIER: The people are determined to take them and I understand they are to come.

Hon. W. C. Angwin: I understood they could not get them.

The PREMIER: I think it is arranged. There is a considerable number of nominated immigrants to come out. During this year 750 people have arrived in the State with a capital of £36,391. The number is not great, but it is something. We could have had thousands if there had been space on the ships for them.

Hon. W. C. Angwin: You had no more chance of getting that number than of flying.

The PREMIER: I say we could have got them.

Hon. W. C. Angwin: They would not come here to work for the wages.

The Policy of the Government.

The PREMIER: The policy of the Government is to have economy and efficiency in all Government departments. We want to encourage private enterprise. We desire to cheapen the cost of living by producing ample food and other requirements. We want cheaper timber for house building and other requirements, including firewood. Our object is to develop the primary industries, the pastoral, agricultural, mining, timber—particularly sandalwood—and fisheries—particularly pearl shell—industries. We want to encourage and assist in the establishment of factories to manufacture our raw products, and we want to improve our transport and marketing facilities. We desire to assist primary producers to get the fullest possible value for their exports. Immigration is also a part of our policy, as well as soldiers' settlement, and I hope later we shall draw settlers from the Eastern States. I have already referred to our railway construction policy. I think we should not build less than 100 miles of railway per annum. We also intend to deal with harbour improvements, drainage in the South-West, and decentralisation as far as possible, including the Agricultural Bank, the Industries Assistance Board, and the

soldier settlement scheme. It ought to be possible to find employment for everyone in the State.

Forecast for 1920-21.

I am going to close with a forecast for the coming year on somewhat the same lines as the forecast which I ventured to offer last year. I can say the same things to-night, because I believe that the money to come in from the crop now growing—and I think we ought to have a good crop—will be very much more than is generally expected. I believe we shall get at least £7,000,000 from our wheat. I believe we shall get £1,500,000 in dividends from the old Wheat Pool. Our wool, I expect, will return us at least £1,750,000; and from our timber I expect £1,000,000. This makes a total of £11,250,000 which I anticipate will come into this State in cash during the current year from the industries I have mentioned. I say nothing of gold, because I do not know what the gold production is likely to be; but I anticipate that the gold won will certainly amount to £3,000,000, because we have always had that amount.

Hon. W. C. Angwin: Shall we not get anything from our fruit and potatoes?

The PREMIER: I am just dealing with the main items.

Mr. Munsie: Western Australia is not growing enough potatoes to feed the people of Kalgoorlie alone.

The PREMIER: On top of the receipts which I have estimated there will be an expenditure on soldier settlement of £1,000,000. Outside that, there will not be a large amount of loan expenditure. However, I think we may anticipate with a fair degree of certainty that we shall have over £11,000,000 of money from the few items I have mentioned. These figures are, I think, eloquent of the prosperity that this State is likely to experience during the coming year. I have no hesitation in saying that this money will come in. I was criticised last year for saying what was going to happen during the twelve months; but I believe that everything I said would happen did happen. The deficit, certainly, was not quite as large as I anticipated; but the amount of wealth that I anticipated would come into this State as the result of our exports did come into the State; and I believe that these millions of which I have spoken to-night will come. I have much pleasure in moving the first item of the Estimates—

Legislative Council, £915.

Progress reported, and leave given to sit again on the 21st September.

House adjourned at 10.6 p.m.

[Return No. 1.]

REVENUE AND EXPENDITURE, 1919-20, COMPARED WITH THE ESTIMATE.

REVENUE.						£	£
The actual amount received was	...	...	...	...	...	5,863,500	
The Treasurer's estimate for the year was	...	...	...	...	...	5,302,768	
Or a total net under-estimate of	...	...	...	...	...		560,732
EXPENDITURE.						£	£
The actual amount expended was	...	...	...	...	...	6,581,725	
The Treasurer's estimate for the year was	...	...	...	...	...	5,991,117	
Or a net under-estimate of	...	...	...	...	...		540,608

DETAILS.

HEADS.	REVENUE.		EXPENDITURE.	
	Over- Estimate.	Under- Estimate.	Over- Estimate.	Under- Estimate.
TAXATION—	£	£	£	£
Land Tax ...	3,585	...	...	...
Licenses ...	...	243	...	...
Income Tax ...	...	11,386	...	...
Dividend Duty ...	...	9,748	...	...
Totalisator Tax ...	...	911	...	...
Stamp Duty ...	...	58,543	...	...
Probate Duty ...	...	76,951	...	...
Commonwealth ...	...	2,851	...	...
TERRITORIAL, ETC.—				
Land Revenue ...	...	19,240	...	...
Mining ...	...	5,540	...	...
Timber ...	...	9,510	...	...
Law Courts ...	...	2,997	...	...
DEPARTMENTAL—				
Premier ...	...	...	...	6,077
Land Titles ...	...	7,386	...	3,812
Colonial Treasurer ...	...	28,659	...	38,628
Minister for Lands ...	510	...	...	10,094
Minister for Mines ...	...	5,432	...	3,966
Minister for Mines—Woods and Forests ...	2,500	...	...	1,074
Minister for Education ...	...	1,031	...	24,845
Minister for Agriculture ...	...	3,482	...	11,209
Minister for Public Health ...	...	...	...	57,350
Attorney General ...	...	6,195	...	4,183
Colonial Secretary ...	...	17,433	...	27,065
Minister for Works ...	...	5,224	...	1,488
Printing ...	...	12,890	...	10,164
Police ...	...	7,262	...	23,745
Special Acts ...	...	...	...	19,766
Residue ...	...	873	...	5,078
TRADING AND BUSINESS—				
Railways ...	...	175,426	...	263,302
Tramways ...	...	17,709	...	18,126
Electric Works ...	...	...	...	3,357
Fremantle Harbour Trust ...	...	29,687	...	...
Bunbury Harbour Board ...	...	2,000	...	...
State Batteries ...	3,433	...	...	1,225
Water Supply and Sewerage ...	...	1,917	...	4,323
State Trading Concerns ...	...	37,405	...	...
Yandanooka Estate ...	3,900	...	3,391	...
Royal Mint ...	...	9,318	...	...
Tourists, Cave Houses, etc. ...	...	2,079	...	1,232
Butter and Bacon Factories ...	683	...	...	...
Residue (net) ...	...	6,015	...	3,890
Totals ...	14,611	575,343	3,391	543,999
Net under-estimates ...	£560,732		£540,608	

[Return No. 2.]

REVENUE.

STATEMENT OF RECEIPTS FROM 1914-15 AND ESTIMATE FOR 1920-21.

Heads.	1914-15.	1915-16.	1916-17.	1917-18.	1918-19.	1919-20.	Estimated, 1920-21.
	£	£	£	£	£	£	£
TAXATION—							
Dividend Duty	93,916	103,585	105,554	109,482	133,082	144,748	145,000
Stamp Duty	64,398	64,858	67,035	80,719	112,104	173,543	180,000
Land Tax	36,433	47,711	42,431	63,388	34,182	46,415	50,000
Income Tax	80,646	91,680	90,667	98,601	226,560	271,386	275,000
Totalisator Tax	12,125	12,442	14,775	18,713	42,499	45,911	50,000
Probate Duty	40,156	44,284	40,963	38,710	40,329	121,951	65,000
Licenses	44,238	43,448	40,612	39,963	40,325	40,243	40,000
Total	371,962	407,958	402,337	449,456	629,061	844,197	805,000
DEPARTMENTAL—							
Land	296,606	322,670	282,223	257,368	300,604	330,740	356,000
Mining	56,935	23,408	20,547	19,291	17,643	24,050	29,190
Royal Mint	28,389	29,215	30,616	30,213	30,992	37,318	29,000
Timber	43,003	35,367	27,379	39,248	26,818	54,010	59,000
Departmental Fees, etc.	334,421	395,546	431,603	418,537	453,938	564,934	763,086
Law Courts	23,140	21,217	21,279	20,754	19,724	23,497	22,500
Harbour Dues	36,952	34,564	37,384	31,705	32,930	36,790	42,000
Commonwealth	681,287	616,104	594,467	599,239	585,668	598,273	605,690
Total	1,450,733	1,478,091	1,445,508	1,416,355	1,468,317	1,669,612	1,906,466
BUSINESS UNDERTAKINGS—							
Harbour Boards	115,739	102,234	87,355	85,168	106,287	157,687	170,000
Railways	2,049,762	2,098,304	1,878,434	1,828,853	1,878,753	2,275,426	2,725,000
Tramways	114,028	118,946	125,714	141,480	134,058	187,709	214,000
Batteries	39,562	70,014	61,200	69,355	57,876	49,067	60,750
Avondale, Harvey, and Yan-							
danooka Estates	17,545	28,279	26,675	29,346	19,520	14,865	14,436
Water Supply and Sewerage	404,501	414,580	404,737	379,925	371,615	361,583	385,300
State Dairy Farm	3,108	2,700	2,924	2,576	3,476	2,844	3,300
Refrigerating Works, etc.	15,668	20,377	30,651	27,542	28,726	32,138	33,400
Tourist, Cave Houses, etc.	...	10,414	8,053	6,463	8,457	11,079	13,500
Electric Works ... ..	...	...	10,007	32,580	47,164	62,972	84,660
Butter and Bacon Factories	...	...	...	15,771	19,189	18,717	24,050
Total	2,759,913	2,865,848	2,635,750	2,619,059	2,675,130	3,174,087	3,728,396
TRADING CONCERNS—							
Ferries	5,385	5,609	93,417	137,666	172,343	175,605	166,542
Hotels	28,511	27,051					
Steamships	101,919	158,167					
State Fish Supply	4,899	10,555					
Saw Mills	303,118	236,818					
Shipment of Nor-West Cattle	...	26,835					
Brickworks	991	10,220	93,417	137,666	172,343	175,605	166,542
Quarries	10,306	11,101					
Meat Stalls	29,275	30,272					
Implement Works	73,713	88,453					
Total	558,117	605,081	93,417	137,666	172,343	175,605	166,542
GRAND TOTALS	£5,140,725	5,356,978	4,577,007	4,622,536	4,944,651	5,863,501	6,606,404

[Return No. 3.]

STATEMENT OF EXPENDITURE FROM 1914-15 TO 1919-20, AND ESTIMATE FOR 1920-1921.

Head.	1914-15.	1915-16.	1916-17.	1917-18.	1918-19.	1919-20.	Estimate 1920-21.
	£	£	£	£	£	£	£
Special Acts	1,700,641	1,821,159	1,910,901	2,012,927	2,112,108	2,232,199	2,436,829
His Excellency the Governor ...	1,523	1,540	2,094	1,549	1,807	1,985	1,926
Parliamentary and Executive Council ...	12,101	12,198	12,320	11,597	9,520	10,111	10,935
Premier's Office	1,430	1,526	1,488	1,794	1,796	11,540	17,822
Treasury	9,325	11,803	12,567	11,150	9,946	12,628	10,650
Audit	8,871	8,289	8,847	8,946	9,023	10,337	10,848
Compassionate Allowances	1,792	3,002	8,700	4,882	4,167	...	...
Government Motor Cars	2,770	2,699	2,566	1,868	4,459	3,006	2,361
Government Savings Bank	22,067	21,240	21,752	21,515	22,428	26,474	23,196
Government Stores	10,087	15,368	13,359	10,990	12,172	14,810	15,390
Literary and Scientific	11,139	9,353	10,597	10,442	8,230	8,750	8,780
London Agency	9,748	7,933	8,472	7,871	...	10,840	10,280
Public Service Commissioner	2,513	1,766	1,853	1,555	1,192	1,623	2,850
Taxation	12,351	14,305	17,801	15,001	21,040	25,404	29,719
Workers' Homes	4,934	4,554	3,556	3,112	3,230	3,515	3,736
Miscellaneous and Refunds	45,246	47,784	50,208	48,717	47,388	75,210	57,122
Mines, Explosives, Geological, etc. ...	59,940	62,694	64,698	60,030	57,302	63,958	67,067
Woods and Forests	10,458	8,565	10,086	11,220	10,873	12,962	13,745
Lands and Surveys	62,093	45,565	46,286	46,326	44,703	50,815	74,336
Land Settlement for Soldiers ... ..	...	...	...	...	2,860	14,432	12,632
Agriculture	26,891	...	...	...	...	...	...
Rabbits and Vermin	15,940	40,275	57,600	54,438	62,455	68,410	67,222
Stock	6,031	...	...	...	...	...	...
Agricultural Bank and I. A. Board ...	11,372	30,736	22,341	38,394	41,130	52,224	58,062
Crown Law and Branches	77,216	74,527	68,615	69,597	59,069	71,780	83,404
Education	312,299	317,656	334,132	359,798	366,054	414,330	456,122
Office of Colonial Secretary	26,934	30,252	31,189	32,297	27,322	27,655	29,135
Aborigines	10,259	8,449	8,710	9,422	12,447	6,134	8,535
Charities and State Children	85,767	87,545	86,575	85,411	90,435	113,352	111,641
Fisheries	8,725	4,106	4,484	4,726	6,277	6,488	6,021
Goals	21,858	22,225	20,765	20,126	21,598	25,791	26,233
Harbour and Light and Jetties	23,198	23,758	26,247	27,087	19,587	21,985	25,293
Lithographic	5,279	5,282	5,742	4,718	4,895	...	...
Lunacy	50,585	55,197	67,770	66,533	64,578	80,146	84,782
Medical and Health	109,692	118,898	131,087	129,922	155,673	210,568	152,152
Police	130,428	129,699	120,560	130,588	132,157	164,097	175,470
Printing	42,703	46,937	44,484	36,085	33,216	54,749	60,982
Public Works	182,780	86,505	107,161	98,702	104,615	116,488	116,463
Total Departmental	1,387,136	1,369,061	1,470,556	1,440,324	1,486,892	1,808,201	1,839,162
BUSINESS UNDERTAKINGS.							
Railways	1,508,317	1,515,613	1,455,879	1,454,650	1,572,107	2,009,822	2,189,800
Tramways	75,237	81,244	90,571	104,081	107,705	144,023	173,210
State Batteries	49,756	71,339	83,867	71,642	59,574	61,552	62,576
Water Supply	222,701	234,172	248,208	220,112	227,232	245,967	263,504
Yandanocks	20,248	33,022	26,771	8,281	10,041	8,842	9,000
Refrigerating Works, etc.	11,548	15,780	21,364	19,078	19,099	20,555	21,300
Avondale and Harvey Estates	1,481	4,519	3,796	3,768	3,376	1,853	1,750
Tourists	8,895	11,957	10,231	6,415	8,476	10,985	11,963
Aborigines Cattle Station	5,153	4,426	4,062	5,610	5,219	8,079	6,013
Electric Works ... ..	...	...	8,254	20,486	28,297	43,019	63,038
State Dairy Farm	3,548	3,152	3,141	2,778	3,066	4,864	3,950
Butter and Bacon Factories ... ..	...	...	...	16,666	20,537	18,620	23,555
Trading Concerns ... ..	...	...	...	...	...	8,446	...
Total Business	1,915,884	1,975,724	1,956,544	1,934,415	2,064,729	2,536,383	2,831,749
TRADING CONCERNS.							
State Steamers	109,117	139,592	...	...	...	...	...
State Brickworks	2,754	9,927	...	1,430	...	...	...
State Implement Works	142,300	150,875	...	...	...	...	...
State Quarries	11,384	8,884	...	1,450	...	...	...
State Sawmills	411,994	231,862	...	...	...	...	...
State Hotels	26,472	26,497	...	...	...	...	...
State Fish Supplies	6,255	14,702	...	...	...	...	...
State Meat Stalls	30,220	26,215	...	3,200	...	...	...
Shipment of Nor-West Cattle ... ..	...	...	...	34,489	...	...	...
Less Rebates, etc.	5,744,166	5,774,498	5,338,001	5,428,235	5,663,729	6,626,783	7,107,740
	37,624	69,297	61,237	99,956	66,864	95,058	101,629
Totals	£ 5,706,542	5,705,201	5,276,764	5,328,279	5,596,865	6,531,725	7,006,111

a Includes transfer from Miscellaneous.

b Includes £45,071 for loss on operations Royal Commission

Control of Trade.

c Includes Public Gardens, Registry, Friendly Societies, Immigration, Messengers'

Exchange, and Observatory.

d Increase in rebates £3,091.

e Included under Printing.

[Return No. 4.]

SYNOPSIS OF BALANCE SHEET AT 30TH JUNE, 1920, AND PREVIOUS YEAR.

	1919.			1920.		
Dr.	£	s.	d.	£	s.	d.
London County Westminster and Parr's Bank	106,215	0	3	461,200	14	3
Commonwealth Government	53,934	1	11	...	...	...
Sinking Fund	6,157,257	17	6	6,846,128	1	5
Treasurer's Advance	19,326	7	11	...	...	...
General Loan Fund	227,519	0	3	589,132	12	3
Government of Victoria	250,000	0	0	...	...	...
Savings Bank	5,504,059	2	1	5,797,619	4	8
Insurance Companies Act, Deposits	195,000	0	0	220,000	0	0
Trust and Deposit Accounts generally	2,629,817	6	5	3,038,329	8	10
	£15,143,128	16	4	£16,952,410	1	5

Cr.						
Soldiers' Settlement—Advances by Commonwealth						
Government	53,934	1	11	...	...	...
Investments	12,499,632	10	8	13,510,060	6	4
Stores on hand	519,893	8	2	551,762	18	11
Treasurer's Advance	...	...	...	55,422	7	1
Cash in hand—						
Treasury	7,898	0	7	...	...	...
Wheat Certificates	723,349	9	11	164,118	13	2
Insurance Companies Act, Deposits	5,000	0	0	...	...	...
General Account	191,029	9	5	568,591	18	2
Government Savings Bank Account	274,835	8	4	360,819	18	2
Fixed Deposits with Bank	10,000	0	0	10,000	0	0
Eastern States	85,369	6	6	74,199	13	11
London	114,260	8	6	375,345	16	2
Remittances and Drafts in transitu	2,465	14	10	...	...	...
Consolidated Revenue Fund	652,014	9	11	668,224	12	7
Deficiency Account	...	...	...	610,827	0	10
Government Savings Bank, Sundry Debtors, etc.	3,446	7	7	3,036	16	1
	£15,143,128	16	4	£16,952,410	1	5

[Return No. 5.]

STATEMENT SHOWING RECEIPTS FROM COMMONWEALTH FROM 1909-10 TO 1919-20.

Year.	Payment per Head, 25s.	Special Payment to W.A.	Interest on Transferred Properties at 3½ per cent.	Total.
	£	£	£	£
1909-10	703,723 <i>a</i>	...	Nil	703,723
1910-11	569,578 <i>a</i>	...	Nil	569,578
1911-12	365,614	232,265	40,648	638,527
1912-13	382,591	222,554	30,465	635,610
1913-14	400,855	212,751	27,358	640,964
1914-15	403,772	203,127	24,388	631,287
1915-16	398,076	193,544	24,485	616,105
1916-17	386,008	183,974	24,485	594,467
1917-18	386,779	174,350	38,110	599,239
1918-19	391,809	164,696	29,163	585,668
1919-20	414,575	154,430	29,268	598,273
Totals £	4,803,380	1,741,691	268,370	6,813,441

a Surplus Revenue returned.

[Return No. 6.]

LOAN AUTHORISATIONS AND FLOTATIONS.

							£	£
Authorisations to 30th June, 1919	...	...	...	...	...	...	46,665,173	
Do. for 1919-20	...	...	...	...	...	...	4,044,000	
Total Authorisations ^c							...	50,709,173
Flotations—								
General Loans	...	...	...	...	...	...	28,578,253	
Local Debentures	...	...	...	...	...	...	1,156,755	
Local Inscribed Stock	...	...	...	...	...	...	8,131,798	
Treasury Bills	...	...	...	...	...	...	5,341,370	
Treasury Bonds	...	...	...	...	...	...	2,893,505	
Commonwealth Advances	...	...	...	...	...	...	1,501,097	
								47,602,778
Balance available for Flotation							...	3,106,395
Actual Loan Indebtedness—								
Gross Debt on 30th June, 1919	...	...	...	...	...	...	43,637,076	
Flotation during year—								
Inscribed Stock, London	...	...	...	...	...	...	1,500,000	
Local Treasury Bills	...	...	...	...	...	...	204,485	
Local Debentures	...	...	...	...	...	...	60,400	
Local Inscribed Stock	...	...	...	...	...	...	249,250	
Commonwealth Advances	...	...	...	...	...	...	1,501,097	
								47,152,308
Less Redemptions—								
Bonds Loans, 1878, 1881-4	...	...	...	...	...	...	12,200	
Treasury Bills, London	...	...	...	...	...	...	318,105	
								330,305
								46,822,003
Less—								
Sinking Fund (as on 31st March)	...	...	...	...	...	...	...	6,848,825
Net Indebtedness, 30th June, 1920							...	39,973,178

							£	s.	d.
Net Public Debt per head of Population on 30th June, 1920							...	...	...
Do.	do.	do.	do.	1919	...	...	119	7	3
Do.	do.	do.	do.	1918	...	...	116	7	0
Do.	do.	do.	do.	1917	...	...	116	5	5
Do.	do.	do.	do.	1916	...	...	109	19	9
Do.	do.	do.	do.	1915	...	...	101	12	10
Do.	do.	do.	do.	1914	...	...	94	4	11
Do.	do.	do.	do.	1913	...	...	85	17	2

[Return No. 7.]

LOAN FLOTATIONS, DEBT, AND EXPENDITURE ON 30TH JUNE, 1920.

Works and Services.	Flotations.	Actual Indebtedness on Works.	Actual Cash spent.
	£	£	£
Railways and Tramways (including Electric Power Station)	19,802,467	19,412,909	18,488,579
Harbours and Rivers	4,109,054	4,048,700	3,813,521
Goldfields Water Scheme	2,903,078	2,901,828	2,689,824
Water Supply Generally	1,584,767	1,584,176	1,187,847
Sewerage	1,270,604	1,270,604	1,101,362
Erection of State Batteries	306,795	306,488	289,526
Development of Goldfields	1,589,162	1,571,356	1,487,786
Development of Agriculture	4,707,863	4,705,627	4,741,221
Telegraphs	276,721	225,009	269,308
Roads and Bridges	512,219	486,477	380,431
Public Buildings	869,485	861,791	829,265
Immigration	63,314	62,752	a 56,392
Workers' Homes—Working Capital	553,244	553,244	525,500
State Hotels	58,090	58,090	56,484
State Steamships	265,168	265,168	261,972
State Saw Mills	233,417	233,417	199,900
Agricultural Bank	1,565,884	1,565,884	1,520,791
State Implement Works	133,128	133,108	95,841
South Perth Ferries	14,397	14,397	12,967
State Milk Supply	4,590	4,590	4,496
State Brickyards	28,570	28,570	29,396
State Quarries	4,925	4,925	4,909
State Fish Supply	3,962	3,962	3,162
Crawley and Dalkeith Estates, Aborigines Stations, Savoy House, and purchase of land at Nedlands	98,559	98,559	99,721
Stores and Stock Suspense Accounts	114,469	114,469	55,000
Miscellaneous	64,263	64,241	69,673
Wyndham Freezing Works (Working Capital)	36,246	36,246	200,000
Fisheries	10,382	10,382	5,904
Land Settlement for Soldiers	1,180,529	1,180,529	1,947,772
	42,365,352	41,807,498	40,428,550
Redemptions ... ..	...	557,854	...
Cost of Raising ... ..	...	...	1,599,606
Unexpended Balance ... ..	...	...	672,196
Commonwealth Advances unallocated	335,000	335,000	...
	42,700,352	42,700,352	42,700,352

a An additional amount of £344,125 was expended upon Agricultural Immigration from Development of Agriculture.

RECONCILIATION WITH PUBLIC DEBT (RETURN No. 9).

	£
Indebtedness as above	41,807,498
Local Inscribed Stock, issued under Agricultural Bank Act, for conversion of Mortgage Bonds	1,566,000
Issues under Treasury Bonds Deficiency Act	2,893,505
Issues under Insurance Companies Act, 1918	220,000
Commonwealth Advances	335,000
Gross Public Debt	£46,822,003

[Return No. 8.]

LOAN EXPENDITURE FOR 1919-20, COMPARED WITH PREVIOUS YEARS.

Undertakings.	1919-20.	1918-19.	1917-18.	1916-17.	1915-16.	1914-15.	1913-14.	1912-13.	1911-12.
	£	£	£	£	£	£	£	£	£
Railways, including Land Resumptions	75,786	154,720	151,394	246,994	350,855	520,344	1,080,910	1,406,602	1,320,309
Tramways—Perth Electric	27,473	7,239	3,073	29,445	33,528	22,909	18,028	497,389	...
Electric Power Station	17,890	25,380	23,508	61,033	63,170	149,265	69,648	...	...
Fremantle Harbour Works	51,855	46,345	42,449	49,004	53,704	106,055	66,142	77,379	85,613
Fremantle Dock and Slip	...	...	...	...	14	1,291	1,868	11,380	80,842
Harbours and Rivers generally	50,322	23,603	42,485	72,354	55,510	58,014	21,860	61,700	69,109
Sewerage—Perth and Fremantle	...	...	15,187	11,050	47,268	120,473	140,582	160,931	93,572
Water Supply	49,115	46,636	53,080	65,426	118,275	127,669	191,528	234,184	31,417
Development of Goldfields	32,581	16,152	10,661	19,320	19,142	47,263	50,650	78,143	92,345
State Smelter, Ravensthorpe	...	...	...	...	78,967	60,000	...	...	...
Development of Agriculture	62,060,579	442,740	156,083	169,483	165,727	79,271	156,752	155,432	362,406
Assistance to Settlers	5,458	80,000	478,170	...	199,890	602,110	...	...	...
Immigration	5,205	1,867	1,107	2,352	4,640	16,665	56,218	63,447	96,305
Steamships	14,591	...	...	409	141,005	...	5,907	100,000	...
Workers' Homes—Working Capital	...	...	...	...	...	97,500	278,000	150,000	...
Saw Mills	...	...	...	214	511	29,089	126,416	43,691	...
State Hotels	2,767	1,798	117	589	10,000	6,546	17,091	17,580	...
Agricultural Bank—Working Capital	113,285	73,948	26,000	93,185	172,336	271,612	506,438	259,808	...
Agricultural Implement Works	15,772	...	...	1,292	4,627	18,436	49,070	...	...
Brickyards	1,326	1,185	20	...	547	11,507	18,710	1,121	...
Ferries	...	...	...	...	5,974	2,000	4,093	...	...
State Fish Supply	...	...	...	131	3,031	...	...	...	...
Public Buildings	10,602	21,570	17,536	23,350	40,601	81,004	44,166	38,699	91,707
Roads and Bridges	14,719	4,231	2,473	2,557	6,152	5,026	6,187	37,818	23,106
Perth-Fremantle Road Reinstatement	...	...	20	889	7,663	21,198	...	...	...
Purchase of Plant and Stock (Suspense Account)	...	...	...	...	...	55,000	...	...	...
Fremantle Road and Railway Bridge	1	79	108	2,482	4,622	1,582	...	...	...
Sundries	3,039	2,262	1,729	2,676	2,736	5,225	17,652	8,881	12,121
Wyndham Freezing Works	100,000	100,000	...	...	...	...	...	...	...
Fisheries	5,904	...	...	...	...	...	...	...	...
Totals	2,603,320	1,048,736	1,054,178	855,133	1,584,842	2,521,608	2,913,010	3,409,218	2,300,552
Loan Expenditure per head of mean population	£ s. d. 8 0 11	£ s. d. 3 6 8	£ s. d. 3 8 2	£ s. d. 2 15 1	£ s. d. 4 19 3	£ s. d. 7 15 8	£ s. d. 9 1 8	£ s. d. 10 17 6	£ s. d. 7 10 11

a Includes Land Settlement for Soldiers, £283,319.

b Includes Land Settlement for Soldiers, £1,933,340.

c Exclusive of Loan Suspense Expenditure, £33,063.

[14 SEPTEMBER, 1920.]

[Return No. 9.]

PUBLIC DEBT AND SINKING FUNDS.

Loan.			Sinking Fund.		Remarks.
Year.	Amount.	Maturity.	Rate per cent.	Accumulation.	
				£ s. d.	
	LOANS CARRYING SINKING FUNDS. <i>Inscribed Stock.</i>				
1899-1915 ...	£ 998,353	1934	1	605,931 9 8	Controlled by Crown Agents, Stock issued for conversion of Debentures.
1896 ...	1,500,000	1935	1	499,708 10 6	
1897-1900 ...	3,500,000	1935	1	1,020,977 16 7	G.S.R. Purchase. Coolgardie Water Scheme Loan.
1897 ...	1,100,000	1936	1½	637,917 13 11	
1896 ...	2,500,000	1927	3	2,085,672 11 10	Issued for redemption on £1,876,000 stock; balance taken from Sinking Fund.
1900-1902 ...	680,000	1935	1	150,286 3 4	
1902-1905 ...	2,600,000	1935	1	526,114 19 5	Sinking Fund represents premiums paid on Assurance Policy for redemption of principal amount of 5 per cent. Stock issued for purchase of M.S. "Kangaroo."
1907-1908 ...	2,000,000	1947	1	237,260 3 4	
1909 ...	1,445,000	1955	½	61,108 3 10	
1910 ...	1,342,000	1955	½	49,600 4 7	
1911 ...	1,650,000	1955	½	114,630 18 0	
1912 ...	1,000,000	1960	½	26,743 6 4	
1912-1914 ...	6,000,000	1962	1	81,614 14 4	
1916 ...	140,000	1936	3½	20,947 10 0	
	<i>Local Inscribed Stock.</i>				
1903 ...	556,550	1923	1½	148,027 7 5	{ Debentures issued for redemption of Local Inscribed Stock.
1904 ...	322,470	1924	1½	79,944 15 1	
1911 ...	1,922,305	1926	½	313,862 17 4	
1912 ...	1,380,540	1932	½	33,859 19 10	
1913 ...	867,965	1934	½	32,799 6 2	
1915 ...	78,185	1935	1½	11,645 8 0	
1913 ...	716,708	1933	½	11,452 8 7	
1914 ...	1,566,000	1964	½	17,275 10 5	
1917 ...	116,710	1921	½	17,879 0 0	
1918 ...	133,290	1927	½	20,298 6 11	
1904 ...	246,100	1924	1	40,624 0 5	
	<i>Debentures.</i>				
1872-1888 ...	72,700	...	1	2,752 5 7	Redeemable by Annual Drawings; Controlled by Crown Agents.
	34,434,876				
	BALANCE OF DEBT.				
Various ...	12,387,127	Various	Consisting of Local Inscribed Stock (£490,500), Debentures (£660,655), Inscribed Stock, London (£1,500,000), Treasury Bonds (£2,893,505), for which Sinking Funds have not commenced, Treasury Bills (£5,341,370) which carry no Sinking Funds, and Commonwealth Advances (£1,501,097).
Total Debt	46,822,003	Accrued Sinking Fund		6,848,825 11 5	
Previous year's totals	43,637,076	...	...	6,154,705 7 6
Increase on year	3,184,927a	...	...	694,120 3 11

[Return No. 9—continued.]

a Consisting of—		£
Inscribed Stock, London	...	1,500,000
Commonwealth Advances, Soldiers' Settlement	...	1,166,097
Commonwealth Advances, General Account	...	335,000
Treasury Bills under Insurance Companies Act, 1918	...	25,000
Treasury Bills generally (Net)	...	79,485
Local Inscribed Stock	...	349,250
Local Debentures	...	60,400
		<u>3,515,232</u>
Less—		£
Treasury Bills, London, redeemed	...	318,105
Debentures, London, redeemed	...	12,200
		<u>330,305</u>
		<u>£3,184,927</u>

[Return No. 10.]

SINKING FUND AND INVESTMENTS.

ANALYSIS OF FUND.

Contributions from Revenue	...	£
Interest on Investments	...	4,425,020
Discounts on Purchases	...	1,720,510
		<u>718,961</u>
		6,864,491
Less Brokerage and Expenses	...	15,666
Total of Fund	...	<u>6,848,825</u>

INVESTMENTS.

Maturity.					Rate.	Nominal Value.		
						£	s.	d.
1935					3 per cent.	1,153,092	4	6
1936					3 per cent.	364,252	16	6
1927					3 per cent.	695,811	16	10
1920-1935					3½ per cent.	904,058	0	1
Western Australian Stocks.	1935	...	...	...	3½ per cent.	186,110	17	9
	1927-1947	...	...	...	3½ per cent.	388,973	19	3
	1935-1955	...	...	...	3½ per cent.	709,849	5	0
	1940-1960	...	...	...	3½ per cent.	52,817	8	8
	1942-1962	...	...	...	4 per cent.	808,175	19	5
	1930-1942	...	...	...	5½ per cent.	400,000	0	0
Total						£5,663,142	8	0
Other Stocks: Crown Agents' Investments						605,931	9	8
National War Bonds, 5 per cent., 1927						552,000	0	0
Payments on Assurance Policy towards redemption £140,000—								
Stock						20,947	10	0
Cash						6,804	3	9
Total Sinking Fund						£6,848,825	11	5

[Return No. 11.]

BUSINESS UNDERTAKINGS.

Items.	Estimated 1920-21.		Balance.	
	Receipts.	Payments.	Dr.	Cr.
	£	£	£	£
Avondale and Harvey Estates ...	3,436	1,750	...	1,686
Bunbury Harbour Board ...	14,000	...	...	14,000
Fremantle Harbour Trust ...	156,000	...	...	156,000
State Batteries ...	60,750	62,576	1,826	...
Albany Cold Stores ...	400	400	...	...
Aborigines Cattle Station ...	5,430	8,013	2,583	...
Dairy Farm (Clar mont) ...	3,300	3,950	650	...
Government Refrigerating Works	4,500	4,449	...	51
Kalgoorlie Abattoirs ...	5,000	3,359	...	1,641
Metropolitan Abattoirs, etc. ...	21,500	12,011	...	9,489
Perth City Markets ...	2,000	1,081	...	919
Yandanoooka Estate ...	11,000	9,000	...	2,000
Butter Factories ...	24,050	23,555	...	495
Tourists Resorts, Caves House, etc.	13,500	11,963	...	1,537
	324,866	142,107	5,059	187,818
Net Surplus ...	...	...	...	182,759
Railways ...	2,725,000	2,189,800	...	535,200
Tramways ...	214,000	173,210	...	40,790
Metropolitan Water Supply and Sewerage ...	170,600	97,213	...	73,387
Goldfields Water Supply ...	187,000	126,614	...	60,386
Other Undertakings, Hydraulic ...	27,700	39,767	12,067	...
Electricity Supply ...	84,660	63,038	...	21,622
	3,408,960	2,689,642	12,067	731,385
Net Surplus ...	...	...	...	719,318

[Return No. 12.]

SINKING FUND AND DEFICIT.

Year.	Contributions.	Interest and Discount (Less Brokerage and Expenses).	Total Accretions.	Redemptions.	Increase in Sinking Fund.	Deficit on Year.
	£	£	£	£	£	£
1911-12 ...	245,274	136,148	381,422	7,500	373,922	134,400
1912-13 ...	244,555	153,756	398,311	7,700	390,611	190,404
1913-14 ...	250,100	140,558	390,658	7,900	382,758	135,411
1914-15 ...	258,792	126,193	384,985	8,200	376,785	565,817
1915-16 ...	265,457	206,842	472,299	12,755	459,544	348,223
1916-17 ...	280,883	239,445	520,328	7,600	512,728	699,757
1917-18 ...	306,782	237,405	544,187	9,300	534,887	705,743
1918-19 ...	319,101	257,457	576,558	8,400	568,158	652,014
1919-20 ...	319,692	386,628	706,320	12,200	694,120	668,225
Total ...	£ 2,490,636	1,884,432	4,375,068	81,555	4,293,513	4,100,003a.

a The Actual Deficit on 30th June, 1920, was £4,086,705, the difference being due to a credit balance of £13,298 at the commencement of the period included in the return.

RAILWAYS.

STATEMENT SHOWING TONNAGE AND EARNINGS ON GOODS CARRIED.

Class of Goods.	1900-1910.		1913-1914.		1918-1919.		1919-1920.		1900-1910.		1913-1914.		1918-1919.		1919-1920.	
	Tonnage.	Per-centage of Total.	Tonnage.	Per-centage of Total.	Tonnage.	Per-centage of Total.	Tonnage.	Per-centage of Total.	Earnings.	Per-centage of Total.	Earnings.	Per-centage of Total.	Earnings.	Per-centage of Total.	Earnings.	Per-centage of Total.
Coal, Coke and Charcoal	174,581	7.97	202,668	8.53	170,613	7.80	215,779	8.58	£ 53,903	5.39	£ 56,373	4.04	£ 53,355	5.12	£ 70,795	5.51
Ores and other Minerals	233,292	10.65	306,346	12.78	242,182	10.52	281,367	11.18	39,466	3.94	60,218	4.96	48,094	4.62	58,609	4.57
Wool	6,314	.29	6,945	.22	31,015	1.39	33,089	1.32	10,281	1.03	12,058	.86	54,972	5.28	47,475	3.69
Hay, Straw, and Chaff	86,442	3.95	111,604	3.60	83,245	3.62	114,677	4.56	53,298	5.33	66,403	4.76	40,455	4.75	68,773	5.35
Wheat	107,430	4.80	299,143	9.64	410,852	17.85	467,009	18.56	47,066	4.70	138,607	9.93	133,948	13.34	173,055	13.46
Other Grain and Flour...	59,103	2.70	93,574	3.02	183,344	7.97	223,995	9.10	40,501	4.05	45,429	3.26	75,864	7.28	99,481	7.74
Firewood	650,384	29.96	677,944	21.86	535,282	23.26	429,011	17.05	63,226	6.32	62,268	4.46	56,056	5.38	40,924	3.18
Local Timber	514,783	23.49	749,092	24.15	299,360	13.01	349,076	13.87	181,775	18.17	209,294	21.44	125,700	12.06	167,432	13.03
Imported Timber	15,572	.71	22,733	.73	942	.04	2,325	.09	13,015	1.39	10,916	.78	669	.06	1,103	.09
Fruit and Garden Pro-duce	25,847	1.18	26,773	.88	45,826	1.99	50,153	1.99	32,371	3.23	34,253	2.45	48,074	4.61	52,358	4.07
Fertilisers	a	...	73,325	2.37	61,363	2.67	79,457	3.16	a	...	33,830	2.42	12,601	1.20	19,709	1.53
All other goods	311,235	14.20	441,771	14.24	227,385	9.88	265,033	10.54	464,799	46.45	567,262	40.64	378,152	36.30	485,609	37.78
Total	2,191,090	100.0	3,101,918	100.0	2,301,309	100.00	2,515,971	100.00	1,000,601	100.00	1,395,911	100.00	1,041,840	100.00	1,285,413	100.00

a Figures not available.

TRADE, PRODUCTION, POPULATION, Etc.

	1909-10.	1910-11.	1911-12.	1912-13.	1913-14.	1914-15.	1915-16.	1916-17.	1917-18.	1918-19.	1919-20.
Railway Revenue	£1,049,397	£1,858,014	£1,896,579	£2,047,823	£2,382,022	£2,163,790	£2,217,250	£2,004,148	£1,970,343	£2,012,811	£2,463,186
Railway Mileage	2,145	2,376	2,598	2,854	2,967	3,392	3,332	3,425	3,491	3,539	3,539
Wool exported	£969,904	£1,047,456	£1,008,358	£964,938	£907,363	£817,630	£1,273,183	£1,420,291	£535,819	£1,952,141	£3,937,106
*Wheat produced (bushels)	5,002,568	5,897,540	4,358,904	9,168,594	13,331,350	2,624,190	18,236,353	16,102,216	9,303,787	8,845,387	11,222,950
*Hay produced (tons)	195,182	178,891	299,695	255,751	278,585	156,932	395,172	236,989	267,163	250,014	379,035
Gold produced	£9,553,314	£6,003,789	£5,834,004	£5,499,072	£5,478,932	£5,195,732	£4,803,206	£4,361,608	£3,024,197	£3,580,650	£2,637,932
Timber exported	£907,702	£932,800	£1,001,593	£965,308	£1,142,280	£808,392	£442,014	£310,983	£274,280	£332,980	£445,331
Coal produced	£114,487	104,016	£121,109	£150,184	£153,374	£137,575	£140,588	£182,852	£192,248	£219,200	£311,731
Other Minerals (exported)	£328,471	£155,277	£150,490	£195,764	£215,819	£109,094	£155,213	£189,124	£275,856	£247,691	£222,610
†Number of Sheep	4,731,737	5,158,516	5,411,542	4,596,058	4,421,375	4,456,186	4,809,850	5,529,960	6,354,101	7,183,747	6,697,951
†Number of Cattle	793,217	825,040	843,038	806,294	834,285	863,835	821,043	803,030	927,086	943,847	880,644
†Number of Horses	125,315	134,114	140,277	147,629	156,636	161,825	163,006	169,730	178,151	180,094	174,019
Area of land selected (acres)	1,904,780	1,922,112	1,973,665	1,408,108	998,851	502,551	308,690	235,640	547,683	611,135	1,469,664
Area of land leased (acres)	10,330,373	9,314,310	11,595,445	21,170,037	8,022,488	7,855,984	8,175,594	9,845,516	20,383,357	39,571,708	19,178,124
†Area of land under cultivation	4,685,607	5,309,832	5,650,628	6,717,226	7,320,593	7,548,768	8,056,374	7,822,549	7,587,820	7,582,716	7,920,293
*Area of land under crop (acres)	722,086	855,024	1,072,653	1,199,991	1,537,923	1,867,547	2,182,456	2,004,944	1,679,772	1,605,088	1,629,400
Tonnage Shipping, Inwards	2,279,852	2,408,803	2,597,166	2,767,276	2,331,304	2,366,855	2,491,527	2,548,339	1,094,000	2,111,899	2,058,879
Tonnage Shipping, Outwards	2,271,879	2,419,078	2,615,952	2,755,500	3,375,282	2,794,822	2,492,875	2,557,986	1,102,295	2,121,070	2,072,524
Exports, including Gold	£8,576,659	£8,177,272	£10,443,570	£8,846,039	£10,415,095	£5,352,140	£8,040,484	c	c	c	£215,258,301
Exports, excluding Gold	£3,530,560	£3,752,788	£3,300,473	£4,549,126	£5,429,954	£3,062,276	£4,785,057	£5,562,966	£3,807,335	£5,927,471	£212,584,328
Imports	£6,032,731	£8,450,855	£9,288,722	£9,589,745	£9,727,473	£8,301,280	£9,830,000	£9,382,210	£7,617,683	£8,023,990	£12,639,386
Savings Bank's Deposits d	£2,400,099	£2,170,345	£3,504,626	£3,716,184	£4,551,872	£3,743,135	£3,640,874	£3,529,851	£3,606,075	£4,415,782	£6,045,030
Savings Bank's withdrawals d	£2,070,776	£2,667,377	£3,316,113	£3,684,046	£4,600,884	£3,878,854	£3,829,187	£2,471,050	£3,640,293	£4,123,161	£5,993,516
Excess of Arrivals over Departures	3,487	11,832	9,418	5,852	3,851	b 7,752	b 13,280	b 11,469	b 2,098	8,183	7,215
§Population	271,162	287,826	302,341	313,940	323,952	332,526	314,687	308,530	311,121	323,220	a 334,884

* Season ended 28th February.
Tramways.

† Year ended 31st December.
a Preliminary figures, liable to revision.

‡ Area cropped, cleared, fallowed, ringbarked, etc.
b Excess of Departures over arrivals.
and is not included in the Exports.

§ As on 30th June.
c The value of gold exported is not at present available for publication,
d Not including School Savings Bank.