

incomes to be run efficiently. What is the position of the business man on the goldfields to-day? Every year his capital is depreciating in value in proportion to the depreciation of the mining industry in the locality where he resides. On the other hand, take the position of business men in Perth. They have the unearned increment that comes to every establishment in Perth, and their businesses are continually increasing in value. A man may make £1,000 a year out of his business on the goldfields, but his capital may depreciate at a rate of £1,000 a year. I quite understand the difficulties attendant upon the adjustment of taxation matters, but it is only fair and just that some percentage reduction should be allowed to the man running his business in a district where his capital is continually depreciating in value.

Hon. J. Cornell: When a miner leaves the goldfields to-day he has to give away his home.

Hon. J. W. KIRWAN: Exactly. Before concluding I should like to refer to what is really a ray of sunshine in the mining industry, namely the possibilities of the Gwalia Consolidated at Wiluna. I am speaking of something I know a good deal about when I allude to the Gwalia Consolidated. I spent some time at Wiluna learning all about the mine, and I discussed it with those in authority. Unquestionably the Gwalia Consolidated is one of the biggest mining propositions this State has known. It is true that some time ago it was not an unqualified success, owing to a metallurgical problem, due to the presence of antimony. However, since then the problem has been overcome. When I was at the mine I received the reports of three bores that had been put down a great many years ago. I could not get very much information as to when or by whom they had been put down. At the time I felt doubtful as to whether or not those bores would be confirmed but when, on returning to Kalgoorlie, I incidentally mentioned it to a highly capable mining man, he said there was no reason to entertain any doubt about the bores, because he had been the supervising engineer when they were put down. He was, he said, certain that the bores would be confirmed. He is one of the most careful mining men in the State and so, in view of what he said, I felt perfectly satisfied that the earlier bores would be confirmed by the bores put down recently. I understand that the cores are now being assayed, and I hope that before long we shall have the results. If they be what all those associated with the mine are confident they will be, then the Wiluna field must become of great value to Western Australia. English capital is pledged to be brought into the State to the amount of £300,000. Of course we all know that will not be sufficient, that something more will be required. However, that may the beginning

of a fresh flow of British capital to Western Australia. I need not tell the House what such a flow would mean to the State. In the meantime we should remember that English capital is a very shy bird, not over fond of Labour Governments. Of course I am sure the Government will do nothing likely to tend to create any concern in the minds of British capitalists. If those bores be confirmed and if, in consequence, British capital comes into the State to an extent even remotely approximating the way in which it came in in the nineties, I think we shall have a new era of prosperity, and that our troubles, financial and others, will be very quickly solved.

On motion by Hon. J. Ewing debate adjourned.

House adjourned at 6.5 p.m.

Legislative Assembly,

Thursday, 31st July, 1924.

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

TEMPORARY CHAIRMEN OF COMMITTEES.

Mr. SPEAKER: I desire to inform the House that I have appointed as temporary Chairmen of Committees the member for Gascoyne (Mr. Angelo), the member for Forrest (Mr. Holman), and the member for Menzies (Mr. Panton).

QUESTION—LAND OPEN FOR SELECTION.

Preference to Australians.

Mr. MARSHALL asked the Minister for Lands: 1, What was the total area of land surveyed and opened for selection at the 30th June, 1924? 2, What was the total number of applications for selections to the same date? 3, Will the principle of preference to Australian-born applicants be considered by the present Government?

The MINISTER FOR LANDS replied: 1, 2,695,000 acres. 2, Impossible to supply. 3, In the case of more than one applicant for any block of land, the matter of granting the block is in the hands of Land Boards. Any alteration of present practice is considered unnecessary. The matter is governed by the Land Act.

ADDRESS-IN-REPLY.

Third Day.

Debate resumed from the previous day.

The PREMIER (Hon. P. Collier—Boulder) [4.36]: The speech delivered by the Leader of the Opposition last evening scarcely calls for any lengthy reply on behalf of the Government. This, of course, is due to the fact that during our brief Ministerial existence we have not been able to accumulate sufficient sins of commission or omission to warrant the Opposition in making an attack.

Mr. Sampson: They will grow.

The PREMIER: This is a condition of things that no doubt will be altered by the passing of the year. However, I am very glad to have the assurance of the Leader of the Opposition that we have assumed office with the cordial good wishes and congratulations of members of the Opposition. I also express my appreciation of the sentiments voiced by the Leader of the Country Party, and I have no doubt members of the Opposition generally will extend to the Government the measure of support that they feel they are in a position to give, consistent, of course, with the principles they hold regarding the policy of the Government and the various measures they will be called upon to deal with. The election that has just taken place has brought about the inevitable change, and when one looks around the Chamber one is reminded of the fact that many members, who occupied a place in this Chamber during the last Parliament and, indeed, in many Parliaments, are no longer with us. I think there are 17 new members in the present Parliament, which I hope will serve to remind them—the old members are already fully alive to the fact—of the insecurity of political life. For several Parliaments past the changes that have taken place have numbered 15 to 17 or 18; practically one-third of the personnel of the House changes every three years. One, of course, feels regret that many of the old faces have disappeared. Although they may have been on the opposite side of the House, many years of close association in the Chamber result in the formation of personal friendships, quite irrespective of political differences. At the moment I am in the happy position of not being required to express regret at the loss of any of my followers. The whole of the members that comprised the Labour Party in the last Parliament have been fortunate enough to secure endorsement at the elections. Not only have the 18 been returned,

but they have brought with them reinforcements to the number of nine. I congratulate all the new members upon their election, which to some no doubt represents the consummation of a dream of many years. They have doubtless come to the performance of their duties animated by the same high ideals that most of us possessed in our earlier Parliamentary lives—imbued with a desire to right the manifold wrongs of society. While I agree that it is a good thing for new members to bring to the performance of their task sentiments of that description, I can only hope that in the course of years they will not suffer disillusionment or any undue disappointment. I am confident that new members, in common with the old members, are animated by the one desire to do the best they can for the State, according to their lights. The Leader of the Opposition made what was, after all, a passing reference to the conduct of the recent elections. He said some things had occurred that were unsatisfactory and ought not to have taken place, and that to some extent roll-stuffing had been indulged in. I am not aware of any improper practices having taken place at the recent elections, and if there is knowledge in any quarter whatever that the rolls were improperly inflated or that any other illegal practice has taken place, and if the information is conveyed to the Minister in charge of the department, action will be taken. We know from experience that the postal vote provisions of the Electoral Act are frequently abused, though I believe more often because of want of knowledge on the part of postal vote officers than through any deliberate intent. It has been found most difficult not only in this State but in the other States and in the Commonwealth as well to keep a proper control and check upon the exercise of the postal vote. Probably the Act will be dealt with before the next elections take place, and if so I hope the House will endeavour to effect such amendments as will ensure the least possible measure of abuse. The Opposition Leader said he hoped the Government would maintain the prosperity they found on assuming office, which prosperity he declared was greater than had obtained at any period in the history of Western Australia. He instanced the fact, or alleged fact, that to-day the State was not suffering from any unemployment difficulty, while on his assumption of office he had found large numbers of returned soldiers for whose reinstatement in civil life no provision had been made. I freely concede that the hon. gentleman's statement is in the main correct. Further he said that the State generally was now at the pinnacle of prosperity. A statement of a similar nature has been made by every outgoing Government since I have been in this Chamber. I suppose it is one of the ironies of political life that after a number of years of unselfish service to the people, resulting in an apex of prosperity, Ministers should be turned out of office by a most ungrateful,

dull, and unobservant body of electors. If ever the time should arrive when it falls to my lot to cross the floor, no doubt my swan song, too, will be in a somewhat similar strain.

Mr. Sampson: Let us hope it will be equally true.

The PREMIER: I trust so. Perhaps I may be pardoned for saying that the position of the State is not quite so rosy as our friends opposite would have the public believe. I have been long enough in politics to know that the pæans of praise lavished upon the late Government in the columns of newspapers, and also lavished upon the late Government by ex-Ministers since relinquishing office, are preparatory to the launching of an attack, later, upon the present Government, when comparisons will be drawn between the position of the State to-day and with what will be described as the position obtaining in 12 months' or two years' time. Although we may have that degree of prosperity which is claimed by the late Premier, it is well to remember, nevertheless, that Western Australia has an accumulated deficit which represents a record in the history of Australian self-government. Our total shortage is more than six million pounds—to be correct, about £6,140,000—in our revenue account, and 4½ millions of that amount has been built up during the past eight years. The Opposition Leader referred to the deficit for the financial year just closed as representing a reduction of half a million against the previous two years—£229,000 as against £730,000. I think I am justified in saying that the results of the financial year which has just closed, and the improvement disclosed by the figures, are due largely, if not entirely, to the expenditure of loan funds during the past two or three years. It goes without saying that if this State expends four millions of loan moneys in one year, a considerable proportion of that amount will find its way into Consolidated Revenue, through many indirect channels, and through some direct channels. For the time being the interest upon a considerable portion of that loan expenditure finds its way into Consolidated Revenue. I shall not deal with those figures just now, but I hope to be able to give the House some information in that regard when I make the Budget Speech. The Opposition Leader reiterated his faith in land settlement, declaring himself to be as firmly convinced to-day as ever he had been of the need for a policy of land development in Western Australia. On that point I entirely agree with him. Ministers and members sitting on the Government side of the Chamber realise, and have for many years realised, that largely the future well-being of Western Australia is bound up with the settlement and development of its lands. Land development is becoming more necessary because of the unfortunate fact that that great industry which for 30 years has played so important a part in the opening up and

settlement of Western Australia—the gold-mining industry—has latterly been experiencing rather a bad time. Everyone who gives the slightest study to the economics of this State and the public questions of the day must agree that it is essential for any Western Australian Government to do everything possible to open up and settle the land. No doubt there are great differences of opinion as to the methods to be pursued in carrying out that policy. After all, the question is one of finance. Insofar as money can be obtained and expended in a direction which is likely, according to one's best judgment, to be of a reproductive character, all is well. But the danger lies in the circumstance that we may attempt to do too much in a given period of time. I know the Opposition Leader will say that too much cannot be done in the matter of land settlement; but, still, it is possible to proceed in a direction which would render it very difficult for the State to finance the undertakings which it has in hand, and which must be carried through for the benefit of the State. The Leader of the Opposition says that we are doing in the South-West merely what has been done on the wheat belt. In a measure that is true, but the expenditure and the financial obligations involved in the group settlements of the South-West are likely to exceed very materially the corresponding cost for the settlement of the wheat belt. I am afraid that every settler placed in the South-West in a group will cost the State double the amount of money that is required to settle a farmer on the wheat belt. And there is this further difference, that whilst the wheat farmer obtains almost an immediate return, being able to cultivate a certain proportion of his land in a year or two and thus secure results, thereby placing himself in a position of independence of the Government and of being able to carry on for himself with the aid of the Agricultural Bank or the Industries Assistance Board, the South-Western settler will be very much delayed in establishing himself. I do not anticipate that the people being settled in the South-West to-day will be in a position to undertake the responsibility of maintaining themselves and meeting their payments to the Government in anything less than five years.

The Minister for Lands: It will take more than that.

The PREMIER: Yes; it will take five years at least. Probably we shall find that the great majority of the South-Western settlers will not be able to meet their interest payments to the State for something like 10 years. I mention this in order to bring home to hon. members the heavy financial responsibility that rests upon the State, because we have to carry those settlers on during all those years. The expenditure on groups for the last financial year amounted to £770,000, and the estimated expenditure on them for the current financial year—assuming that new groups

are established in the same ratio as last year—is £1,250,000. We are only in our infancy as regards the establishment of the group settlements. Let me point out that the largest amount advanced in any one year by the Agricultural Bank, whose operations have been confined chiefly to the wheat belt and have not extended to the South-West, is £636,000, which figure compares with £770,000 expended on the South-Western groups last year. The interest charges with regard to institutions that assist settlers and men on the land are very heavy indeed. Western Australia has embarked, not only recently but during the past 15 years, on the most gigantic scheme of State farming that has ever been attempted in any part of the world. No other country has ever attempted State farming on anything approaching the scale obtaining here. Practically the whole of the cost of land development and settlement has been borne by the State. The State has furnished the settler with money to pay his fare to his land, money to go out upon the land, money to clear his holding and to erect his home, money to purchase plant and machinery and livestock and super and seed wheat and every other essential, and, in times of adversity, money to keep the settler in food and clothing.

Mr. Lutey: They are all well satisfied.

The PREMIER: All that has been financed by the State, and we have now embarked on a similar project in the South-West.

Mr. Latham: I hope that will prove as successful as the settlement of the agricultural areas.

The PREMIER: I hope so too. I am not finding fault. I believe that the policy of land settlement was a good thing. Indeed, it represents one of the best things ever done in this country. I refer to the action of past Governments of different periods in extending a measure of support to the farming community. Had it not been so, of course, we should not have seen a quarter of the development that has taken place, and consequently this State would have been in a different position to-day. From a national point of view it is a good investment, notwithstanding that such large sums of money are still outstanding on the books of the various departments associated with this work.

Mr. Stubbs: Still the Government hold a good security.

The PREMIER: But sometimes the assets do not meet the liabilities.

Mr. Latham: But on the whole they do more than that.

The PREMIER: As the years go on it will prove to be so.

Mr. Latham: It is the position to-day, too, in many instances.

The PREMIER: That is so. It may interest hon. members to know, however,

that the arrears of interest alone outstanding in the books of the Agricultural Bank represent £270,000.

Mr. Latham: That is to the 30th June.

The PREMIER: That is so.

Mr. Latham: A lot of that will be paid during the current month.

The PREMIER: I do not know about that; some of it doubtless will be paid during the month. The outstanding amount for a period prior to June was £180,000, but to the 30th June the sum totalled £270,000. Largely the same position has been created in connection with the soldier settlement scheme. I regret to say that the department has experienced greater difficulties regarding soldier settlement than with other forms of settlement. Unfortunately, owing to war service and other causes, large numbers of the returned men have not been able to make good, the result being that the arrears of interest have accumulated to a very considerable sum. Perhaps hon. members will have read the published statement that the capital expenditure authorised on soldier settlement to date has been £5,800,000, and the arrears of interest outstanding total £325,000.

Member: That is serious.

The PREMIER: It is very serious.

Mr. Latham: Unfortunately, other States are similarly affected.

The PREMIER: I am aware that some of the other States are affected more adversely.

Hon. W. D. Johnson: This should not be a State responsibility at all.

Mr. Latham: That is so. It should have been a Federal responsibility.

The PREMIER: I am sorry to say that here, as in connection with other matters, the Federal authorities have shirked their responsibilities.

Hon. W. D. Johnson: This is not by any means the only direction in which they have shirked those responsibilities.

The PREMIER: I have never indulged in carping criticism of the Federal Parliament or of the Federal Government, but I am bound to admit that whenever it has been found possible to place responsibilities on the State Governments that rightly belong to the Commonwealth authorities, the Federal Government have never failed to take advantage of those opportunities. Apart from the outstanding interest respecting soldier settlement, it has to be remembered that the repayments of the instalments of principal generally have not yet become due. If those settlers have fallen into arrears with their interest payments, I do not know where we shall be when the time arrives for them to be required to pay their instalments of capital in addition to interest, unless, of course, as the years go by, their farms develop to an extent that will enable them to meet their liabilities. As hon. members know, for the first 10 years—the period used to be five years—no repayment of prin-

cial is required in connection with Agricultural Bank advances, but after the 10-year period, the repayment of instalments of principal have to be made annually. Already, however, some instalments of principal are overdue. Thus, in addition to the £270,000 of interest outstanding, we have £470,000 overdue on account of instalments of principal. That is a very large sum. The effect of this is to cause the State to pay interest on interest and the debt will become more serious as the years go on. The total debts of the Industries Assistance Board at the end of June was £2,135,000. These are just some of the figures relating to expenditure on land settlement that has taken place during recent years. The Government have decided to appoint a Royal Commission to inquire into the whole management and results to date of group settlement in the South-West. This is not done in any spirit of hostility to the principle, but I believe it will be in the interests of all concerned, the late Government and the people of the State generally, that a thorough and exhaustive inquiry should be held into the group settlement scheme.

Mr. Latham: Why cannot you get the necessary information without the appointment of a Royal Commission?

The PREMIER: We have information relating to the financial side and the Minister for Lands will be able to supply hon. members with details of that expenditure. I should have added that the expenditure to date on the groups has been £1,235,000. The expenditure for the last year alone was £770,000.

Mr. Stubbs: Does that include the Peel Estate?

The PREMIER: Yes, it includes all the groups. If we continue the groups this year on the same ratio as last year, the estimated expenditure will be about one and a-quarter million pounds.

Hon. W. D. Johnson: Does not the member for York want an inquiry now?

Mr. Latham: I do not see what is to be gained from an inquiry seeing that the information is at our disposal.

The PREMIER: It may be that an inquiry by practical men may result in the lessening of costs in connection with much of the work carried on now.

Mr. Latham: You can get all that assistance without a Royal Commission.

Hon. S. W. Munsie: What are you afraid of regarding an inquiry?

Mr. Latham: I am not afraid at all.

Hon. S. W. Munsie: Then let us have it.

The PREMIER: It must be remembered that this group settlement scheme represented something new. The State embarked on large scale settlement of which neither the State nor the principal officers, upon whom the full responsibility of administering the scheme was placed, had any previous experience. In such circumstances it was inevitable that there would be large expenditure that need not have been incurred and

methods adopted involving the expenditure of public funds that may not have been warranted.

Mr. C. P. Wansbrough: In short, it was an experiment.

The PREMIER: That is so.

Mr. George: They had to start from scratch with practically little or no training in the work.

The PREMIER: That is so. There are at present about 124 groups each consisting of 20 men. The great majority of those settlers had had no previous experience in farming, and certainly no experience of Australian conditions. It necessarily followed, therefore, that the cost of settling those men must have been greater than if the scheme had concerned experienced farmers. There was nothing else to be done; there was no alternative for the State if we intended to take a large number of migrants as we contracted to do under the agreement which Sir James Mitchell made when he was in the Old Country. In the circumstances, there was nothing to do but to take the migrants direct from the ship's sides right down to the groups. It will be conceded that an inquiry by practical experienced men should result in benefit to the State and in a saving of costs and expenditure regarding the whole scheme. The question involved is one of finance, and members of the late Ministry will appreciate the position of the Treasurer at the present time. Whilst it may be claimed that the affairs of the State are fairly prosperous now, I do not know that the difficulty of financing the requirements of the State has ever been greater than at the present moment. The cost of money is higher than we have ever before known. We have had to pay 6 per cent. for money and there is a threat to increase the price to 6½ per cent., which was the best offer obtained in the Eastern States recently. It is unfortunate that money should be so dear at a time when the State has embarked on heavier loan expenditure than ever previously. It means that the work of land settlement in the South-West will be saddled with higher interest charges.

Mr. Stubbs: If your estimate that it will take 10 years for these settlers to get going is right, the men will be asked to carry a load that will be an impossible one.

The PREMIER: That is the trouble, and for the next five or six years this State will have to increase its indebtedness by way of loan funds to a great extent indeed in order to keep the groups going that have already been started, to say nothing about what will be necessary for those that may be established during the next few years.

Mr. Latham: Is it not correct that two-thirds of the responsibility regarding the interest is with the Imperial and Commonwealth Governments.

The PREMIER: That is for the first period of five years. As regards the immigration agreement, whilst the ex-Premier obtained the best possible terms in London, terms that were better than ever obtained

previously, the Home Government have recognised that still more liberal terms should be conceded to Australia and to the States.

Mr. Latham: I hope you will take advantage of them.

The PREMIER: I believe the State will get that advantage. When Senator Wilson, an Honorary Minister in the Federal Government, passed through on his way to the East five or six weeks ago, he was good enough to convey to me the general terms of the proposed new agreement. Of course it was not for publication, because he had to take it to his Prime Minister as soon as he returned to Melbourne. The Prime Minister, I understand, has been in communication with the Home Government in regard to some of the points in the agreement in an endeavour to obtain still better terms. But I can say from what knowledge I have of it, that the terms of the agreement, even if the Prime Minister should not succeed in having them liberalised, represent a considerable advance on those embodied in the agreement made by Sir James Mitchell. They will relieve us of many of our financial difficulties in the way of payment of interest during the next 10 years.

Mr. George: Was it not understood that we were to have any advantage secured in later agreements?

The PREMIER: Yes, if any other State should secure better terms, they were to be embodied in the agreement made by Sir James Mitchell. That was not in that agreement, but it was a tacit understanding.

Mr. Sampson: That assurance was obtained by Mr. Colebatch.

The PREMIER: The new agreement will, I think, entirely supersede the old one. Moreover, it will apply to all the States.

Mr. Stubbs: Will it cover the money already advanced?

The PREMIER: Yes, past as well as future operations will be covered. I think the term for which we shall get assistance for payment of interest will be considerably longer than that we have at present. Also it is quite on the cards that we shall be relieved of some of the obligations of the old contract, obligations which, I believe, would be found almost impossible of fulfilment if it were attempted to hold us to them. We should know the terms of that new agreement during the next week or two. Speaking of the difficulty of financing these undertakings, I desire to refer to the Loan Council held in Melbourne a few weeks ago to deal with the whole question of borrowing by States and Commonwealth. I am not in a position to disclose the proposed terms, but they mean that instead of each State going on the Australian market whenever it desires a loan, and as a result frequently coming into competition with other States and so pushing up the rate of interest, the aim is to have only one borrower. The Commonwealth will borrow what is required to be borrowed by the States and the Commonwealth in Australia. It certainly should result in our being able to obtain money at

a lower rate of interest than if all the States were borrowing separately.

Mr. Thomson: Is the Commonwealth to decide how much each State shall borrow?

The PREMIER: Yes. The proposed arrangement is a distinct advantage. We shall not be competing with each other on the Australian market, as in the past. It is proposed that the Commonwealth shall borrow a fixed sum, variously stated in the newspapers, and shall then apportion it out to the States according to an agreed upon scale. From our point of view it will be a good arrangement, for under it we shall certainly get considerably more money in Australia than we would be able to get if we were borrowing on our own account.

Mr. George: But we shall be submerged in the Commonwealth, instead of maintaining our individuality.

The PREMIER: That would not matter when borrowing in Australia. Our experience has shown us that we get practically no response when we endeavour to raise a loan in the Eastern States. Apart from the several Governments, there are other large borrowers. Last month, for instance, the local City Council placed a loan for half a million at $6\frac{1}{2}$ per cent. The Melbourne Board of Works also raised half a million at $6\frac{1}{2}$ per cent. Then there will be the Eastern States Governments borrowing in Australia, and if we were forced to go on the Australian market for ourselves, we should be left without any response. Only last year South Australia endeavoured to raise a local loan, but got only a partial response. The financial centre of Australia is in Melbourne and Sydney, chiefly Melbourne, so naturally the Eastern States get first preference with a loan. It will be a good thing for local borrowing to pool our loans as proposed. But the Commonwealth Government, now, as always, endeavouring to push the States into a corner, would not agree to the pooling of local borrowing unless the States also agreed to limit their borrowings overseas.

Hon. W. D. Johnson: That has been their ambition for years past.

The PREMIER: That is so. To a certain extent that is an attempt to deprive the State of its sovereign rights. There should not be on the part of the Commonwealth Government any attempt to dictate to the State how much money it shall borrow overseas. It was urged at this conference of representatives of the State Governments that the Commonwealth Government should be content to have the borrowing in Australia, and allow the States a free hand in borrowing overseas. However, they would not agree to that. The one is contingent upon the other. Unless the States agree to limit their borrowing overseas to the amounts agreed upon at the conference, the proposal for pooling borrowing in Australia goes by the board.

Mr. Richardson: What is the basis on which the State's quota is to be determined?

The PREMIER: It seems to me it is without very sound foundation. Prior to the meeting of the Loan Council, the State Treasurers were asked each to submit an estimate of his loan requirements for the year. The State Treasurers went there with estimates. Some of them, perhaps aware of the method by which the quota would be determined, inflated their estimated requirements. They were not fixed on a population or any other basis. It was like a purchaser asking the price of something in a shop and then endeavouring to have that price reduced. The Commonwealth said, in effect, "You are asking for so much, but you ought to be able to do with so much less than your estimate."

Hon. W. D. Johnson: It is like a Treasurer dealing with his Ministers.

The PREMIER: Exactly. That is just what the Commonwealth Treasurer has done with the State Treasurers.

Mr. George: Surely you have not started like that with your Ministers?

The PREMIER: No, my Ministers are long-headed, economical men, and I have found no occasion to sub-edit their requirements. I know the hon. member was in the habit of saying, "I am ready to do the work if the Treasurer will supply the money," but I have had no occasion to treat my Ministers like that. This question of borrowing has not yet been finalised, but a decision must be arrived at to-morrow, because to-morrow there is to be a meeting of the Commonwealth Treasurer and the Treasurers of two of the Eastern States to fix the price of the loan and the general terms and conditions upon which it is to be launched. I have hesitated to take a departure that would establish the principle that the Commonwealth Government should arrogate to themselves the right to determine what the borrowings of any State Government shall be overseas in any particular year. The Commonwealth cannot have any knowledge of our requirements. Only the State Treasurer can form an estimate of his requirements for the financial year. What can the Federal Treasurer know about our requirements in Western Australia?

Mr. George: And he cares less.

The PREMIER: Since the great proportion of our loan requirements are intended to carry out the policy of immigration and land settlement, any restriction imposed upon us by the Commonwealth must have a direct effect upon our policy of immigration and land settlement.

Mr. Latham: We hope you do not agree with that.

The PREMIER: In this respect, as in many others, this State is the orphan child. All the other States have agreed to the Commonwealth's proposal. Our standing out will not affect our powers of borrowing in London. We shall be able to get there just as much money as we require, and on just as good terms as if we were in the pact, but our standing out will cer-

tainly affect the amount of money we may obtain by borrowing in Australia.

Mr. Thomson: And there is the adverse exchange to be considered when borrowing overseas.

The PREMIER: Yes, that is the point. Under the agreement we shall get more money in Australia than we have had from the same source for many years past, over a million pounds.

Mr. Mann: Borrowing overseas is not profitable at present.

The PREMIER: That is so. If we stay out, we shall have to go overseas for the whole of our loan requirements, and the difficulty of transferring money from London is well known. So, on the other hand, if we stand in we shall get much more money in Australia than we have had in the past.

Mr. Mann: For how long will you be bound if you stand in?

The PREMIER: The agreement is for one year. If the Government decide to join in the undertaking it will not be establishing any precedent which this Government or future Government might be called upon to follow; but certainly it will be a point gained by the Commonwealth Government in a direction they have been striving for over many years; that is to say, the limitation of our borrowings overseas.

Mr. Mann: Just for one year.

The PREMIER: Of course. I have no doubt the same proposals will come forward next year. The financial position may be such as to leave the Treasurer next year practically no more option than he has today but to join in with the arrangement.

Mr. Thomson: It would be a very considerable saving.

The PREMIER: If we did not join in, I am afraid we should get very little money if we endeavoured to borrow in Australia, and would certainly have to pay a half per cent. more for it than the Commonwealth would have to pay. The Commonwealth will be able to obtain their loan of £8,000,000 or £10,000,000 at six per cent. If we go on the local market without joining in, we shall have to pay six and a half per cent. If we were unable to borrow in Australia we would have to do so overseas, and the cost of exchange and other charges would be very considerable. The circumstances are such as almost to compel us to be a party to an arrangement with the principles of which we do not approve. The financial circumstances are such as to leave us very little option.

Mr. Richardson: The Federal Government have the third degree on us.

The PREMIER: That is so. In so far as the power may pass into the hands of the Federal Parliament of controlling the expenditure of loan moneys in the State, then, knowing as we do that finance and money are really at the basis of all development, so will the Commonwealth authorities be enabled to control the affairs of the States concerned. They will be able to dic-

tate the developmental policy. If they can limit the amount of money that is made available it is tantamount to giving them power to say what developments shall occur, and how we shall spend the money.

Mr. Latham: They will be sending officers over here to see how we spend it.

The PREMIER: I hope members appreciate the difficulty we find ourselves in at the moment. We are practically compelled to join in an arrangement that is altogether foreign to our ideas of what is equitable. I would draw the attention of members to the position we are confronted with regarding our loan requirements for the present year. I have already indicated that group settlements alone will ask for one and a quarter million pounds. That does not take into account any money that will be required for the Agricultural Bank, for soldier settlement, or for the Industries Assistance Board, for which provision will have to be made.

The Minister for Lands: And it does not include railways and drainage.

The PREMIER: No. Members are familiar with the expenditure by the Industries Assistance Board of recent years, and know what it means when I say that the board and the bank and soldier settlement have yet to be provided for. Then we have inherited from the ex-Minister for Water Supply (Mr. George) the legacy of the hills water scheme.

Mr. George: What is the matter with that?

The PREMIER: Nothing is the matter with it, except that it will cost me some sleepless nights in an endeavour to find the money for it.

Mr. George: That was my trouble. I could not get the cash.

The PREMIER: Unfortunately the hon. member escaped. His Treasurer was able to put him off. I think the ex-Treasurer, without consulting him, carried on the project so far that I am not in a position to refuse to go on with it. I cannot say to the Minister for Works, "You cannot have the money." The State is committed to it, and I have to find the money.

Mr. George: What is the matter with the scheme?

The PREMIER: I have to give certain figures to the House to remind members of the financial difficulties with which I am confronted during the present financial year. In addition to the amount to be spent on group settlements, the hills water supply will cost a further half a million pounds this year. The amount spent on the hills water supply last year was £23,000. The work has only just been commenced. This year for pipes alone, which will have to be delivered during the next six months and paid for, the sum of £250,000 will have to be found.

Mr. George: That is right. I would have spent it four years ago if I had had the cash.

The PREMIER: I wish the hon. member's powers of persuasion had been great enough to induce the ex-Treasurer to give him the money.

Mr. George: I tried all I could.

The PREMIER: I have inherited this expenditure for the next five years. Members will realise what the financial requirements will be on the groups alone, as those groups go on growing and expanding. The hills water supply scheme is estimated to cost £3,000,000, and is to be completed in six years. One may say that I have to find for the next six years £500,000 a year for that scheme, in addition to the amount that was required for the ordinary services of last year, which was in itself a record. The loan expenditure last year was the greatest in the history of the State, for in round figures it was £4,000,000. The half million pounds on the hills water supply was not included in last year's expenditure.

Mr. Latham: Is that expenditure justified?

The Minister for Lands: It is not the expenditure; it is the difficulty of finding the money.

The PREMIER: I am not saying there is no necessity for a hills scheme. Even though it is justified and urgently required, I have to find the money. If our loan expenditure this year is on the same basis as last year, for this year I am committed to a loan expenditure of four and a half million pounds.

Mr. Sampson: And suppose the Loan Council reduce the amount?

The PREMIER: These two items alone commit me to an expenditure of a million and a quarter pounds that did not come into last year's expenditure. There is £500,000 for water, and an extra £500,000 for groups, that did not come into last year. The expenditure on the groups last year was £770,000, but the estimated requirements for this year involve a sum of a million and a quarter pounds, or £500,000 more from loan funds than last year. I am, therefore, preparing the House for loan estimates of about £7,000,000.

Mr. George: And you are doing it very well.

The PREMIER: In addition to the increased expenditure on water supply, there are the big sewerage works at Subiaco, launched last year, that will require an expenditure of about £100,000, if the work is to be continued during the present year. That is the position with which I am confronted. The proposals of the Loan Council, as dictated by the Commonwealth Treasurer, in effect mean that we shall have to get along this year with about a million and a half less than would be required according to the figures I have just given. Although I am faced with the necessity of finding a million and a quarter pounds, that had not to be found last year on water supply and groups, the Loan Council or the Federal Treasurer says, "You will have to get along this year

with half a million pounds less than you had last year."

Mr. George: It is better not to let them interfere.

Mr. Griffiths: We cannot help ourselves.

Mr. George: Oh yes, we can.

The PREMIER: Of the grant made by the Commonwealth Government for road construction last year, only a few thousand pounds was spent.

Mr. George: Very little of it was spent.

The PREMIER: If we take advantage of that grant of £92,000 this year on the pound for pound basis, we shall have to face an additional expenditure of that amount ourselves.

Mr. Latham: It was provided on last year's Estimates.

The PREMIER: But it is not expended.

Mr. George: But you will get more this year.

The PREMIER: Yes. It is very desirable that the State should take advantage of the offer—

Mr. Thomson: Hear, hear!

The PREMIER: Not only because of the need for road construction, but because if we do avail ourselves of the offer, we shall have the work done at only half the cost to the State that it would otherwise be. The Commonwealth Government, in addition to making the grant of £92,000 last year, and a similar sum this year, have allowed the unexpended amount last year, to carry over into this year. We shall, therefore, have available between £160,000 and £170,000 for road construction. On top of that I have to find a similar amount.

Mr. Latham: It would be all right if it was all Commonwealth money.

The PREMIER: The position is causing me much more worry than the revenue and expenditure accounts for the year.

Hon. W. D. Johnson: It amounts to doing £5,000,000 worth of work with £3,000,000.

The PREMIER: That is so. We shall have an opportunity later of dealing with the various Bills that come down, and the policy of the Government as it is gradually unfolded to members. The Leader of the Opposition stated last night he hoped the Government would shortly commence the construction of the Yarramony-Baandee railway, the estimated cost of which is £400,000. The expenditure to which I have referred makes no provision for railway construction, and neither is there provision for harbour improvements required at Geraldton and Bunbury. I hope that after quoting those figures my friends in the metropolitan area will become reconciled to the policy of the Government regarding tramway extensions, for the present year at any rate.

Mr. Mann: Why not hand the trams over?

The PREMIER: I have stated before that the Government are quite prepared

to consider any scheme that may be put up for local control of the tramways and other utilities that are of a purely local character. Ministers are somewhat overburdened with duties that are not of State-wide character, but are of purely local concern, and perhaps could best be administered by the people they serve. If the local authorities or those served by the trams or water supply are prepared to put forward proposals that the Government feel they can entertain, the Government will be prepared to give those proposals every consideration.

Mr. Mann: What about a board similar to the Metropolitan Board of Works in Melbourne?

The Minister for Lands: Let the people have a say.

The PREMIER: It would be a matter for consideration. The board could be thoroughly representative, but not elected or appointed on a property franchise, nor should the choice be restricted. The board should be representative of all the people.

Mr. George: The difficulty is that the smaller boards have been swallowed up by the bigger boards.

The PREMIER: The Melbourne Board of Works which has controlled for more than 30 years the water supply and sewerage system of Melbourne and suburbs, is composed of representatives elected from each local governing body in the district served—each town council or road board as the case may be, elects a number of delegates. At least that was what took place when I was there. The delegates were elected by the local bodies, not by the people, and the chairman received a pretty high salary. I believe that the work carried out by the Melbourne Board of Works has been fairly satisfactory. In this connection it is well to remind those persons who are in the habit of pointing to our per-capita indebtedness as being the highest in Australia, that nothing could be more misleading. A comparison cannot be made between the per-capita indebtedness in this State and that in the other States, because in this State the Government carry out all the functions which in the Eastern States are carried out and controlled by boards or trusts which have borrowing powers of their own. For instance, whilst money that has been borrowed by the Government and expended on our water supplies and sewerage system has helped to swell the public debt, in Melbourne the expenditure on water supply and sewerage, which has run into many millions, considerably over fifteen millions, has been borrowed by the Metropolitan Board of Works, and therefore does not figure in the public debt of Victoria. The same thing applies to the tramway system and to the harbours. In Victoria there is a Harbour Trust that has separate and independent borrowing powers. All those functions are carried out in Western Australia by the State. The money is borrowed by the State

and thus increases the per capita indebtedness. Therefore to make comparisons between Western Australia and Victoria is only to mislead. I trust that members will be able to assist the Government. I accept in the spirit in which it was offered the statements made by the Leader of the Opposition and the Leader of the Country Party that they do honestly and sincerely desire to assist the Government to discharge the very onerous task that lies ahead of it, whenever they find themselves able to do so consistent with their pledges to their electors and so far as their principles will allow them.

Mr. GRIFFITHS (Avon) [5.50]: I think it would be fitting before I speak on the Address-in-reply if I take up the running where I left off in November, 1920. Members appear to be amused, but let me draw attention to the fact that on the 17th November, 1920, I succeeded in having a motion carried through this Chamber relating to the payment to local bodies of fines collected under the Traffic Act. The ex-Minister for Works disregarded the injunction of the House and held that this action could not be taken. He told me that it would be against the law, and twitting me with it only the other evening said, "Are you satisfied now?" We find that the ex-Minister decided on taking action as from the 1st July; consequently I am satisfied now.

Mr. George: You must get legislation through Parliament or you cannot do it.

Mr. GRIFFITHS: I do not know.

Mr. George: No, and you do not care.

Mr. GRIFFITHS: Anyhow, the action is being taken as from the 1st July last. Another motion that I succeeded in getting through Parliament related to the Avon River and its possibilities. I have given notice of a question on this subject, my desire being to ascertain whether anything has been done. With these few remarks I shall close the book of the past. I can support what has been said by the leader of the party to which I have the honour to belong, that we are anxious and willing to assist the Premier. That help will be given because we feel now, as we felt in 1914-15 towards the gentlemen now occupying the Ministerial side of the House, that those gentlemen are out really to assist the primary producer. I say this in all sincerity. I have a kindly recollection of the assistance given to me as a young member by my friend the member for Guildford (Mr. W. D. Johnson). I acknowledge with gratitude the help I got from him whenever I preferred a request on behalf of the York electorate. Already I have received consideration from the various Ministers now in office, or at least those with whom I have come into contact. I have had many refusals, and I expect to get many more, but I shall persevere. One feels diffident in rising after the Premier to deal with the finances. The Premier has referred to the unholly squeeze that the Commonwealth Government are inflicting on the State. His remarks were quite justified. The ex-

Minister for Works interjected that we could help ourselves. I cannot see how we can. We cannot go on the money market in competition with the Commonwealth. I shall not refer to the finances at any length because the Premier has dealt with them exhaustively; I shall wait until the Estimates come along. The Governor's Speech refers to certain railways that are in course of construction, but I notice that one, the Yarramony line, has not been alluded to. After having heard the Premier's speech, I feel diffident about urging the construction of such works. But so far as the Yarramony line and the Beneubbin to Goomarin line are concerned, there are weighty reasons why early consideration should be given to the matter of construction. Even if only the earthworks were started, it would be an encouragement to those people who have been settled out there for 16 years. The Leader of the Opposition last night told me that I was not correct when I mentioned this period. There is no need for me to prove the urgent necessity for this line. This has been admitted and the authorisation has been approved, and there is nothing further for me to add. I have a petition signed by 250 farmers who hold 250,000 acres of land. Those farmers have grown tired of waiting 16 years for this line. They are carting to-day over distances of from 12 to 23 miles. Along the route to be traversed by the line, with a normal crop there will be a million bushels of wheat to be shifted.

Mr. George: They are a very live body of men.

The Minister for Lands: I told them that the railway would be built in its order.

Mr. GRIFFITHS: Here is a story that has appeared in the Press, and I think it will amuse members if I read it to them: In 1903 Mr. Mitchell told the prospective Yorkrakine settlers that none would be more than seven miles from a railway. Mr. Scaddan, when Premier, promised that the railway would be built after existing authorisations had been completed. Then the survey of the line was forecasted in the Governor's Speech. The late Hon. Frank Wilson announced, when he took charge, that the Government would honour this promise. In November, 1915, a deputation to Mr. Wilson was promised that the Advisory Board would be sent out there, and if the report was favourable a survey would be made. In June, 1917, the Advisory Board inspected the country, but before the report was completed the chairman died. An attempt to get the report finalised proved abortive. Then the Hon. Frank Wilson died. On 12th November, 1918, the Hon. H. B. Lefroy became Premier, and a deputation again urged the construction of the line. Sympathy was extended, and investigation was promised—the same old cry. Two months later Mr. Lefroy was written to and asked what steps had been taken. His reply was, "I and another member are going to Melbourne to raise funds for public works, and

your all-important work will not be overlooked.' On his return from Melbourne he was sacked.

Mr. Panton: It reads just like a serial.

Mr. GRIFFITHS: Mr. Colebatch then took the helm. He was written to and strongly urged to have the line constructed, but nothing was done.

Mr. Lambert: He wasn't Premier long enough to do anything.

Mr. GRIFFITHS: In May, 1919, Mr. Mitchell took the steering wheel. A deputation waited on him in August of the same year and urged the district's claims. The Premier admitted that the railway was necessary and justified, and promised inquiry. Early in 1920 the Premier was written to and asked to state the intentions of the Government, and the member for the district was notified that the advisory board would again report. On 11th November, 1920, the advisory board reported in glowing terms. On 9th December, 1920, the railway league decided to again wait on the Premier. He refused to see them, but wrote that he would introduce a Bill next session to authorise the construction of the line, and that in the meanwhile the survey would be proceeded with. Elections were then pending. Mr. Scaddan also wrote supporting the project, and Mr. Collier said that if he was in power he would carry out the promise of the Premier, or, if still in Opposition, he would assist the Government to pass the Bill.

The Premier: And I did assist them to pass the Bill.

Mr. Lambert: On a point of order, is the hon. member reading his speech?

Mr. SPEAKER: I understand he is not reading his speech, but is merely giving a quotation.

Mr. Lambert: What is he reading from?

Mr. GRIFFITHS: If the member for Coolgardie prefers it, I will quote from the printed reports. Further pressure on politicians resulted in word being sent to the district in November, 1921, that the Works Department had been authorised to proceed with the survey. In February, 1922, Mr. George traversed the district and assured the settlers that the survey would be commenced in May.

Mr. George: I told them they would get a survey, and I got it done.

Mr. GRIFFITHS: Then the hon. member was the only one that carried out his promise. In December, 1923, a Bill was passed authorising the construction of the line. If it takes 16 years to get the authorisation, how long will it be before the first train whistles into North Baandee? Was there ever a more miserable story of broken promises, evasions, excuses, and misstatements—or worse—than is contained in that record? That little story was compiled mainly by Mr. Diver, a friend of many members on the Government side of the House.

The Minister for Lands: I thought it was Diver's work.

Mr. GRIFFITHS: Anyhow it is a record of facts.

The Premier: They are facts; he was trained in the Labour school.

Hon. S. W. Munsie: There is a much more sorry tale of the Esperance line, and we have not even a survey yet.

The Premier: And there is the Narrogin-Dwarda line.

Mr. GRIFFITHS: The Premier has told us a somewhat disheartening story regarding the probable financial arrangements for the future, but I urge upon him when considering the railway construction programme to remember these people who have battled along for the last 16 years without transport facilities. Some of the settlers have made good, but a great many of them have been beaten. Only those of bullbog tenacity have been able to win through. The question of constructing this railway was a burning one during the recent election, and I promised the settlers of the district that I would take the earliest opportunity to urge those in authority to make a start and do something, if only to begin the earthworks. It would not mean a great deal to start the earthworks, but it would put fresh heart into the settlers. A little encouragement would go a long way. On the hustings I promised the people to work for the railway and do my best to get it constructed, but I know of other candidates who said that if they were returned, the construction of the line would be proceeded with at once.

Mr. George: Who said that?

Mr. GRIFFITHS: Never mind; the hon. member may judge for himself. On Tuesday last I asked a question regarding the systematic lay-out of future railways and referred particularly to facilities for the settlers east and north-east of Merredin. The Premier in reply said the Government were aware of what is going on and I believe the departments are also aware of it. When I went to live in Kellerberrin in 1910, that centre as a wheat-growing district was considered doubtful. It was said to be too far east. Later on Doodlakine was considered doubtful, but by easy stages wheat growing was extended to Merredin. The Lake Brown country in 1914 was practically deserted; only a few die-hards remained. To-day settlement has extended as far east as Bodallin, where there is 3,000 acres under crop. Recently the Minister for Works visited Lake Brown and expressed himself to the local reporter as being astounded at what he had seen. One of the finest belts of forest country is there being opened up. It extends from Lake Brown to the 81-Mile Post on the rabbit-proof fence. The die-hards of the Bodallin country have proved the fallacy of the "too far east" bogey as applied to that district. They have to cart their produce as much as 25 miles and they have been carting water anything up to 14 miles. Owing to their distance from a railway they are kept carting till the end of March.

This means insufficient time to devote to fallowing and a consequent loss equal to three bushels per acre. Last season the average was 13 to 14 bushels. Had they reasonable facilities so that they could devote more time to fallowing, the average would have been three bushels higher. There is no finer stretch of forest country within the line of assured rainfall than this particular belt. The Newdegate railway has been strongly advocated on the ground of soldier settlement there, but this district is as much a soldier settlement as is Newdegate. Seventy five per cent. of the settlers are under the soldier settlement scheme.

Hon. W. D. Johnson: Would you give them a railway before the North Baandee people?

Mr. GRIFFITHS: No, the North Baandee people have been waiting for 16 years and, if any settlers are entitled to a railway, they are.

Mr. Latham: There are also the settlers east of Kondinin.

Mr. Panton: How do you propose the Government shall construct all these lines?

Mr. GRIFFITHS: I have said I appreciate the Premier's difficulties, but I am advocating works that I know are necessary. I hope the Premier will visit this district where there is a new province in the making. The member for Yilgarn (Mr. Corboy) has told me of big stretches of country with an assured rainfall on the east side of Southern Cross.

Mr. Latham: On which side of the goldfields line?

Mr. GRIFFITHS: Both south and north. Out from Bullfinch there is a big area of country and an extension of the Benenbbin line is being urged to serve it. This will probably require another line separate from the one to Goomarin. The member for Yilgarn (Mr. Corboy) tells me there is a big belt of country at Forrestania and I believe it makes through to Newdegate. I want the Government to carefully consider plans for the future and not follow the haphazard methods of the past—starting a line and yielding to influence for deviation in all directions before it reaches the terminus.

Sitting suspended from 6.15 to 7.30 p.m.

Mr. GRIFFITHS: When we adjourned for tea I was endeavouring to impress upon the Premier the extent of the country that I termed a new wheat province that was in process of development. I presume I may advance to the Table to illustrate from a map what I wish to say.

Mr. SPEAKER: I have no objection.

Mr. GRIFFITHS: I have here a plan of the district. In this section of the country there is a continuous belt of forest extending up to the rabbit-proof fence, some 80 odd miles north, and running east into Westonia, and Boddalin, some 30 miles north-west. The member for Yilgarn (Mr. Corboy) informs me that to the north there

is another enormous belt of country, and to the south between the fence and Southern Cross there is also a large belt of timber. Yesterday I asked certain questions so that the Premier, in view of future railway requirements for this district, might cause a thorough investigation to be made so that a properly well thought out plan might be devised for opening up this territory. Certain of these areas are proved to be within the safe rainfall belt, and I am anxious that proper railway facilities should be given so that we may avoid that which happened in connection with the Dowerin groups and other lines. At Lake Brown recently we were met by a deputation of settlers asking for a water supply. The Minister for Works received them. Since my return to Perth I have received a letter from the Minister stating that he does not think any provision can be made on this year's Estimates for the extension of the water scheme to that area. One of the settlers, Mr. Mulqueen, said he was one of the original pioneers of the district. The ex-Premier had promised him and a hundred others a farm and railway communication within 12 months, but there was no sign of it. If the Government were to get the money back that had been advanced to settlers, they would have to provide a water supply for the district, and that supply would have to be brought into the district from the goldfields scheme, as key dams were a failure. If the settlers were to make good, they must have water. This is a soldier settlement.

Mr. Mann: That would necessitate the erection of another pumping station.

Mr. GRIFFITHS: It is a big scheme, and requires a man with big ideas to utilise the goldfields water for the agricultural areas.

Mr. Mann: What would be the cost?

Mr. GRIFFITHS: The late Lord Forrest did not worry about costs when he went into that big scheme for the goldfields.

Mr. George: All the water that can go through the pipes, 5,000,000 gallons a day, is being sent through them now.

Mr. GRIFFITHS: If there is a man big enough to rise to the occasion, here is an opportunity for him to do so.

Mr. George: Give me the money; I will rise to the occasion.

Mr. Corboy: But you are not a Minister now.

Mr. George: I will take a contract.

Mr. GRIFFITHS: I met an old man at Goomarin who had just returned from carting water 28 miles, 14 miles each way. When I come across instances of that sort I think of the drought-stricken people of North Perth. What would a man think if on washing-day his wife told him to go to Fremantle in order to get a tank of water.

Hon. S. W. Munsie: That would not be so bad if you could wash with it when you got it back.

Mr. GRIFFITHS: Some of these unfortunate people have to travel 28 miles for water.

Mr. George: It is very hard upon them.

Mr. GRIFFITHS: We do not realise these things in the city.

Mr. George: That is so.

Mr. GRIFFITHS: For about three months of the year they have to cart water. Some settlers are also carting their wheat 27 miles, which makes things impossible for them. There are soldier settlers in the locality, who have gone on the land on the distinct promise of a railway. They are labouring under the disability of having to cart not only their water but their produce long distances. The Premier has, I think, stated that it would take some men ten years to get off the Industries Assistance Board. In certain cases it will take them much longer. I was astonished to learn that one settler owes the board £7,000.

Mr. Latham: One man?

Mr. GRIFFITHS: Yea.

Mr. Latham: Where is the Minister?

Mr. Corboy: I guarantee the Minister does not know about it.

Hon. S. W. Munsie: You should get on to the previous Minister.

Mr. Latham: It would be well worth looking into.

Mr. Corboy: I should like to know how he got the money.

Mr. Latham: So should I.

Mr. George: He must have a large acreage.

Mr. GRIFFITHS: This was originally a partnership concern, but this man now has £7,000 against his name. I understand he took over £4,000 in the beginning. His position is impossible. I do not know what the authorities were thinking of to allow him to get so much into debt. With regard to mining, I have always had a kindly feeling towards the goldfields, and I am glad I have a small section of the mining industry in my electorate. I shall be pleased to do everything I can to help the industry at Westonia. That centre has been under a cloud for a long time.

Mr. Corboy: It was under a flood when I was there last.

Mr. GRIFFITHS: I have been trying to get the Minister for Mines interested in the field.

Mr. Corboy: The companies themselves are to blame for the position.

Mr. GRIFFITHS: Yes. I should like to see an amalgamation of the leases so that the mines may be brought under one control, as has been done in the case of the Boulder group.

Mr. Corboy: Are you aware that Mr. Scaddan did his utmost to bring that about, but that the companies would not agree?

Mr. GRIFFITHS: I have heard Mr. Duff, ex-member for Claremont, say that

Mr. Scaddan was really the lion in the path that prevented this.

Mr. Corboy: The companies there are responsible.

Mr. GRIFFITHS: Yes. I know that attempts have been made to bring them together, but they have failed. Each of the managers has a billet to protect, and does not want to be done out of his job. In spite of that, however, they have lost their jobs. There is a quarter of a million pounds' worth of gold under water in the mines, and it only requires some organising ability and a Cornish pump lift erected on the job for the gold to be obtained.

Mr. Corboy: A Cornish pump would not shift that water.

Mr. GRIFFITHS: I suggest that a proper pumping plant would enable the companies to get at this gold. I am sorry the Minister for Mines is not present. The Westonia Prospectors and Leaseholders' Association had a big meeting recently, the biggest meeting they have had for some time. Three motions were passed on that occasion. The first was:—

That in the opinion of this meeting drill boring, preferably by means of a Calyx drill, over a period of six months in the Westonia auriferous area is warranted; that a reliable geological and engineering report be made for the Minister for Mines, the personal visit to Westonia and the definite report of Mr. A. Montgomery, and that as a result of his inspection six selected boring sites is specifically requested.

The second motion was:—

That the Government be asked to place a supply of explosives in the local magazine for the use of prospectors and leaseholders; same to be procurable at cost price landed in Westonia, and to be under the control and issue, say, of the local police officer, who is the deputy mining registrar's representative in the Westonia district.

The third motion was:—

That in the opinion of this meeting the providing of cheap transport in connection with the Westonia mining district is urgently necessary.

The meeting went on to set out the reasons why these motions were justified. I have brought these proposals before the Minister for Mines, and I believe he is somewhat favourably inclined toward some of them. I have asked him to visit Westonia at a convenient date, and he has promised to do so when the opportunity occurs. I hope to be able to do something to bring Westonia to the front. It is my great hope that there will be a revival of interest in that centre. Mr. Smith, of the Treps mine, is now starting a battery, and I believe good results are being obtained from his operations.

Mr. Marshall: You had no water when you started, but now you are all water.

Mr. Corboy: If you could only use that water for agricultural purposes, you would be all right.

Mr. GRIFFITHS: Apart from the big belt of timber country to which I have referred, there is to the south an enormous area of lighter land. At the opening of Parliament I asked certain questions to find out if the Minister was sympathetic towards an investigation being conducted into the use of light land. In many parts of the State light lands are being successfully used for oat growing and feeding off, and in connection with the growing of fodder for silos. This is particularly noticeable along the Great Southern Railway, and has revolutionised farming so far as stock and early lambing is concerned. I shall have an opportunity of dealing with this matter at a later stage. We have heard a good deal about the profits made by the railways. I am justified in saying that a good deal of this profit is being obtained at the expense of many of the country districts.

Mr. Panton: Oh, no!

Mr. GRIFFITHS: Many of those centres are being starved of ordinary railway facilities.

Mr. Panton: What about the poor old mining centres?

Mr. Corboy: The mining districts are certainly paying for it now.

Mr. GRIFFITHS: I am in full sympathy with the difficulties of the mining districts, but I think the country districts have suffered a great deal.

Hon. S. W. Munsie: If the agricultural districts would recoup the Government as rapidly as the mining districts are doing, they would be all right.

Mr. GRIFFITHS: Unfortunately the mines cut out; the agricultural industry does not cut out, but remains in. Only recently a station has been built at Daglish costing £5,722, and another at Mount Barker costing £6,957. Yet when I have asked for a man to be put in charge of a station such as Burracoppin, to receive and protect goods, my request has been refused. Take Tammin, the biggest wheat centre on the eastern line. Tammin has not even a platform to-day. I have here a petition signed by 237 residents asking that that want should be supplied. The Government have already paid about £300 in compensation to persons who, when getting out at Tammin, were injured by reason of the absence of a platform. As regards Carrabin, which may be termed the transhipment port for Westonia, and at which many sheep and cattle are trucked, I have asked for such a small thing as a trucking yard, and have been refused it. Yet nearly £12,000 is spent on a couple of stations at Daglish and Mount Barker. We should begin with necessities. I hope I may not be thought parochial for bringing these matters forward; but whether I am regarded as parochial or not, I shall voice my thoughts in this House. To-day I heard a conversation with regard to education, in the course of which complaints were made as to country education. My experience of the Education Department is that they are most willing

to assist. They have a huge contract in catering for a scanty and widely spread population in the back country. Recently there appeared in the Press a letter condemning the Education Department, but I have nothing whatever to say against the department, who have always treated requests in a proper spirit. The correspondence classes, I should mention, have proved a real blessing to country children. Concerning soldier settlement we have heard a sorry tale, especially as to over-capitalisation, to which I have already referred. As regards oversea markets, the member for Perth (Mr. Mann) has on the Notice Paper a motion dealing with this subject. If there is anything the State Government can do towards providing oversea markets for our wheat, our fruit, or any other of our products, then all the influence of the State Government should be applied for that purpose, even if it has to be done through the Federal Government.

Mr. Panton: Meantime the people in the State cannot obtain a bit of fruit.

Mr. GRIFFITHS: It is true that better distribution methods are needed locally. Just recently I received a letter from a New South Wales friend who was sent to England for the purpose of inquiring into the possibilities of the markets there. He tells me that the Californian canning people spent £25,000 on the introduction of their fruits to the English market. They introduced them through the small retail shops. The fruit is attractively put up, and for that reason, as well as owing to the system of rebates allowed to traders, the American dried fruit industry has established a very profitable market in England. The American dried fruit industry spent £125,000 in introducing dried fruits in small packages to the English market, and the results have been very profitable. As regards the Argentine meat people, it is hard to say how much they have invested in their business, as they own iceworks, wharves, ships, and all other kinds of appurtenances to the meat industry. To show the extent of their ramifications I may mention that out of 8,000 butchers' shops in the Old Country some 4,000 are under their control. The Argentinians are practically pushing Australian mutton out of the English market. This may be a Federal matter, but I wish to draw attention to it. The Argentine meat industry is alive to the fact that it must push and advertise and organise. The English millers and bakers have spent a quarter of a million sterling on an "Eat more bread" campaign, the object of which is to raise their trade to the pre-war standard. It is no use encouraging our people to go on the land and grow products unless an outlet is found for them. From the group settlements in the South-West we are expecting a big output, which we hope will come through; but we should prepare for the placing of that output overseas. When I was electioneering I made a strong point of that aspect, telling the people that

they should help by co-operating among themselves and by furthering any project for the economical handling of their products. On the subject of the development of this State and its natural resources I have had many conversations with the member for Coolgardie (Mr. Lambert), who is absent at the moment. Like him, I consider it a crying shame that the Federal people should have treated us as they have done over the Forest Products Laboratory. In this House I frequently asked Mr. Scaddan whether the Federal people were trying to evade their responsibility as to establishing the Forest Products Laboratory in this State. He airily waved me aside and said everything was all right. We know how all right it is: the Federal people have removed the laboratory to Melbourne. We have in this country much natural wealth which is not being utilised, but which only awaits the advent of the scientist and the chemist to develop it. The things of which I have spoken I have very much at heart, and therefore I have voiced them here. I trust hon. members were interested in what I said. I sincerely hope that the State's financial prospects will improve, and that this Parliament will retain the good humour with which it has started, and that no one will threaten to cross the floor and punch another member's head.

Mr. Corboy: That is all past, now that we have a Labour Government.

Mr. GRIFFITHS: I sincerely hope that the coming harvest will be a big one, because that means everything to the people of this State, whether they be town dwellers or country dwellers, and I am glad that the townsmen are beginning to recognise that such is the case.

Mr. KENNEDY (Greenough) [7.56]: It is gratifying to new members on the Ministerial side of the House to hear the assurances of loyalty to the Ministry given by members of the Opposition. The Government policy being of a thoroughly democratic nature, it is only right that Ministers should receive support all round. A democratic policy means justice and equity to all sections of the people and to all branches of industry, and such a policy will raise the State again to a prosperous condition. I hope later on to be able to commend the Opposition for their practical support of the Government; actions speak, not words. It must be reassuring to the older members on the Ministerial side to learn that the Labour policy is being adopted by the rural electors. Thanks to the preference votes of the Greenough farmers I am here to-night. It is apparent that Western Australia cannot depend on its agricultural production alone; we must also encourage the mining industry, and I am glad that this is promised in the Governor's Speech. In my electorate is a lead mining district which, under adverse conditions, has for many years exported lead in large quantities. At present the Surprise

mine is working at Galena, which is 11 miles distant from the present head of the Ajana railway. The means of transport from the head of the line to the mine are primitive, and that fact is largely crippling the mine. The last Parliament passed an Act authorising a private company to build the necessary railway. That railway was supposed to be up to the standard of our Government railways. However, the company put down an obsolete 2ft. gauge line, which had originally been a tramway on the goldfields. That line is inadequate for the economical transport of ore. The gap to be bridged from Ajana to Galena is only 11 miles. The private company's railway was supposed to be passed by the Railway Department as fit for the transport of passengers and goods. I do not think the line capable of taking the necessary mining machinery and other goods from Ajana, for the heavier goods have to be taken by teams to Galena. Although the financial position of the State is regarded in some quarters as unsound, I claim that this railway extension is warranted. The Railway Department would not entertain for one moment the taking over of the existing line, and the engine that was supposed to haul loads over it is now a derelict at Ajana. In this prosperous mining town, there are over 100 men with their families and they suffer great disabilities regarding water supplies. During the election campaign I noticed on the occasion of my visit that their only means of water supply was by scratching a hole in the bed of the Murchison River, after the fashion of kangaroos. A tank was filled with a bucket and the water was carted in to supply the township. Only after the water has come down the river for many miles is that supply available. Another railway extension that should be seriously considered by the Government is at least a section of the desired Yuna-Mullewa line. Settlers in those outback parts have received advances from the Government and they have been settled on good York gum country, where there is a good rainfall. Those settlers have to cart their produce over distances ranging from 11 to 15 miles to the head of the railway, and that imposes a great hardship upon them. I also request the Government not to be severe in their treatment of I.A.B. clients who have received notices to quit their farms. In the face of adverse conditions those settlers have struggled for many years to make good and the Government should take a lenient view of their position. They were encouraged to go outback, and it is only right to lay part of the blame for their failure on the shoulders of the late Government. Having advanced money to those settlers, it was the duty of the Government to have experienced instructors in the district in order to advise them regarding the best methods of farming to be adopted. Those settlers, not having much capital, endeavoured to get returns quickly and they cleared the light land on their holdings instead of clearing a part of the heavier country. Later, the light land

failed them and unless consideration is extended to those men, those who take over the holdings later on will benefit at the expense of the original occupiers. The Government should also assist the people outback by reviewing the parcels rates over the railways. At present we are endeavouring to compete against the Commonwealth Government, seeing that packages weighing up to 11 lbs. can be sent by parcel post 60 or 70 per cent. cheaper than the railway rates will allow. They are conveyed in mail bags or parcels and the railways have to carry them and the Commonwealth Government are paid for transmitting them. I have noticed during the busy times of the year many parcels have had to be sent out to meet farmers' requirements, over distances of from 300 to 400 miles, and the charge has been as much as 3s. 6d. and 3s. 9d. This matter has not been brought up by farmers' representatives in the past and I think attention should be given to it.

Mr. Thomson: That matter has been brought up before.

Mr. KENNEDY: Those charges are too heavy, and it would be advisable for the Government to review these parcel rates. Last night great stress was laid on the 44-hour week question. A working week of that duration has been in operation for a considerable period in the railway workshops, and has also been applied for a long time to the men working on the permanent way. In his annual report the Commissioner of Railways states that as much work has been done in the week of 44 hours as was done in the 48-hour week.

Hon. S. W. Munsie: The complaint against the Government means that they are wild because we introduced an extension of the 44-hour week.

Mr. KENNEDY: The work of the permanent way maintenance section of the Railway Department is important, because if the road is not maintained in a satisfactory condition, the railways cannot be run effectively. The men employed upon the maintenance of our railway lines have been enjoying a 44-hour week for a long time, and there has been no increase in the number of men employed, whilst the standard of the permanent way is just as good now as it was when the men worked 48 hours a week. The Press have stated that the extension of the 44-hour week to what they term the running men, including engine-drivers, firemen, guards and signal men, will mean an increase of 25 per cent. in the working costs of the railways. I believe that by the economical working of the railways, the 44-hour week can be worked without any extra expense to the State. I cannot understand why, during December, January, February and March, the railways are taxed to their fullest capacity in carrying wheat to Fremantle and other ports, and for the remaining eight months of the year rolling stock lies idle at untended sidings. The distribution of the transport of wheat throughout the whole

year would mean that the railways would pay better, and if it is essential that the wheat shall be carried during the four months mentioned, those requiring that service should be called upon to pay a substantial increase on freight for the benefits conferred upon them. At present the running staff of the railways do not work more than 44 hours a week and do not do so throughout the full year. There should be no occasion for men to work overtime day and night for four months and during the remaining part of the year be kept in their depots for station duty, which is not productive work. All it means is that the men sign on and mooch about as there is no work for them to do. If an inquiry were made concerning the railways, it would be found that my statement is correct. I worked for many years as a guard, and during the last three years I actually worked only from 40 to 44 hours, although I was paid for the full 48 hours. That was not my fault. That demonstrates that the running staff can do the work required of them within 44 hours without extra cost to the State.

Mr. Thomson: That is a strong indictment against the railways.

The Premier: No, it is not. You must remember that these men are guaranteed a full week's work. It is not possible to keep them working full time during the slack season.

Mr. KENNEDY: The Leader of the Opposition stated the other night that an amendment of the Electoral Act was required to prevent dummying in postal votes. I do not know whether the inference to be drawn from that statement was that the Greenough seat was won by means of illegal votes, but I know that it was won legitimately. If it happened that a large number of postal votes were recorded in that electorate, the reason was that at one place 30 or 40 men were engaged at a salt works. Whether by accident or design, no polling booth was provided there, and therefore those men had to vote by post or be disfranchised. On the new dam at Cannna a large number of men were employed and no polling booth was provided for them, with the result that they recorded postal votes.

The Premier: I am surprised that the ex-Minister for Agriculture neglected such sure supporters! Men working on dams and salt works always support the National Party!

Mr. KENNEDY: The Act provides that if a person is likely to be seven miles or more away from a polling booth, he can record his postal vote. I became very sick of the whole business regarding postal voting in the Greenough electorate. Barely a week passed from the 25th March, the day I was announced as the representative of that electorate, until the day expired for the lodging of an appeal against the result of the poll, without my hearing that astounding revelations were to be made.

We know that the whole thing fizzled out. Neither directly nor indirectly did I do anything dishonest or obtain any illegal votes on that occasion, and I can assure hon. members that, up to the present time, I have lived as an honest man and will continue to do so whether elected to Parliament or not.

On motion by Mr. Sleeman, debate adjourned.

House adjourned at 8.15 p.m.

Legislative Council,

Tuesday, 5th August, 1924.

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

MOTION—STANDING ORDERS AMENDMENT.

Hon. J. W. KIRWAN (South) [4.35]:
I move—

That it be an instruction to the Standing Orders Committee to consider the advisableness of amending the Standing Orders, especially in view of the alterations made in the Constitution Act, 1839, and the Constitution Acts Amendment Act of 1899 during the session of 1921-22.

This is merely a formal motion, so I do not intend to say any more than a few words necessary to explain its purpose. In the session of 1921 it was considered advisable to alter the Constitution. Prior to that many difficulties had arisen between the two Houses of the Legislature over the interpretation of money Bills. After consultation between the Standing Orders Committees of the two Chambers, in order to make the position plain a Bill was passed through both Houses defining money Bills and also giving a clearer exposition of the relationship between the two Houses. The scope of the amendment was very extensive, probably much more so than members of either House realised at the time. I do not regard the present as a fitting occasion for dealing fully with those amend-

ments, but to those members who wish to understand the nature of the constitutional change that was effected, I recommend Quick and Garran's *Annotated Constitution of Australia*. What was done on that occasion was to repeal two sections of our Constitution and embody in our Constitution the sections of the Commonwealth Constitution dealing with money Bills and the relationship between the two Houses. As a result of that amendment whatever the analogy—if ever any existed—between the Legislative Council and the House of Lords in relation to the other House of the Legislature, it certainly does not exist any longer. The position of the Legislative Council in its relationship to the Assembly now, under our amended Constitution, is identical with the position of the Senate in its relationship to the House of Representatives in respect of money Bills. Therefore on the question of the interpretation of money Bills and the relationship between the two Houses, May's *Parliamentary Practice* has become obsolete, and we have to turn to the recognised interpretation of the Commonwealth Constitution in order to see the true position. That is found in Quick and Garran's *Annotated Constitution of Australia*. In that work it will be seen that the relationship has materially altered as the result of the amendment to our Constitution. And whilst the Constitution was amended by both Houses, no change was effected in our Standing Orders. The result is that our Standing Orders interpreting money Bills is altogether wrong. At present one Standing Order states that included amongst money Bills are Bills for imposing, altering, or repealing any tax, duty or imposition. In the amended Constitution it is provided that a Bill shall not be taken to appropriate revenue or moneys, or to impose taxation, by reason only of its containing provisions for the imposition or appropriation of fines or other pecuniary penalties, or for the demand of payment or appropriation of fees for licenses, or fees for registration or other services under the Bill. So in the very interpretation of a money Bill there is a marked inaccuracy in the Standing Orders as they are at present. The point cropped up only last session. Whilst I was acting as Deputy President the question arose as to whether or not a Bill was in order. Under our Standing Orders the Bill was not in order, but under the amended Constitution it was in order. It is for the purpose of bringing our Standing Orders into conformity with our amended Constitution in respect of money Bills and in other respects that I move this motion. Apart altogether from the all-important question of money Bills, other amendments in the Standing Orders ought to be effected. They are not so much amendments as alterations that do not change the meaning of the Standing Orders. Mr. Lovekin was kind enough to indicate some of these to me, but in addition there are several that I myself have noted in a study of the Standing Orders. In the chapter