

Legislative Council,

Thursday, 30th October, 1924.

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Bills: Closer Settlement, 2a.	1571
Industries Assistance Act Amendment, 1a.	1579

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

BILL—CLOSER SETTLEMENT.

Second Reading.

Debate resumed from 28th October.

Hon. G. POTTER (West) [4.32]: In reading through the Bill one must be convinced that its purpose is not merely as indicated by Mr. Cornell when he spoke regarding the measure. His assertion that the necessity for a closer settlement Bill in a State like Western Australia, with its wide, empty spaces, seemed to indicate that something must have been wrong with the system of land disposal in the days gone by, does not altogether seem to me correct. It appears to me that the object sought to be achieved by the Bill relates rather to the railway system. While it would be wrong to say that there is an unlimited area of wheat lands available at the present time, one must admit that people, particularly in the coastal and metropolitan areas regard a Bill like this as relating to wheat lands. In the minds of the people farming first meant wheat farming, but later included mixed farming, as well as the production of wheat. That impression is maintained by the publications of statistics, the purpose of which is to indicate the purchasing power of our money in terms of commodities. The lines mostly used for the sake of comparison are wool and wheat. The growing of wheat and the progress of mixed farming are closely allied with the railways and the financial success of that section of the State's activities. If that is the object behind the Bill, it should commend itself to hon. members. We would be wrong if we set off to consider this question on the assumption that there is an unlimited area available for wheat growing or mixed farming. No Government possessed of a sense of responsibility to the community as a whole would refrain from doing anything that would result in the land being put to the best use possible. The title of the Bill indicates the objective sought and should appeal to all hon. members anxious to discharge their responsibilities to the State and to their respective provinces. As a metropolitan member I realise that unless the hinterland is fully developed in a scientific manner, the metropolitan area has little hope of expansion. As indicative of the

position regarding lands available for settlement, I, in common with other members, have had applications from many people for assistance in securing blocks. There is one particular instance I will refer to. A gentleman resides in East Fremantle at present, that district being part of the constituency represented in another place by the present Minister for Lands. The gentleman I refer to is an experienced farmer who was in the autumn of his life when, prior to the war, he retired from his farm and started business as a chaff merchant. He had four sons, three of whom went to the front. Unfortunately one of them did not return. In their younger days those lads were well trained regarding farming. The father desires to get land suitable for himself and his remaining sons. The natural communal instinct that is strong in everyone suggested to him the advisability of getting from 6,000 to 8,000 acres of land within a reasonable distance of a railway, so that he and his sons could settle there satisfactorily. Various avenues were explored and naturally it was found necessary to put in applications to the Land Board for various blocks that were thrown open for selection. Two of the lads were successful in securing holdings and they have established themselves satisfactorily. That has not been done at the expense of the State, but with the assistance of their father. That clearly indicates that there is not an unlimited area of land available where a father may establish himself and his sons as this particular gentleman desires. On the other hand, there may be in various parts of the agricultural areas men who have been established for years and have looked forward to passing on a heritage to their sons, who have grown up around them. Surely no Government, through the instrumentality of a board such as is proposed in the Bill, would deprive those sons of their heritage!

Member: You believe, then, in the transmission of wealth.

Hon. G. POTTER: I believe in the transmission of wealth when it has been properly earned. When someone goes into the hinterland and pioneers the country, does he do it for himself alone? What prospect is there for that man when he reaches the winter of life? The prospect to him is wrapped up in the knowledge that he is developing his holding so that he may leave something for his boys. The board proposed in the Bill will mean much to the people in those circumstances. The board is to consist of two Government officers. That is very good in its way but it must appeal to hon. members, that such men, though perhaps unconsciously, will tend to be subservient to the policy of the Government of the day. If any Minister were to indicate that the Government wished to acquire a certain holding in the hinterland and two public servants were sent out to examine the land—those two men would constitute a majority of the

board—they would, unconsciously perhaps, be prejudiced in favour of the purchase of the property for closer settlement purposes. If there was a better provision for the guidance of the board, it would inspire greater confidence in the landholders likely to be dispossessed. The person most intimately concerned should have direct representation on the board, because he alone could tell exactly what work had been done on the property. The value of the land is to be computed on the unimproved value. I visited the Pingelly show a few days ago and motored with Mr. Greig through to Wandering. It was an education to see the district. Mr. Greig mentioned the Noombling Estate, and remarked that a repurchased estate never seemed to give as good results as when it was in the hands of the original owner.

Hon. H. J. Yelland: Because of the overhead charges.

Hon. G. POTTER: Quite so, and for that reason I cannot understand Mr. Yelland saying that Mr. Hedges' property at Bruce Rock would be better in the hands of 25 satisfied settlers.

Hon. J. J. Holmes: There is not a single repurchased estate that has been a success.

Hon. G. POTTER: No doubt the Government will be alive to that, for they have all the necessary expert advice at their disposal. I have received photographs from returned soldiers who went to Yandanooka, another repurchased estate. One of them portrays a settler with his wife and children, and he said that not all the tea in China would tempt him from Yandanooka. I was interested to see on the Noombling Estate a shearing shed in course of demolition. On one side of the road there were good crops; on the other side very poor crops, due entirely to lack of experience on the part of the latter settler. I have more than a nodding acquaintance with Bruce Rock. I knew it when it was named Nunagin. The nearest point of railway communication was Doodlakine, and Mr. Hedges' property was 52 miles distant. He carved the Koolberin station out of virgin bush, and that great garden of the wheat belt, Bruce Rock, owes its development to him. He was the sheet anchor of the place. When he was opening up his property he even wished to build a railway line, but the Government of the day would not permit it. This is something I know of my own knowledge.

Hon. H. J. Yelland: But you have a wrong conception of it.

Hon. G. POTTER: Then I have not a right conception of anything. While Mr. Hedges was establishing his property, other people settled in the district, and there was nothing he would not do to assist his neighbours. When I returned from the war and learnt that Mr. Hedges was propounding a policy for the settlement of our lands, it appealed to me, because I knew that his sound practical experience was behind it.

The whole of the Bruce Rock district was really an enlargement of Mr. Hedges' work, and the same thing could be done in other parts of the State. Mr. Hedges put down key dams and told the settlers to use them. Prior to that water had to be carted for 10 or 20 miles. If a settler was not in a position to afford a team or a spring cart, all he had to do was to see Mr. Hedges' manager and he could borrow one. Mr. Hedges, by his public-spiritedness made Bruce Rock what it is to-day. When the Government put this measure into operation, they should be careful not to interfere with such a property as that.

Hon. E. H. Gray: It would not come under the measure.

Hon. G. POTTER: I am glad to have that assurance. I do not think the Government intend to dispossess an owner of such a property.

Hon. J. J. Holmes: Then what is the Bill for?

Hon. G. POTTER: Much will depend upon the interpretation of "reasonable use."

Hon. J. R. Brown: The Bill is to get at the malingerer.

Hon. G. POTTER: I should like to see the malingerer put in his place. The sooner we get rid of him, the better for everybody. Valuations are to be based on the records of the Taxation Department. No matter what valuation an owner returns for his property, the department either raise or lower it. If the 24,000 acres of Mr. Hedges' property was cut into 15 or more blocks, how would the department value the blocks? I think they would value them in a general way and thus would not arrive at a true valuation. Therefore, anyone taking over a repurchased property on the figures of the Taxation Department might have to pay too much or too little. The proposal is ill-conceived and unscientific. As to improvements, I mentioned the partially demolished shearing shed on the Noombling Estate. Would the value of the improvements be charged to the particular block or spread over the other blocks? If they were charged to the homestead block, it would be greatly over-capitalised and the settler would have no use for the empty barns, etc. If the value were distributed over the other blocks, it would be unfair, because the settlers on those blocks would have no use for the homestead improvements. Therefore, the question of the valuation of improvements should receive careful consideration. But there are other improvements less tangible than those I have mentioned. We are told some of the properties have been occupied for upwards of 40 years. Who can say what amount of improvement has been put into those properties? How can the owners be compensated for something that must be almost illusory? Some settlers have been running stock on the holdings and thus improving the land. This phase has already been mentioned by

previous speakers and there is no need for me to dilate further upon it. We are told that provision is made for an appeal against the finding of the board. Clause 8 certainly does mention an appeal to a judge of the Supreme Court, but I do not think it applies to any action of the board in acquiring the land. I think it rather applies to the procedure of giving notice. I hope I am wrong in this conjecture, because, if I am, it will remove what appears to be an anomaly. I support the principle of the Bill, but I hope the Minister will inform us how the board is to function. If in the Committee stage a reasonable amendment to the constitution of the board is proposed, I hope the Government will accept it. The Bill postulates the acquisition of land, and that necessarily entails justice being done to those who have made the land what it is—one of our prime assets—

Hon. H. SEDDON (North-East) [5.0]: I have only a few words to say in support of the Bill. I have listened with a great deal of interest to the various speeches that have been made by members, but it appears to me there is one aspect that has not been properly stressed, and it is the fact that if it has no other effect, the existence of a measure of this description on the statute-book will cause farmers to reconsider their position, with a view to placing their production on a basis which will be in keeping with the quality of the land, and which will result in the greatest possible production. We have to remember with regard to the question of interfering with a man's freehold, that at the time of the great national danger to the Old Country, when the food shortage was so great that every ounce of food was weighed, the Government stepped in and in many cases actually took away from the farmers, for the time being, their farms because the holders were not using the properties to the greatest advantage. The result of this Bill to the State will be considerable to the individual farmer, since everyone will benefit. It has been said that the Bill will not achieve all that it is expected to do. I am quite prepared to accept that, but on the other hand, if it brings about the result that I have suggested, it will be well worth our while placing it on the statute-book. There was a complaint during the discussion with reference to Clause 7, dealing with the position of mortgagees. In this instance the phraseology of the clause, rather than the intention, is at fault. I cannot believe that the intention is to interfere with securities, and I am convinced that the Minister will give us a reassurance on that point, and if necessary effect such amendments as will secure the protection of mortgagees. I support the second reading.

in the course of my remarks when introducing the Bill that for many years the country had been calling loudly for a Closer Settlement Bill. It has been a source of some surprise to me that the member of the House first to question the statement is a gentleman who represents an agricultural province. Mr. Stewart not only questioned my statement but he also demanded proof of its accuracy. Other members have taken a similar view. As Mr. Moore has indicated, the proof walks abroad, and is to be met with everywhere, more particularly in the agricultural districts. There are young Australians in every agricultural portion of the State wanting land and unable to get it. I am told by no less an authority than the Under Secretary for Lands, that he would have no difficulty in closely settling five million acres of land within the next two years, that is, if the land were available. The land will not be available if this Bill does not become law. Except in the South-West the Lands Department has almost ceased to function. There are buyers of land by the hundred, but the Lands Department has no land to sell, none that could be offered with any assurance of the early provision of railway communication. It is regrettable to have to say this, but no object can be served by hiding the truth.

Hon. J. J. Holmes: The proposal, then, must be to push the present holders out and put in new ones?

The COLONIAL SECRETARY: The Bill is evidence that the resources of the Lands Department have become exhausted, that the department is at its wits' end, and has been at its wits' end for some years past, to accommodate intending selectors. A Bill embodying the main principles of this measure has been before this Chamber on no fewer than three occasions. It has not been sent here to provide amusement for members; it has been sent here because its passage is essential to the progress and development of the State. The Bill had its origin during the period of the Mitchell Administration. Those who know Sir James Mitchell will say that he would be the last man to bring in a Bill for the compulsory acquisition of estates for closer settlement unless he recognised the dire necessity for it. He would prefer to settle Crown lands, if Crown lands were to be had. But even three years ago, when a similar measure was first drafted, or at any rate one very much resembling it, Sir James Mitchell could see that the Lands Department was becoming merely a memory of the past. He then introduced legislation to provide a remedy, but that legislation, although it always passed another place by large majorities, failed to secure the sanction of this House. I can give more tangible evidence of the great demand in every part of the State for agricultural land. I have testimony in a file before me which clearly shows that there is not only a demand, but a hunger

The COLONIAL SECRETARY (Hon. J. M. Drew—Central—in reply) [5.5]: I said

for land. A fair way to get at the truth of this matter is to take the number of people that have applied for blocks that have been made available from time to time. When I heard speeches made in criticism of my address, I approached the Under Secretary for Lands and asked him to provide me with information showing the demand for land in Western Australia. He supplied me with about a dozen sheets of closely typed matter, showing the number of applications made for each block that had been thrown open during the last three years. He informed me at the same time that he had supplied Mr. Burvill with a copy of that information. As Mr. Burvill has already furnished it to the House, I am relieved of the necessity of supplying it now. I will, however, give a little more condensed information on the point. During the last financial year there were 4,906 applications received, and the department was able to approve of only 2,889. That large number of applications necessitated 205 sittings of the Land Board who had to deal in all with 1,752 applications for 592 separate blocks. With regard to the land secured under the Agricultural Lands Purchase Act during the last 18 months, there were 364 applications for 34 separate blocks. The facts and figures I have quoted prove beyond doubt that there is in this State a great demand for land, and that fact amply justifies my statement that the country is calling loudly for a Closer Settlement Bill. In my recent election, at every centre where I spoke, I pledged myself to the Bill, and, no matter how my views on other questions were accepted, the views I held on the compulsory acquisition by the State invariably met with hearty endorsement. And there were none more enthusiastic in support of the principle than the farmers I addressed. But there is a greater authority than I on this question, and no doubt it is he who was responsible for opening the eyes of the previous Government to the condition of affairs that existed. District Surveyor Lefroy is one of the most capable, conscientious and far-seeing officers of the Lands Department. To his credit be it said, that Sir James Mitchell, despite all the difficulties of finance, decided upon a classification of the agricultural lands of the State. He selected Mr. Lefroy for the task, and that gentleman carried out the duty faithfully and well. The land in the Avon Valley engaged his attention, and bear in mind, not the whole of the land, but only a portion of it. He dealt merely with land within 7-mile radii of the Avon Valley railway system. What did he discover? I will read his minute to the Surveyor General which appears on the file:—

The schedule, page 17, shows the results of the classification of the 2,328,410 acres within 7 miles radii of the Avon Valley railway system. These

figures disclose the fact that there are 61,580 acres of uncleared first class, grade "A" land; 141,510 acres of uncleared first class, grade "B" land; 201,570 acres of uncleared first class, grade "C" land, of which latter area (grade "C" land) probably only half is suitable for cultivation, owing to its hilly nature. The total of the three grades of uncleared first class land mentioned above is 404,660 acres. The position of this first class land is shown in red on a plan of the agricultural classification in my possession, and indicates the possibility of establishing at least 400 new settlers within the limits of the 2,000,000 odd acres in the agricultural classification of the Avon Valley so far dealt with. In January 1920, I recommended that power be obtained by Act of Parliament, for the State to acquire land under lease, with the right of purchase, with the object of providing the means whereby the huge area of undeveloped land within 7 miles of the existing railway system throughout the wheat belt, may be developed. As about 36 per cent. of the classified area, referred to above, which has been selected for a period of well over 50 years, is undeveloped in an agricultural sense, and as there is probably an area of 7,000,000 acres of similar land in the 10,000,000 acres unclassified within 7 miles of the existing railways through the wheat belt, these 7,000,000 acres will provide 3,500 individual farms of 2,000 acres each, which is amply sufficient to enable an equal number of additional settlers to be placed on the country referred to. This improved state of affairs would produce a very marked effect on the general prosperity of the State and justifies action on the lines I have indicated, namely for the State to acquire the power to lease the land with the right of purchase, with the object of enabling well-to-do land selectors to acquire and develop the same, thereby introducing a system of share farming by an inexpensive method, as the scheme recommended can be made to finance itself.

That was in 1921. On the 6th August last Mr. Lefroy, in dealing with the Avon Valley in particular, and with the whole of Western Australia, said—

There are 24,000,000 acres within 14 miles of the existing 2,200 miles of railways in the settled districts of the South-Western Division, and the purpose of the Closer Settlement Act is to establish as many suitably sized farms as possible in every centre of settlement along these railways. In the mixed farming districts within 7 miles of a railway, 1,000 acres of first and second class land of equal proportion is ample for each settler's purposes, and between

7 and 14 miles of railway, the area of each holding may be increased to 2,000 acres, and beyond that limit, it may be necessary to provide holdings of 3,000 to 4,000 acres according to the class of country. It can be readily understood that under such system the effective utilisation of land served by the existing railways will be secured without any additional expense of railway construction, and automatically, a greater revenue will be derived from them, and thereby enable freights and other charges affecting production, to be reduced to the minimum. On the above basis of areas, where the land is first and second class in each zone of 7 miles from the railways, probably there is room for 12,500 farms as under: First 7 mile zone, 7,000 farms of approximately 1,000 acres each; second 7 mile zone, 3,500 farms of approximately 2,000 acres each; third 7 mile zone, 2,000 farms of approximately 3,500 acres each; making a total number of farms, 12,500. In the South-West the possibilities of intense culture are beyond question, subject of course to the initial cost of development which depends on the methods pursued—but there is no risk arising from the production of wheat, wool and meat in the agricultural districts, and the world's markets for such products are expanding, and public interests require that all suitable areas adjacent to railways are made available for the purpose, and the owners of large estates may with advantage subdivide their holdings with every encouragement from the Government, but failing such action, the provisions of the Act will apply where necessary.

Mr. Stewart referred to the inadvisability of disturbing sheep farms. No one wishes to disturb them so long as they are being utilised from an economic point of view. There would be no sense in putting one man off to put another on. It is scarcely to be conceived that the board would put the Bill into operation without the object of making some substantial gain to the community by means of closer settlement. Reverting to Surveyor Lefroy's report, I think it will come as a revelation. It clearly indicates that in the Avon Valley are 2,328,410 acres of uncleared land within seven miles of a railway, uncleared land in one of the best agricultural districts, and within a stone's throw of our principal port. And 404,660 acres of it consists of first class land. He says we can place 400 settlers on the land now uncleared. And 36 per cent. of the 2¼ million acres has been held for a period of over 50 years, and is still undeveloped agriculturally. His work of classification was never completed, but he is of opinion that of the 10,000,000 acres unclassified within seven miles of existing

railways, there are 7,000,000 that would provide 3,500 individual farms. It has been said that the Agricultural Lands Purchase Act of 1919 providing for the compulsory acquisition of estates for the settlement of discharged soldiers, would require but very little amending to take the place of the Bill. The compulsory acquisition sections referred to enable the holder of an estate to retain land, the unimproved value of which, in accordance with the value of the estate, might be anything from £3,000 to £10,000. Naturally the owner of the estate would desire to retain the best of the property. It is obvious therefore that the balance of the land in many cases would not lend itself to a suitable subdivision. The Agricultural Lands Purchase Act permits owners to offer their properties, and it is considered advisable that the provisions of the Act should still remain, and that an entirely new Act should deal with an entirely new aspect of land settlement. There are many administrative provisions necessary for the protection of the Government as well as of the owner and those interested in the property as mortgagees. It would be an almost hopeless task to reconcile the Lands Purchase Act or the Soldier Settlement Act with this new legislation. An effort has been made to represent that the Bill is of a confiscatory nature. It has been pointed out that injustices would be done if land were taken at the value assessed by the Taxation Department. No doubt that would be so in many cases, if it were so provided in the Bill. But Dr. Saw has correctly dealt with this aspect of the question. The assessed value is merely to be *prima facie* evidence of the real value. It is to be only a basis to work upon. It may be disputed by either side; but whichever side disputes it has to bring evidence to support his case. For instance, the Government may plead that the assessed value is too high. If so, the Government must bring evidence in support of their contention. The owner of the property may say the assessed value is too low. If he does, then the onus of proof is on him that the property is worth more than the amount at which it is assessed. Again, it has been said that mortgagees are not protected under the Bill; that their interest would be merely converted into a claim for compensation, and consequently the banks would call up their overdrafts. There are no grounds whatever for fear in this regard. The Government resume valuable mortgaged land from time to time for railway and other purposes, and under the Public Works Act of 1902 the interest of the mortgagee is converted into a claim for compensation, just as under the Bill. When the Government resume a block of land carrying a mortgage, immediately the resumption takes place, the interest of the mortgagee is converted into a claim for compensation.

Hon. A. Lovekin: The Bill is not clear on that.

The COLONIAL SECRETARY: It is absolutely clear. That is the interpretation of the Bill. It is taken from the Public Works Act of 1902.

Hon. J. Nicholson: But that Act provides for the appointment of two arbitrators and an umpire.

The COLONIAL SECRETARY: This makes provision in the same direction. Where land is compulsorily acquired under the Public Works Act of 1902, or the Commonwealth Lands Acquisition Act of 1906, the land becomes vested in the Crown, discharged of all mortgages and encumbrances. That is both the State and the Federal law. The interest of every person in the land is converted into a claim for compensation. Part III. of the Public Works Act is incorporated; and under Section 75 of the Public Works Act, where the land was mortgaged the compensation must be applied, so far as it extends, to the discharge of the mortgage debt, including six months' interest beyond the date on which the land was taken. Although the land becomes vested in the Crown discharged from the mortgage, the mortgagor's obligation to the mortgagee under his covenant to pay the mortgage debt is not affected, just as it would not be affected if the mortgagee exercised his power of sale and realised less than his mortgage debt. So there is nothing in the contention that the rights of the mortgagee would be affected under the Bill. If hon. members have any doubt on the question, they can incorporate here the provisions of the Public Works Act of 1902. There is no desire on the part of the Government to confiscate any man's property. If land is taken, full value should be paid for it. It has been said that the measure will ruin the freehold securities of the country. But we have power to resume land now, and the freehold security has not been weakened in consequence. I know various instances in which the person whose land was resumed by the Government found that he was more than amply compensated, that in fact the money received was staggering to those who knew the value of the land. The same power of resumption has been extended to cover agricultural lands in the Eastern States, and in New Zealand. Yet these terrible results pictured by hon. members have not occurred there. Here, when the Government propose to bring in a Bill to assist the development of the country, we are accused of attempting confiscation, robbing mortgagees of their rights, and other things like that, whereas in the Eastern States similar measures have existed for years past.

Hon. H. Stewart: They are not the same.

The COLONIAL SECRETARY: It has been asked what would happen if an owner, on subdividing, found some of the blocks left on his hands. Well, he has the choice, either to sell to the Government, or to subdivide. If he elects to subdivide, he must take the consequence. Even after notify-

ing the Government that he will subdivide, he can still alter his decision and appeal to the judge. But once he starts selling the blocks, then he makes his choice, and it would be unfair to expect the Government to come in and resume the blocks that may be left on his hands.

Hon. F. E. S. Willmott: That would be so if it were not that the Government say the land shall be cut up according to their ideas and not as the owner desires.

The COLONIAL SECRETARY: He has the right of appeal to the judge of the Supreme Court.

Hon. A. Burvill: A rather costly business.

Hon. F. E. S. Willmott: Any man who cuts up his land will be wanting in common sense.

The COLONIAL SECRETARY: The clause reads—

If an owner having notified the board of his intention to subdivide his land for sale as set forth in Subsection (2) of Section 6 shall not in the opinion of the board duly comply with Subsection (3) thereof, the board may serve upon the owner a notice of his default in the prescribed form; and thereupon the owner shall be deemed to have failed to notify the board under Subsection (2) of Section 6, and Section 7 shall apply.

Provided that an owner may, at any time within two months from the service of such notice of default as aforesaid, appeal to a judge of the Supreme Court, who may either confirm the action of the board or direct the withdrawal of the notice of default, or make such other order as he may think fit, and the decision of the judge shall be final.

There is an opportunity of appeal there. There is also opportunity for the owner to withdraw from the subdivision at any time. Once he decides to subdivide and puts up his blocks for auction, and sells some of them, the responsibility rests with him to deal with the remainder of the estate.

Hon. J. J. Holmes: In certain big estates the improvements may be all in one part, and the owner may be left with these and find all his land has gone.

The COLONIAL SECRETARY: Mr. Stewart, in reply to an interjection by Mr. Gray to the effect that there had been 70 applications for one block said, "Yes, because they all want the same block." That is true. They only want the same block because there are no other blocks available. If there were 70 blocks available there would be 70 new selectors in place of one. If there were 70 blocks available there would be 70 times 70 applications, judging by the demand that has existed for the last two years. The demand has not been satisfied owing to the failure to pass this Bill into law. It is urged by Mr. Nicholson and others that C.P. land should not be included in the Bill, that to include it would be to violate contracts that had been entered into between the Crown and the selectors. That

contention does not come well from the Legislative Council. A select committee was appointed by this Chamber and reported on the 3rd February, 1922. The report was that it was not advisable to go on with the Bill because it contained no provision for the inclusion of C.P. land. How can we take the Legislative Council seriously if two years ago they held up the Bill on this ground, and this year oppose it because it contains this particular provision? The report is signed by Mr. Duffell, as chairman, and contains the following:—

It was stated on the second reading discussion that the object of the Bill was to enable the Government to acquire land in close proximity to the Government railways, but especially in the South-West for closer settlement, it being admitted that thousands of acres of good land are at present lying idle and uncultivated in close proximity to the railways. The undersigned members of the committee have arrived at the unanimous conclusion that the Bill as submitted to Parliament will not attain the objects which the Government have in view, inasmuch as it deals with freehold land only, whereas it is admitted that more than one-half of the land which it is sought to acquire and bring into cultivation is held under C.P. leases and consists of the surplus land held by these lessees who have improved a small portion and failed to improve the balance, either through not having the capital to enable them to do so, or because they are able to make a living upon the improved portion of their holding. The Bill, if passed in its present form, would enable the Government to purchase a certain amount of freehold land and bring it into cultivation, but, in doing so they would be putting an enhanced value on the C.P. land which would eventually have to be acquired by the Government for a like purpose.

That was a wise decision. It is surprising in view of that, although two years have elapsed, that opposition should be shown to this Bill on the ground that C.P. lands have been included. They have been included in the first place in consequence of the report of that select committee, and in the second place because an owner may have a big estate of freehold land and also a certain area of C.P. land, and it would be unfair to him that the Government should not have power, not only to take the big freehold estate, but also the C.P. land attached to it. If C.P. land were not included in the Bill, the owner of the estate would not be in a position to compel the Government to take, not only the freehold estate, but the C.P. land attached to it.

Hon. H. Stewart: The members who voiced that opinion did not speak for the whole Council.

Hon. J. Nicholson: I have suggested in my amendments sufficient power to take any kind of land and pay compensation.

The COLONIAL SECRETARY: I have read the amendments, and would not like to be a member of the Government that would dare to introduce them.

Hon. F. E. S. Willmott: An absolute bolshevik.

Hon. H. Stewart: You have the Council with you there.

The COLONIAL SECRETARY: Surely it cannot be a greater breach of contract to take C.P. land than freehold land. Of the two the freehold is more sacred, but nowhere is it regarded as more immune from interference than the other. Reference has been made to Clause 4, which states that if land has been unutilised and unproductive for two years it can be taken. One member said this was unjust. It is alleged in support of that contention that the Land Act gives a man two years in which to commence his improvements. That is not correct. It was so up to a few years ago, but under the Land Act now a selector is required within six months to commence his improvements, and he must continue them to the satisfaction of the Minister. Another member pointed out that the land could be resumed under the Agricultural Lands Purchase Act, coupled with the Land Act. There is no such power. There has never been any in the history of the Lands Department. There are very old officers in the department, and not one of these has been able to inform me that there is such a power under the Agricultural Lands Purchase Act. The matter has been referred to different lawyers from time to time and different Attorneys General for interpretation, but the idea has never occurred that we had power to resume land under the Agricultural Lands Purchase Act. Section 17 of the Agricultural Lands Purchase Act is quoted in support of the contention. I ask members to give this section close attention. It reads—

The Governor may resume land held under this Act or any Act hereby repealed in the manner and for any of the purposes prescribed in the Land Act, 1893, and the schedules thereto relating to conditional purchase leases of rural lands.

The section means that after the Governor has repurchased an estate, thrown it open, and subdivided it, perhaps two or three years later they may discover that it is necessary to erect a school, and may resume land for that purpose, or for the purpose of a police station or water supply or other purpose. They could then resume the land under Section 17 of the Act. This gives them power to resume land for agricultural settlement, or to resume any private property for that purpose. The Act is what it is represented to be, an Agricultural Lands Purchase Act, and nothing more.

Hon. H. Stewart: It is a purchase Act, not an acquisition Act.

The COLONIAL SECRETARY: Section 39 of the Land Act was quoted by another member in support of his argument. I have gone carefully into that section with the

Under Secretary for Lands. I find that it simply concerns itself with reserves, and says how they may be used, that is for railways, aborigines, schools, townsites, public buildings, railway stations, and a couple of score of other purposes. It appears that the hon. gentleman is relying on the termination of the section which states, after relating all these public utilities, "for otherwise facilitating the improvement and settlement of the Colony." The whole section deals with Crown lands, and private estates are not Crown lands. Section 9 of the Land Act is also referred to as giving the necessary power for resumption. This merely enables the Governor to resume special leases, timber leases and conditional purchases, for the purposes of public utilities. The question is what facilitates the settlement of the State? The interpretation is, a railway, water supply, school or some such work. There is no power of resumption under that section. If there were powers of resumption under it the Crown would be entitled to resume one-twentieth of the holdings free, except insofar as improvements were effected. How can it be argued that such a section has reference to resumption for agricultural settlement? If the Government had that power they would be entitled to take one-twentieth of the holdings without compensation. Mr. Willmott was anxious to know what the Government intended to do with forest lands suitable for settlement. I shall give him the information that has been supplied to me. The position is as follows:—

A close classification has already been made of all the forest country both by Lands Department and Forestry officers, and those areas not required by the Forestry Department, and which it is considered suitable for settlement, have been surveyed into suitable blocks. The classification plans are, however, being again gone through with a view to ascertaining whether any other lands adjacent to existing railways might be taken for settlement. Where considered necessary, further inspections are being made. Near Greenbushes, there is a fair area of good land suitable for settlement, which the Forestry Department desire set apart as a State forest, but which is capable of settling about 100 settlers. Surveys are now in progress here with a view to making this area available. Similar action is being taken near Nannup, where two parties of surveyors are employed. Complete information as to the number of settlers that can be placed within reasonable distance of Nannup is not yet available, but it can be safely assumed that the number of settlers would be similar to that at Greenbushes. Action has also been taken to deal with a timber reserve close to Bridgetown, where it is estimated 20 settlers can be placed. Land not carrying prime tim-

ber, within 1½ miles radius of existing railway lines, and which is suitable for settlement, will all be subdivided.

Hon. F. E. S. Willmott: I am glad there is something in my contention.

The COLONIAL SECRETARY: I am pleased Mr. Willmott brought forward the question, thus engaging me to investigate the matter, and at the same time exercising, I hope, a stimulating effect upon the Lands Department. Considerable opposition exists among members to the constitution of the board. Let it be clearly understood that the Government want only a competent and an honest board. They do not want a board that will lead to the resumption of country not suitable for closer settlement. With the object of ensuring that a cautious policy will be pursued, it has been decided that one of the members of the board should be an officer of the Agricultural Bank, which institution will be called upon, later, to lend money in order to assist development. There seems to be an idea that the Government desire to harass people who are already satisfactorily producing wealth from their lands. Nothing is further from the Government's intention. There are enough idle estates to engage attention, and if members will give the matter a moment's consideration, they will see that the Government would require to be minting money in order to purchase many large and highly improved estates. But there are numerous estates which are not heavily improved, which are scarcely improved at all; and undoubtedly it is on these estates the Government will concentrate their attention if the Bill becomes law. There is need for the Bill. A great demand for land has been proved by the figures furnished by Mr. Burvill and myself, figures which cannot be challenged unless, of course, it is shown that the Lands Department have been guilty of deception; and I do not think any member of the House will take up that attitude. There are large areas of undeveloped land in this State, as shown by the reports of District Inspector Lefroy, which I have read. The same thing is reported from other sources. The Commissioner of Railways in his report for the year ended on the 31st December, 1921, in commenting on the conditions affecting railway traffic and finance, stated—

The only direction in which an improvement can be looked for is in increased production from agricultural lands adjacent to existing railways. The Commissioner of Railways added—

Before very much of the leeway caused by the falling-off of highly remunerative goldfields traffic can be made up, the business carried over our lines in agricultural districts, with its usual margin of profit, must become much denser than it is at present.

And the Royal Commissioner on Railways appointed by the Mitchell Government, Mr.

G. W. Stead, reporting in 1922, stated as to unimproved lands—

Your Commissioner was much impressed with the large area of apparently good land undeveloped and lying idle adjoining the present railway lines, and, from inquiries made, finds that a very large amount of it is held by private owners, possibly, in many instances, for higher values.

Hon. J. J. Holmes: What does the present Surveyor General say on the subject?

The COLONIAL SECRETARY: I have any quantity of matter to fall back upon, if necessary. If the present Surveyor General has reported adversely to the Closer Settlement Bill and the information is within the knowledge of Mr. Holmes, then in the interests of the State that gentleman should supply it.

Hon. J. J. Holmes: The Surveyor General is the head of the department, and you should have his views.

The COLONIAL SECRETARY: The information is not within my knowledge.

Hon. J. J. Holmes: I want to know what the Surveyor General has to say.

The COLONIAL SECRETARY: I have quoted from the report of the officer who actually made the inspection, and there can be no higher authority if he is competent and trustworthy.

Hon. F. E. S. Willmott: He has been appointed acting Surveyor General since he made that report.

The COLONIAL SECRETARY: If there were a report by the Surveyor General adverse to closer settlement, I would certainly have secured it and carefully studied it. I would not then have taken up so strong an attitude in favour of the Bill as I am endeavouring to do. The large area of land locked up close to railways operates to the disadvantage of the bona fide settler. He is carrying the speculator on his back by reason of so much land along existing lines being unutilised. Railway freights today are much higher than they would be if every landowner was doing his duty by the State. The revenue of the Railway Department also suffers. And the evil does not stop there: increased production of wealth is hindered by those who will not work their estates but are holding them for the higher values brought about simply by the industry of others. Everyone interested in Western Australia's progress should support the Bill, the passing of which will lead to much agricultural settlement, with all the beneficial effects which flow from such settlement. If the Bill aimed at confiscation, I could understand the opposition to it; but it does not aim at confiscation. It takes something away, but it gives back something adequate.

Hon. A. Lovekin: It gives more than it takes.

The COLONIAL SECRETARY: The measure has been sponsored by two Liberal

Governments, and this is the third time it has received the endorsement of members of another place. On all three occasions it was endorsed there by overwhelming majorities. I trust the Legislative Council will realise the importance of the measure, and pass it without any amendments that are likely to impair its usefulness.

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

Ayes	20
Noes	6
Majority for				14

AYES.

Hon. C. F. Baxter	Hon. W. H. Kitson
Hon. J. R. Brown	Hon. J. M. Macfarlane
Hon. A. Burvill	Hon. G. W. Miles
Hon. J. M. Drew	Hon. T. Moore
Hon. J. Duffell	Hon. J. Nicholson
Hon. J. Ewing	Hon. G. Potter
Hon. E. H. Gray	Hon. H. Seddon
Hon. E. H. Harris	Hon. F. E. S. Willmott
Hon. J. W. Hickey	Hon. H. J. Yelland
Hon. J. W. Kirwan	Hon. A. J. H. Saw
	(Teller.)

NOES.

Hon. J. Cornell	Hon. H. A. Stephenson
Hon. V. Hamersley	Hon. H. Stewart
Hon. A. Lovekin	Hon. J. J. Holmes
	(Teller.)

Question put and passed.

Bill read a second time.

BILL—INDUSTRIES ASSISTANCE ACT AMENDMENT.

Received from the Assembly and read a first time.

House adjourned at 6.2 p.m.

Legislative Assembly.

Thursday, 30th October, 1924.

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