

ment to make that approval subject to a referendum of the people of Western Australia. A referendum has to be taken before the agreement comes into force, and what will be the position of the Government if the agreement should be carried in this House and then, when these increased powers for the Commonwealth are put to all the people at the Commonwealth referendum, the people of Western Australia should be found voting, as they have so often done, to refuse increased powers to the Commonwealth? The unfortunate feature of the position is that unless the Government will have a special referendum on the subject, we may find this proposal carried at the Commonwealth referendum notwithstanding the wishes of the majority of the people of this State. The people of Western Australia have trusted the Government in general matters: let the Government of Western Australia trust the people to give a decision as to whether we shall have this change or not. From my point of view, there are certainly two parties to the contract. It affects Western Australia, and it affects the Commonwealth. The Commonwealth electors have to decide from their aspect. This issue has cropped up since the general election took place in this State. The Government have no mandate whatever on the subject. Then let us give the Western Australian electors, by referendum, the same right to express their opinion on this agreement as the Commonwealth electors must have before the agreement becomes operative for the period of 58 years. We put the Bill to the people in 1900. This is the most drastic change that has been proposed in the relations of the Commonwealth and the States. It is going to affect future generations for all time. I hope the House will reject the agreement entirely. If the second reading of the measure is not rejected, then I hope the Government will approve of an amendment under which our agreement, like Mr. Bruce's, will be operative for only two years, and will not continue beyond that period unless it is approved by a majority of the people of Western Australia at a referendum in the same way as Mr. Bruce's alterations cannot become effective, so far as the Commonwealth is concerned, unless they are approved both by a majority of the people in a majority of the States and by a majority of the people of Australia. I

do hope the Government will decide, if the second reading is carried, to give the people of Western Australia a fair say as to whether or not the agreement shall be finally ratified.

On motion by Mr. Griffiths, debate adjourned.

*House adjourned at 10.9 p.m.*

## Legislative Assembly,

*Thursday, 14th July, 1928.*

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

### ADDRESS-IN-REPLY— PRESENTATION.

Mr. SPEAKER: I desire to inform the House that in company with the member for Menzies (Mr. Pantou) and the member for Canning (Mr. Clydesdale), who moved and seconded the adoption of the Address-in-reply, I waited upon His Excellency the Deputy Governor and presented the Address-in-reply, to which His Excellency has been pleased to deliver the following message to the Assembly—

Mr. Speaker and members of the Legislative Assembly, I thank you for your expressions of loyalty to His Most Gracious Majesty the King, and for your Address-in-reply to the Speech with which I opened Parliament. (Sgd.) R. F. McMillan, Deputy Governor.

### QUESTION—WHEAT, EXPORT.

*Condition of Shipments.*

Mr. SLEEMAN asked the Minister for Agriculture: 1, Is he aware that the remarks by the member for Katanning regarding the condition of export wheat are liable to do this State and the farmers in the country great harm? 2, Prior to last Thursday, when questions were asked in this

House, was any wheat taken from the wharf to the sheds at Leighton for the purpose of re-conditioning? 3, What was the number of bags of wheat stacked outside on the wharf without any covering whatsoever? 4, What was the number of bags railed from the wharf to the Leighton shed to be re-conditioned? 5, Was the s.s. "City of Singapore" held up for four hours on 7th June? 6, If so, what caused the hold-up? 7, Was the s.s. "City of Singapore" again held up on 11th June? 8, If so, for what purpose? 9, Is he aware, or has he had any report, that wheat in a very bad state has been put into the s.s. "City of Singapore" notwithstanding the strict watch kept? 10, If not, will he have inquiries made?

The MINISTER FOR AGRICULTURE replied: 1, No. 2, As far as I have been able to ascertain no wheat was removed prior to the date mentioned. 3, I have not been able to obtain the figures required. 4, 28,604 bags. 5, One gang out of five was held up for a period of three hours. 6, Waiting the passing of wheat by the ship's surveyors. 7, The whole ship was held up for a period of half an hour. 8, Waiting the passing of wheat by the ship's surveyor. 9, As this was not a certificated cargo, no report was received. 10, Inquiries made this morning do not confirm the statement that wheat shipped "City of Singapore" was in very bad state.

## BILL—FINANCIAL AGREEMENT.

### *Second Reading.*

Debate resumed from the previous day.

**MR. GRIFFITHS** (Avon) [4.35]: A pleasing feature of the session so far has been the great interest taken by members in the debate upon the Financial Agreement. That is somewhat in contrast with what obtained in some of the other States. It was in Queensland or Victoria that the bells had to be rung four times during the debate in order that a quorum might be secured.

Mr. Mann: It was not in Victoria.

Mr. E. B. Johnston: No, it was not there.

Mr. GRIFFITHS: At any rate, the members of this House realised the importance of the Financial Agreement as it will affect Western Australia. That being so, the attention that is being paid to the debate is very welcome in contrast to the attitude adopted in the Eastern States. I shall attempt to

show directly that while the established States are well satisfied with what they are getting, we in Western Australia, where we have such a large extent of country to be opened up, are to receive what the member for Williams-Narrogin (Mr. E. B. Johnston) aptly referred to as a miserable pittance. Although we have the largest area of any State, and are labouring under so many disabilities, the effect of the agreement will be that Western Australia, possessing one-third of the Commonwealth, will receive but one-tenth of the contributions to the States. I could not help thinking, when listening to the Premier, that he was making out a good case from his point of view of what was really a bad case. During the past few months I have been much concerned regarding the provisions of the Financial Agreement. With all due modesty I can claim to have read a good deal about this subject. I have carefully gone through many of the pre-Federal debates to gain an appreciation of what influenced legislators in the days before we were forced into the position that confronts us to-day. I remember reading of the early history of the campaign in favour of Federation when Sir Henry Parkes delivered his speech at Tenterden. A period of stagnation appeared to follow and cloud the question of Federation, to be succeeded after a time by a wave of enthusiasm. At the conference that followed, the great concern of those responsible for the framing of the Constitution, was the safeguarding of the sovereignty of the States. They were concerned in seeing that the States were protected against the extravagance of a Federal Treasurer. Those points were stressed over and over again. I have taken a few extracts from the pre-Federation debates and I think they should be placed on record in "Hansard," because in this State we have reached the stage when, if ever there was a period when certain sections of the Constitution should be reconsidered, it is now. I hope that members who will listen to what I have to say will appreciate the significance of them. The Premier has expressed the view that there should be full and free discussion upon the Bill, that every argument for and against should be advanced and that if any members have doubts regarding the Financial Agreement, those doubts should be set at rest, and misconceptions, if they are such, cleared away so

as to enable members to reach what they consider to be a correct judgment upon this all-important question. I could not help gathering certain impressions from a perusal of the early discussions on this matter in the Federal House. I have heard it repeatedly stated, "It is this or nothing." Surely that is the counsel of despair! For the life of me, I cannot visualise the Federal Government or any other Government taking away from the people their main sources of revenue and giving nothing back in return.

Mr. E. B. Johnston: That would be preposterous.

Mr. GRIFFITHS: Even if we ratify the Financial Agreement, our masters have yet to speak, just as the masters of the Federal Government have to speak. Should the people reject the agreement, as they should do, is it still to be this or nothing? I hope to show that while there have been added burdens placed upon the Federal Government due to the Great War, there have also been enormous accretions of revenue through Customs and Excise duties, through the Post Office, and many other channels. On the other hand, there have been ways in which heavy expenditure has brought about some financial embarrassment, particularly owing to the wicked waste of funds by various departments. I shall give a few instances to lend point to that remark. My information, apart from what I have read, has not come to me from politicians in the Eastern States, but from private individuals. In 1926, when the State Grants Act was brought forward in the Federal Parliament, the assertion was made that the Commonwealth was financially embarrassed. I shall show that during the preceding five years, there had been an enormous increase of revenue. While the Federal Treasurer and others had asserted that the per capita arrangement would break down with its own weight in due course, there was not sufficient justification at the time for that claim. Yet it was from that standpoint that the measure was considered. I wish to make it clear that I believe the Premier, when he attended the conference in the Eastern States, did his very best for Western Australia. It would have been his responsibility had he turned down the agreement, for he would have been the only one among the Premiers of the States who would have adopted that attitude. He was able to secure some improvements and we must give him the credit

for getting the best deal he could for Western Australia. It is now before us to say whether we shall accept or reject the Financial Agreement. The onus is upon us. I cannot help thinking what a slashing case the Premier could make out against the provisions of the agreement, and what an attack he could have made upon a Government that introduced such proposals. He admitted that he did not attack the present agreement. When one considers what was said at that time, he must admit that the spirit of the arguments was very much the same. After the 1926 conference of Premiers in Melbourne, Mr. Collier stated—

On my return from Melbourne on the 11th June, I made a statement emphasising the inequity of the Federal Government's proposals to abolish the per capita payments to the States and to surrender certain avenues of direct taxation. I want to reiterate and emphasise what I said on that occasion, because the more I consider those proposals and the proposals for an alteration of the Constitution to confer wider powers upon the Federal authority, the more I am convinced that the States, if they agreed, would be taking a definite plunge towards the absolute surrender of their self-governing powers. There is an insistent demand on the part of the Federal authorities to-day for increased powers.

I agree with the Premier whole-heartedly in that, and I believe he is of much the same opinion regarding this agreement. Of course, when we indicate opposition to the agreement we shall have it thrown at us, "If you turn down the agreement, can you get anything in its place?" As I said before, if this Parliament does not turn down the agreement, and if the people do, we shall be brought back to Section 87 of the Constitution. The other night I asked the Premier what had become of Section 87, and he caused a laugh at my expense by replying in a jocular way, "It is still there." If that is so, the section distinctly states what shall be done. The framers of the Federal Constitution neither desired nor intended that the States should be robbed of their main source of revenue, nor even that they should give it up without receiving in its stead some adequate return. As to what constitutes surplus revenue of the Commonwealth, the High Court of Australia has legalised to a certain extent the Government's action in paying various sums of money into trust accounts. I shall give particulars of those trust funds, as well as of the revenue, from the consummation of Federation until last year. Fol-

lowing the 1926 conference, the Premier also remarked—

Federation was consummated on the understanding that the States would, for all time, participate in the distribution of surplus Customs and excise revenue. Had it not been for that understanding, there would not have been any Federation. Circumstances have justified the view then taken and the view held to-day by a majority of the people of Australia. At every financial conference held since the framing of the Constitution and in every variation of the original agreement, the principle has been reaffirmed. Had the States not been given the right to participate in revenue collected and not required for the legitimate purposes of the Federal Government, and had, nevertheless, federated, they would to-day be entirely at the mercy of the Federal authority, which could, and undoubtedly would, impose any measure of direct taxation deemed necessary, leaving the States without means to raise money sufficient to carry on, and thus making it impossible for them to exist as self-governing partners in the Federation.

That, too, was largely the burden of the remarks made by the member for Williams-Narrogin (Mr. E. B. Johnston) last night. He emphasised the great responsibilities devolving on the Government of this State; he mentioned the great development that is taking place and must continue, and he pointed out how, with the influx of population, the heavier costs of development in our State, as compared with the costs incurred by the more settled Eastern States in earlier years, would handicap Western Australia. Vast sums of money have to be poured on to our lands and applied to the provision of roads, bridges, schools and other facilities necessary to enable settlers to become in their turn producers of revenue. The Premier also spoke of the attempt by the Federal authorities to obtain powers that the farmers of the Constitution deliberately decided they should not possess, and of certain injustices that had been inflicted on Western Australia by the removal of the Forest Products Laboratory to Victoria, and on the States generally by the Commonwealth's entry into the savings bank business. The Premier also stated in 1926—

The direct taxation measures of the Federal Government were only temporary measures, designed to meet an emergency created by the war. It has been proved by recurring annual budget statements that the Federal Government has collected more money than it required to carry on the legitimate functions of Government, and it follows that there must have been a gradual diminishment of direct Federal taxation. In a few years, therefore, the field invaded by the Federal

authority would have been automatically restored to the States, and the people would have been entirely relieved of the Federal impost.

I realise the Premier's position. He had to take the responsibility of deciding whether he would join with the other Premiers in recommending the agreement to the Parliament and the people. Having decided to do so, he is, in a measure compelled to approve the proposal, particularly after he had succeeded in getting some concession from the Federal Government. I have nothing but admiration for the manner in which the Premier at all times stands up for Western Australia, whether he is in the Eastern States or in the Old Country. Therefore I hope that anything I may say will not be regarded as an attack upon him. In dealing with this question it is our duty to investigate every phase of it so that all possible enlightenment may be given to the House. If the Bill passes Parliament it must be submitted to the people. I have been surprised to find how little interest is taken in the proposed agreement by people outside the city. True, the proposal is involved and people do not seem able to grasp what is at the back of it.

Mr. Thomson: They take more interest in the dance from Perth to Fremantle than in the advancement of the State.

Mr. Lutey: They are taking more interest at present in the advance in the price of bread.

Mr. Thomson: Are they?

Mr. GRIFFITHS: The member for Williams-Narrogin last night quoted certain extracts which, when read in "Hansard" will be found to be very convincing. They present the agreement in a light in which many people possibly have not been able to visualise it. The hon. member dealt fully with the significance of an increase of population. I do not propose to traverse the figures he quoted—

Mr. Thomson: Not much interest is being displayed from the front benches.

Mr. GRIFFITHS: But there is one item I wish to quote. I have endeavoured to ascertain the individual contribution to Federal revenue through the Customs. Mr. Gregory, in the House of Representatives, stated that the amount was £33 per head. If that figure is correct, it is astonishingly high.

Mr. Lutey: What proportion is due to war expenditure?

Mr. Thomson: That is Customs revenue

Mr. GRIFFITHS: It is certainly an extraordinarily high figure.

Mr. Marshall: On a point of order, Mr. Speaker, is the member for Katanning entitled to interject while he is occupying another member's seat?

Mr. GRIFFITHS: The per capita return to the State has been only 25s. Thus an increase of population meant to the State only 25s. per head, though to the Commonwealth it meant £33. The figures I intend to quote will show that for the year 1902 the Customs contribution by Western Australia was £201,000. Those figures are taken from the "Year Book." I should like to know what was the Customs contribution by Western Australia last year. Possibly it has not struck members that our contribution through the Customs was so high in the first Federal balance sheet, and one can understand why there is a disinclination to let us know what the State is now contributing. In addition to what is collected through the local Customs House must be taken into account the duty paid on machinery, motor cars, etc., landed in Melbourne or Adelaide and then transhipped to Western Australia. This State is a big user of machinery and motor cars that are transhipped in that way. Perhaps owing to a preponderance of males in our population, this State is a larger user of such dutiable articles than are the other States, and consequently our total contributions to Customs revenue would be proportionately higher. It is clear that we do not get the full credit for the duty paid on goods actually consumed in this State. Regarding the referendum, it is interesting to note that Dr. Quick in his book, "The Legislative Powers of the Commonwealth and the States of Australia," analyses various phases of the Federal Constitution. In reading his book I gained a new light on the financial agreement of 1909. I wish members to understand that in mentioning these matters I am working up to the point of proving that there should be a recasting of the Federal Constitution. A disabilities Commission was appointed to inquire into our difficulties, and the Commission presented a report. The powers-that-be must know the various arguments that from time to time have been advanced to set forth the true position of this State, and I maintain the time is ripe to drive home some of those arguments, with a view to making people in the East realise that we have a third of this continent to develop, that we have a very small popula-

tion to bear the burden, and that we are largely dependent for funds upon a return of portion of the Customs revenue. Across the floor of the Chamber members have remarked to the Leader of the Opposition and the member for Williams-Narrogin (Mr. E. B. Johnston) that we can get nothing else if this is turned down.

Hon. G. Taylor: That is no argument.

Mr. GRIFFITHS: We know the precedent that was set up by New South Wales in the beginning. That State has again been able to get something only recently. I believe it was due to some mutual arrangement in connection with her finances that was made up to 1927-28. She comes in a year later, and escapes a certain amount of curtailment. Dr. Quick said—

In August, 1909 the Deakin-Cook Ministry met representatives of the several States in conference, at which the future financial arrangements of the Commonwealth and the States were considered. An agreement was arrived at which the representatives of the Commonwealth undertook to submit to Parliament, together with a proposed amendment of the Constitution, which was necessary in order to give legal and permanent effect to it. The alterations of the Constitution proposed were to the following effect:—(1) Termination of the operation of the 87th section of the Constitution (the Bradion clause), on the 30th June, 1910, or six months earlier than it would terminate if the Constitution were allowed to remain unaltered. (2) Payment as from the 1st July, 1910, from the Federal Treasury to each of the State Treasurers of an amount equal to 25s. per head of the population of each State, until further amendment of the Constitution. That provision was to take the place of the 87th section of the Constitution, under which hitherto three-fourths of the revenue from the Customs and Excise had been handed back to the States. The amendments were passed by the necessary majorities in the Senate and the House of Representatives, and were submitted to the people in February, 1910, but they did not receive the required ratification, the majority against being 25,324.

Hon. G. Taylor: That is for the whole Commonwealth.

Mr. GRIFFITHS: Yes. We were in favour of it here. I think we had a majority in favour of 18,658, but it was thrown out. There have been eleven subjects put up to referenda, and out of these only two have been passed, and these are merely machinery matters. The remaining nine included a Financial Agreement. If that was thrown out by the people and was not taken into the Constitution, I cannot see how the Federal

authorities have been able to overcome the position. Legal gentlemen have found some means of overcoming it by passing certain Acts; but the people said that this should not be cut out, and yet the Federal Government have cut it out in Parliament. I presume they take it that they have full power to do so. Section 128 of the Constitution provides means for the alteration of the Constitution, but that section has never been complied with. With all due deference to the Premier, I say the time is now when we should kick up a row about this, and see if we cannot get something more equitable for ourselves. The same thing touches Tasmania and South Australia. I have here a report published in 1925 dealing with Western Australia and Federation. It contains papers outlining the State's case prepared by the Advisory Committee appointed by the Government of Western Australia for submission to the Disabilities Commission. The Chairman was Mr. Norbert Keenan, K.C. The report was presented to both Houses of Parliament by His Excellency's command. The committee consisted of Mr. Keenan as Chairman, Mr. James Gardiner, Mr. John Curtin (editor of the Perth "Westralian Worker"), Mr. M. J. Caluachini (Under-Secretary for Mines), Mr. G. W. Simpson, A.I.C.A. (Assistant Under Treasurer), and Mr. A. J. Reid, B.A., A.I.C.A., of the Government Statistician's Department. That report contains a great deal of useful information, and members would be well repaid if they went through it. All that is brought forward in the report is proved by returns from the Government Statistician, from the Treasury, and from the Lands and Agricultural Departments. All these documents are published with the official stamp upon them bearing out the correctness of what is stated in the report. Mr. Reid's Table "A" on development states that between 1890 and 1901 there was spent in this State £6,023,000 on railways, on telegraphs £118,747, and on harbours £1,606,899. Western Australia, therefore, in pre-Federation days spent during that period £12,706,936, of which £2,144,641 was from revenue, and £10,562,295 was from loan money. All this was spent on development and public works. Per head of the population the money spent in this State was £114, during the 11 years, as compared with £20 by New South

Wales, £10 by Victoria, £25 by Queensland, £18 by South Australia, and £23 by Tasmania, or an average of all the other States of £20 2s. 3d. In those days we had all our own Customs revenue, and it is also true that those were boom years, but we must not forget that even in August, 1909, on the occasion of the interstate conference in Melbourne, we were contributing an especially large amount per capita by way of Customs. The agreement says that in view of the large contributions to the Customs revenue per capita made by the State of Western Australia, the Commonwealth in addition may do certain things. This abundantly proves that for the period preceding Federation we were entirely self-supporting. We were able, with our Customs revenue, not only to go in for the largest development per head of the population of any people in the rest of Australia, to face our problems with a bolder policy than any other part of Australia, but to come out at the end of that period one of the two States that had a surplus. We came out with a surplus a little less than that of Tasmania. Tasmania is a State concerning which much has been said of late, as having been under financial stress owing to the way in which she has been injured by Federation, but, like ourselves, she was able to finance herself, keep herself going, and still have a surplus per head of the population. In this report, a table marked "D" shows the revenue and expenditure per head of the population from July, 1890 to 1901, 11 years, the last six months of which were after the foundation of the Commonwealth. This return shows that notwithstanding an amount of £2,144,641 had been taken out of revenue and used for capital expenditure on developmental work, there was an accumulated surplus over expenditure per head of the population in Western Australia of 16s. 2d. Moreover, the expenditure, as distinct from that of any other Australian colony, included a sinking fund to redeem loan moneys raised. We must not forget that we finished up with a surplus of 16s. 2d. per head of the population when we went into Federation. At that time New South Wales had a deficit per head of £1 9s. 5d., Victoria of £3 3s. 2d., Queensland of £2 19s. 1d., South Australia of 11s. 70d., but Tasmania had a surplus of 18s. 2d. per head of the population.

Hon. G. Taylor: We had our own Customs revenue then.

Mr. GRIFFITHS: Yes. We certainly had boom years, but we went in for an enormous expenditure on development, larger than any other part of Australia at that time, namely, £100 odd per head of the population, as against an average in the other States of £20 odd. Notwithstanding this we provided our own sinking fund, paid our interest, and had a surplus to finish up with.

Hon. G. Taylor: We built most of our public buildings out of revenue in those years.

Mr. GRIFFITHS: Yes. To the 30th June, 1923, a period of 22 years, Western Australia spent on development and public works £36,933,967, or, on the basis of the average population, £129 19s. 3d. per head as compared with the other States, starting with Victoria of £56 16s. 6d., and terminating with Tasmania £76 2s. 9d., an average all round for those States of £69 16s. 4d. Western Australia's contribution per head per annum during that period was also the highest, namely, £5 18s. 2d., the other States ranging from £2 11s. 8d. to £3 9s. 3d. This report of 1925 is a most enlightening one to read. It shows that when Federation came about we slackened off in the amount spent on development. After Federation we were contributing £5 18s. 2d., but prior to it we were contributing £10 17s. 2d. From the 1st July, 1901, to the 30th June, 1923, Western Australia had an accumulated deficit of £17 14s. 4d. per head of the population as compared with 16s. 2d., the accumulated surplus at the end of 1901. Mr. Norbert Keenan laid special emphasis on this, wishing to bring home to the Federal Commissioners how we in Western Australia had suffered as the result of Federation, and how the taking away of our Customs—or the surrender of our Customs, which may be a better way of putting it—had reacted in a manner which was beneficial to the other States but which landed us with a huge deficit even at that early period, a deficit which increased still further. The report also states—

This distressful experience was not shared by any other State of the Commonwealth. New South Wales, which before Federation had an accumulated deficit of £1 9s. 5d. per head, had an accumulated surplus of £3 19s. 5d. Victoria, which before Federation had an accumulated deficit of £3 3s. 2d., in 1923 had an accumulated surplus of 13s. 2d. per head. Queensland, which before Federation had an accumulated deficit of £2 19s., had reduced it to one of £1 10s. 6d. in 1923. But South Australia, which had an accumulated deficit of

11s. 10d. before Federation, had increased this deficit to £9 8s. in 1923. Tasmania, which had 18s. 2d. accumulated surplus in 1901, changed this into a deficit of £2 16s. 10d. in 1923.

A perusal of the returns in this report establishes three propositions: Firstly, that when Western Australia possessed her own Customs, as she did in pre-Federation days, she was able to carry on a vigorous policy of development and yet more than pay her way; secondly, that after Federation had been established, so long as Western Australia was in receipt of three-fourths of the Customs collected on dutiable goods imported into Western Australia, she was able to carry out a policy of development and almost pay her way; thirdly, that on the per capita allowance arranged in 1909, even with the special grant likewise arranged at the time, Western Australia has been wholly unable to make her expenditure and her income anything like balance, even on the basis of reducing to the lowest possible figure her expenditure on development works. That report should be "writ large" before some of the people in the Eastern States, to show them how Federation has encouraged their secondary industries and built them up, while operating to the impoverishment of Western Australia, our achievements being due to sheer grit and the resources of the country. Had we had our Customs, we should not be continually approaching the Commonwealth as mendicants and talking about our disabilities. The Royal Commission's report shows definitely that the effects of Federation have been disastrous to Western Australia. On the 14th of December last year Mr. Bruce, speaking in the Federal House, said—

The States at the 1926 conference claimed definitely that under the Constitution they had a moral right to participate in the Customs revenue collected by the Commonwealth. The Commonwealth Government took a contrary view. It submitted that the States had no constitutional, legal, or moral right to participate in the Customs revenue. It is impossible to conceive of two parties being further apart than were the representatives of the Commonwealth and the States upon that fundamental principle. No agreement could be reached, because it was impossible to persuade the States that they had no right to the enjoyment of any portion of the Customs revenue.

It is interesting to read the pre-Federation debates on Federation and see what the big men of those days had to say about that matter—our own Sir John Forrest, Sir George Turner, Sir George Reid, and

others. There is a good deal of talk now about the spirit of Federal compromise and goodwill, about Federation having been born in compromise, about the crimson thread of kinship, one nation for a continent and one continent for a nation, for the first time in the history of the world, and all that sort of thing. Mr. Bruce does not give us his own opinion that there are no moral or legal rights. He may not hold such a view. But the Federal Government say that Western Australia has no legal, no moral, and no legislative right to the enjoyment of any portion of the Customs revenue. That is the pronouncement which strikes me most. The giants of the pre-Federal days tried to protect the States, and also tried to protect the Federal Treasurer against himself, so that he would not have unwieldy surpluses. Undoubtedly surpluses are spent. Pressure is brought to bear on the Treasurer—whether Federal or State—and something is wanted here, and something is wanted there, and so the money goes. In reading the debates in question I was struck with the fact that on two or three occasions it was mentioned that possibly some Federal Treasurer might be a crank, or might have some idea of building forts or arsenals out of this money. It is amusing to see what has actually taken place as the years have gone by. The fears of the eminent gentlemen who framed the Federal Constitution are being realised. Those gentlemen sought to provide against the very things that are happening to-day. Apparently the State Premiers were not satisfied with the Federal proposals, and accordingly no agreement was reached. The State Premiers were convinced that they had a right to share in the Customs revenue. Has that right been filched from the States? Has it disappeared altogether? We know of the action brought by the State of New South Wales against the Federal Government for the sum of £160,000 which New South Wales claimed as its share of a month's surplus Federal revenue. The Federal Treasurer had placed that amount in a trust account. Some of it was allocated to coast defence, and some to invalid pensions, the latter being one of the things foreshadowed in the Federal Constitution. The State Premiers were informed that the money had been put into trust accounts and that it was not being spent.

The Federal Constitution provided that the surplus should be divided up amongst the States month by month. Legal gentlemen, however, declared that this was an impossibility, and that the Government could do as they had done, allocating the money to certain purposes. Apparently this is one of the means by which the Federal Government have retained certain revenues that ought to have gone to the States. However, the position has been legalised by the High Court's decision. I shall presently mention some of the expenditure upon which the Federal Government have embarked. Dr. Garran's work on the Federal Constitution makes certain references to the spending powers, the borrowing powers, and the taxation powers of the Commonwealth. The framers of the Constitution believed that they had provided a means by which taxing and borrowing and spending would in some degree be confined within certain channels; but it appears that all sorts of channels for spending Federal money have been found, bringing about extraordinary results which I do not think the framers of the Constitution ever thought possible. A good deal has been made of the circumstance that under the agreement the State's position is assured for the next 58 years. I take it, however, that the Commonwealth's position is also pretty well assured for the next 58 years. We have to remember that Customs duties are imposed sometimes for revenue purposes and sometimes for protective purposes. Unquestionably they are becoming an increasing factor in Australia. We know that this year there is a Federal deficit of about £3,000,000 sterling. The fact will perhaps cause some of the gentlemen on the other side to think a little before spending money in future. It may possibly have the effect, it should certainly have the effect of stopping some of the wild extravagances to which I shall refer presently. Those extravagances have taken place not only during the term of the present Federal Government, but during those of several previous Governments. From a small beginning of 11 millions sterling in the first year of Federation, Commonwealth revenue has risen to 78 millions. With increased responsibilities, that can be understood. But as the expenditure has grown, demands for expenditure have increased, as to some extent is only natural. Not only has Customs revenue increased and Excise increased, but postal revenue has increased. When there has been a surplus, the Federal Government have found some means of



spending it, and the States have received none of it. The contention I want to establish is that Western Australia was able to get on very well so long as she had control of her own Customs. It was accepted that with the coming about of Federation there would be certain financial responsibilities. At the end of 1901, as I have said, Western Australia had a surplus of 16s. 10d. per head. Now, after 28 years of Federation, we have an accumulated deficit running into many pounds per head. The same remark applies to South Australia. Apparently these are the two States that seem to be in the worst box of the lot. An increase of population always means an increase in Customs revenue, whether the tariff is for protective or for revenue purposes. That may continue to be so for a good many years to come, as it is the settled policy of the Commonwealth to build a wall around Australia and keep out all competition.

Mr. Lindsay: There would be no Customs revenue at all if that were done.

Mr. GRIFFITHS: At the present time the wall does not appear to be very effective. Mr. Gregory, speaking in the Federal House, said—

Our Customs tariff has increased out of all proportion to our population. For the three years ended 1918-19 the average year's Customs was £16,000,000. Last year it was about £44,000,000.

My object is to show that there has been a huge increase in the revenue of the Commonwealth, that Federal Governments have been extravagant, and that there is no justification for the abolition of the per capita payments on the ostensible ground that the Commonwealth cannot afford to pay them to the States. Before this was done, the masters of Parliament, the people, should have been consulted; and the time for that would have been at the next general election. The first balance sheet of the Commonwealth Treasurer, that of 1901-2 showed that the revenue totalled £11,302,959. I have already mentioned, that Western Australia contributed through its Customs house the respectable sum for those days, of £201,569. It would be very interesting to find out just what this State is contributing to-day, but it seems to be quite impossible to get information of the kind that would enlighten the House. The balance that was returned to the States in that year amounted to £7,368,137 and that is about the total that we are to be given now, according to Mr.

Bruce. It seems extraordinary that when the Commonwealth revenue was just over 11 millions, the States should be receiving over seven millions of it, and that when the revenue has assumed the proportions we find existing, the figures should be practically the same. In 1902-3 the sum returned to the States was £8,200,457. To-day the Commonwealth revenue is over 78 millions and the proposal outlined is that there shall be returned £8,633,777, roughly about £400,000 more than was distributed in 1902. Surely with such an enormous increase in Customs revenue and Excise, more than £400,000 should be divided amongst the States! I had intended quoting certain figures, but I shall only refer to the first and the last that I have before me, the figures for 1901 and the latest available. For the first half of the year 1901, the revenue was £4,895,753 and taking the first complete year, the revenue was £11,296,985. Then the subsequent years showed increases. The first increase was to 12 millions and then the revenue went on increasing to 14, 15, 18, 20, 21, 22, 30, 34, 36, 44, 52, 64, 65, 66, 68, 72 until we get to over 78 millions in 1926-27. In the first six years, the revenue was collected from Customs to the extent of 60 per cent., Excise 15½ per cent. and postal 24 per cent. The figures I have are taken from the Year Book and they are up to the end of the financial year, 1925-26. Mr. Gregory pointed out that last year the collections from Customs and Excise totalled 44 millions, which is an enormous figure when we remember that the first year's collections amounted to a little over 11 millions. Excise receipts began with a little over two millions and in 1926 they totalled over 11 millions. If we refer to trust funds, we find that the receipts in 1912-13 began with a modest £475,342 and the next year they went over a million and then increased to 3, 5 and 7 millions, went back again to two millions, and in 1926 totalled over three millions. I believe there were occasions when these receipts totalled ten millions. When speaking in the House of Representatives Mr. Gregory referred to the revenue for the last five years. He showed that there had been an increase in revenue in that period of no less a sum than 20¼ millions. I have no wish to worry members with too many figures, but I cannot help remarking that I have been appalled, as others have been appalled, at what has taken place since Federation came about. Mr. Kingston, who was one of the framers

of the Constitution, declared that he feared to think what might happen to a Treasurer who was given unlimited opportunity to waste, and he added that everything would have to be done to prevent temptation being placed in the way of any Treasurer. It is necessary to see that the Federal Government are provided with funds to enable them to carry on properly. Everybody will admit that, but there should be no extravagances, and it was the possibility of this that was foreseen by the framers of the constitution. I could talk at length on this aspect, but I have no wish to weary the House. I hope that many members will refute the arguments advanced that the State is being treated generously. If my contentions are held to be incorrect, I shall be only too pleased to hear arguments in rebuttal. Last evening the member for Williams-Narrogin (Mr. E. B. Johnston) made comparisons between what we should have got in 58 years under the per capita system, and what we shall get under the proposal of the Bruce Government. The hon. member showed that under the agreement, the State will suffer a loss. The Premier asked to see the figures. The figures were those that were quoted by Mr. Mann in the House of Representatives, and the Premier suggested that Mr. Mann was 25 millions out. Even supposing Mr. Mann was out in his calculations to that extent, we can take the 25 millions from the estimated total loss to the States in the period of 58 years. That total is 383 millions and if we deduct from that 25 millions we get 358 millions, which in itself is a pretty respectable figure.

The Premier: If Mr. Mann was 25 millions out with regard to Western Australia, it is reasonable to assume that he was proportionately wrong in respect to the other States.

Mr. GRIFFITHS: It was pointed out that the amount was comparatively so small that it did not make a very great difference to the total.

The Premier: What, 25 millions! He was proportionately wrong regarding all the States. At any rate multiply 25 millions by five.

Mr. GRIFFITHS: Even suppose we do that—

The Premier: If he was 25 millions out in regard to Western Australia, he would be 50 millions out in regard to South Australia, which has double our population,

and a couple of hundred millions out in regard to Victoria and so on.

Mr. GRIFFITHS: The Premier can have it any way he likes, but I contend that all the States will lose, and Western Australia will be the biggest loser. The figures quoted by Mr. Mann were supplied by Mr. Wickens and they showed that Western Australia's percentage of loss is the highest to the extent of 62. What strikes me in regard to the agreement is that we are given certain figures and we are to take them or leave them. If we leave them, we are told that we shall not get anything else. I cannot subscribe to that kind of thing and I cannot see how the Premier can do so either. I have gone to some trouble in investigating the matter and preparing figures to submit to the House, because I feel that a certain responsibility is mine. I contend also that other members who have anything to contribute to the debate, should certainly do so, particularly in regard to population. It puzzles me that there has not been more attention drawn to that aspect. When we come to look into the question and think that 20 years from now our population, instead of being about 400,000, will be over 800,000 and that in 30 years we shall top the million mark, it should make us pause and reflect. The increases are based on a two per cent. growth, but the State is growing at the rate of three per cent. But even with a 2 per cent. increase, in 300 years time we should reach the million mark. In the meantime a long series of years must be gone through. That brings to my mind what the Treasurer has already told us in this House, that the benefits from the agreement we are discussing are going to last for 15 years. I hope they will last for that period if the agreement is signed, but I hear equally definite assertions that they will last for three or four years only. When the Premier replies, I trust he will deal with some of the assertions that have been made and if there is nothing in them, that he will blow them to ribbons. It is just as well that we should know where we stand.

The Premier: I have not heard anything like that asserted.

Mr. GRIFFITHS: You will probably hear it before long.

The Premier: I have heard of all sorts of figures and grotesque rumours in the corridor, but I know nothing about them.

Mr. GRIFFITHS: Last night the member for Williams-Narrogin (Mr. E. B. Johnston) made reference to the amounts we are to receive. Earlier in my speech I stated that there appeared to have been very little interest taken in the debates in the Parliaments of the Eastern States. From that I conclude that they are quite satisfied with what they are getting. There is no need for them to worry so much about this legislation. Their States are pretty well settled and they cannot look for much more. As it is, New South Wales is to get something like £3,250,000, Victoria about £2,250,000, Queensland about £1,250,000, and Western Australia is to get the small sum of £473,432! I think these figures go far towards explaining the attitude in the Eastern States towards the Financial Agreement. In Western Australia, however, we are expected to take just what is doled out to us. The Premier has admitted that we have received better terms than were proposed at the outset. I appreciate the fact that he battled hard for this State. I have read the debates and I know that he held his own, and even scored off a certain gentleman who stated that he was practically the father of child endowment. The Premier retorted that that gentleman would be immortalised.

The Premier: I think he will be immortalised for other reasons.

Mr. GRIFFITHS: The Premier was on sound grounds when he stressed the point that the report of the Federal Royal Commission that had been appointed to inquire into amendments that should be made to the Federal Constitution and the financial relationship between the Commonwealth and the States, had not yet been presented to Parliament. That report should be placed before both the Federal and State Parliaments, so that members may know of the conditions obtaining in the different States and the disabilities they are labouring under. There is a crying need in this State for a larger share of the financial returns of the Commonwealth and for more generous treatment. That is essential if we are to proceed satisfactorily with the settlement of our vast State.

Mr. Teesdale: You are not referring to the North-West, are you?

Mr. GRIFFITHS: Yes, although I notice that no mention was made of the North-West in connection with the Bill.

Mr. Teesdale: There never is in this House.

Mr. GRIFFITHS: On the opening day the member for Gascoyne (Mr. Angelo) very properly asked for an assurance that the Premier would say something about the position of the North-West when he discussed the Financial Agreement. I have heard no mention of it, but probably the member for Gascoyne will have something to say before the debate is concluded.

Mr. Teesdale: That would be most irregular!

Mr. GRIFFITHS: We know full well that valuable evidence has been presented to the Federal Commission. It has been stated that some of the evidence will not be made public. I understand it has been asserted that a limited number of copies are to be typed for certain individuals, and that certain phases of the evidence that should be made public are not to be made available. I suppose the report and evidence will be sub-edited. That sort of thing leads to an uneasy feeling. We should be fully apprised of the evidence that was placed before the Commission. We should have the fullest information possible, because we are asked to tie ourselves up for 58 years. The Federal Government also will be tied up for 58 years, so it is retorted, but in view of the increased revenue through the Customs and through other channels and the large increase in population throughout Australia, the Federal authorities are secure, from a revenue standpoint, until the crack of doom.

Mr. Lindsay: What was that Commission appointed to inquire into?

Mr. GRIFFITHS: To inquire concerning necessary alterations to the Constitution and the financial results of the system so far.

Mr. Lindsay: And we are asked to deal with this Bill without having that report before us!

Mr. GRIFFITHS: That report was not even before the Federal Parliament when the legislation was dealt with there. Now we are asked to accept it blindfold, to buy a pig in a poke. We are asked to do that, and to tie ourselves up for 58 years!

Mr. J. MacCallum Smith: What is the good of the Commission if we pass the Bill?

Mr. GRIFFITHS: None at all.

Mr. J. MacCallum Smith: It is merely bluff.

Mr. GRIFFITHS: If that Federal Commission were to advance a fair solution of the financial position, of what avail will it

be to us if we are tied up for 58 years under the Financial Agreement?

Mr. Lindsay: What will come of the Commission's recommendations?

Mr. GRIFFITHS: As Western Australia will be tied up for 58 years, the recommendations will be of no value. Should the Commission furnish recommendations, the Federal Government will say that it is too late as the agreement has been made. I am satisfied that that is what will happen. Portions of the evidence before the Commission have been made available. I suppose other members have received a copy of the pamphlet dealing with the evidence submitted by Mr. Windeyer, K.C. The Commission is still sitting, but the Bill to ratify the Financial Agreement is before us now! One of the offers of the Federal Government at an earlier conference at which the Premier attended, was the evacuation of fields from taxation. It is possible that the Premier may ask, if this is all we can get out of the present Federal Government, what will we be likely to get out of any other Federal Government. When speaking in the House of Representatives Mr. Gregory or Mr. Mann dealt with the agreement and Mr. Scullin, the Leader of the Labour Party, promptly interjected, "We will put on a land tax; that is one of the first things we will do." There is nothing in the Constitution to prevent the Federal Government taxing us right up to the hilt, and we shall be handicapped for 58 years. The fact remains that the State Government will have to impose taxation up to the hilt, if they are to carry on the activities of the State, should the Financial Agreement be adopted. It is all nonsense for the Federal Government to say that they will evacuate any field of taxation. Should a sudden emergency, such as a war, arise, the way will be open for the Federal Government to impose additional taxation. When they gave up the entertainments tax, they merely imposed it in another way through other channels. Then it was said that the per capita payment system was wrong in principle. Yet we find they are carrying on that principle as it is applied under the Federal Aid Roads Act. Then we had the Federal advances for the construction of main roads. Although they say it is wrong in principle to collect money from one section of the people of Australia and to spend it elsewhere, they gave effect to that principle when making the main road grants available. As a matter of fact, it would have

been a good thing for us, in a way, if we had not received that money from the Federal Government for the construction of our roads. We have seen some shocking evidence of the way money has been wasted in this State. Any sudden emergency may force the Federal Government to increase direct taxation, so it is nonsense for them to say that they will evacuate the field of taxation as a return for the abolition of the per capita system. We are entitled to our share of the Customs revenue in any circumstances. There is another point to be considered. Do members realise that Victoria, New South Wales including the Federal territory, South Australia, and Tasmania represent a total area of 954,094 square miles? Victoria, New South Wales, South Australia, and Tasmania could all be accommodated within the borders of Western Australia alone, and even then room would be left for two more Victorias. Although that is so, the States I have mentioned are to receive so large a proportion of the money that will be available, and Western Australia is to be badly left. With one-third of the whole continent to develop, Western Australia is to receive £473,000 as against £7,000,000 that will be available for the remaining two-thirds of Australia. I do not believe that the people who live in the southern portions of the State realise the immensity of the territory we possess. Only members such as those representing the Roebourne, Gascoyne and Kimberley constituencies can really visualise the size of the State and the real problems that confront us. I shall be interested indeed to hear the views of North-West members regarding these proposals.

Mr. Teesdale: They are threadbare and have whiskers on them.

Mr. GRIFFITHS: Some phases of the problems of the North and the North-West may have been discussed until they are threadbare, but they cannot be stressed too often. Before quoting from the speeches of prominent men at the Federal Conventions, let me read Section 128 of the Constitution:—

This Constitution shall not be altered except in the following manner:—The proposed law for the alteration thereof must be passed by an absolute majority of each House of the Parliament, and not less than two nor more than six months after its passage through both Houses the proposed law shall be submitted in each State to the electors qualified to vote for the election of members of the House of Representatives. But if either

House passes any such proposed law by an absolute majority, and the other House rejects or fails to pass it or passes it with any amendment to which the first-mentioned House will not agree, and if after an interval of three months the first-mentioned House in the same or the next session again passes the proposed law by an absolute majority with or without any amendment which has been made or agreed to by the other House, and such other House rejects or fails to pass it or passes it with any amendment to which the first-mentioned House will not agree, the Governor-General may submit the proposed law as last proposed by the first-mentioned House, and either with or without any amendment subsequently agreed to by both Houses, to the electors in each State qualified to vote for the election of the House of Representatives. When a proposed law is submitted to the electors the vote shall be taken in such manner as the Parliament prescribes. But until the qualification of electors of members of the House of Representatives becomes uniform throughout the Commonwealth, only one-half the electors voting for and against the proposed law shall be counted in any State in which adult suffrage prevails. And if in a majority of the States a majority of the electors voting approve the proposed law, and if a majority of all the electors voting also approve the proposed law, it shall be presented to the Governor-General for the Queen's assent. No alteration diminishing the proportionate representation of any State in either House of the Parliament, or the minimum number of representatives of a State in the House of Representatives, or increasing, diminishing, or otherwise altering the limits of the State, or in any manner affecting the provisions of the Constitution in relation thereto, shall become law unless the majority of the electors voting in that State approve the proposed law.

I have already stated that Section 87 of the Constitution has not been repealed. There is a proper method of repealing it and that is by putting it to a referendum of the people. It was put to the people and they turned down the proposal. Yet we are told that the section has been wiped out. That contention I cannot understand. Possibly some of our legal friends can explain it. We are told that Section 87 has gone, but so far as I can understand, it is still in the Constitution. Last night reference was made to the spirit that prompted the framing of the Constitution. Sir John Forrest remarked—

We have heard all through this Convention—at Adelaide, Sydney and Melbourne—that we should have faith in the future, that we should trust the Federal Parliament, knowing that it will do right, and that it will be just; in fact, we have handed over to the Federal Parliament the complete control of our finances. Every honourable member who is entrusted with the financial management of

the affairs of a colony has handed over the one great wealth producer we have absolutely to the Federal Parliament and trusted to its sense of justice to give us back what we are entitled to.

Then he proceeded to speak about the handing over of State debts.

The Minister for Justice: In what year was that?

Mr. GRIFFITHS: In 1898.

Hon. G. Taylor: That was only the other day.

The Minister for Justice: The hon. member ought to come down to the present day.

Mr. GRIFFITHS: I quoted that to show the spirit of one of the framers of the Constitution. We must endeavour to ascertain the intention of the framers of the Constitution and that is what the Federal Parliamentarians are not doing. Mr. Henry, of Tasmania, speaking at the Convention on the 25th February, 1898, said—

But I say that the safety of the State Treasuries demand that a definite obligation should be laid upon the Federal Parliament to provide sufficient revenue to relieve us of our responsibility. When hon. members object to laying a definite obligation on the Federal Parliament by putting it in the Constitution Bill, they are blinking the real position, because the financial necessities of four out of the five of the States are such that it is absolutely necessary, if we are not going to make the several States insolvent, that a very large amount of revenue shall be raised from Customs, an amount certainly equal to what is required to pay the interest on the public debt.

Sir George Turner stated—

I should throw the onus upon the Federal authority of paying the interest upon the State debts, because I believe by doing so we should, in the future, prevent the extravagance which the Federal Treasurer might otherwise be forced into against his will, simply because there was a surplus. We all know what the experience of these colonies has been in regard to surpluses, and that the Treasurers are forced to spend surpluses, and that in a way they know it ought not to be spent.

The Minister for Justice: Come down to the present.

Mr. GRIFFITHS: I want to have the opinions of these important men placed on record here so that members may see how the framers of the Constitution foresaw what would happen to the States and tried to guard against it. The Federal authorities are practically evading the

spirit of the Constitution. Sir Edward Braddon said—

As the hon. member (Mr. Henry) said on Friday, we are going to give up to the Federal Government that great source of revenue to which mainly we look for the payment of our interest. It is only right in the revenue sense, it is only right for the prevention of possible extravagance on the part of the Federal Government.

Now I shall quote the most notable remarks of all, those of Mr. C. C. Kingston, of South Australia. He said—

We ought to do something for the purpose of providing for the application of the surplus revenue for the benefit of the States, and I think a great deal can be done in that direction by requiring the repayment of the interest on the State borrowings out of the Customs revenue, which is handed over to the Federation. Possibly we hardly appreciate the extent to which we are going in handing over that revenue. The Customs revenue, I suppose, represents fully 25 per cent. of the total revenue of the States, and say about 50 per cent. or more of the net revenue of the States. That is proposed to be handed over entirely to the Federal Government, and we place no limitations on their powers of expenditure. On the contrary, forming the best estimate we can under the circumstances, we come to the conclusion that they will be possessed, after satisfying all ordinary Federal requirements, of a sum of between £4,000,000 and £5,000,000 at the outside, increasing as the prosperity and the population of Australia increases.

Since then the revenue received through the Customs alone has reached as much as £44,000,000. Mr. Kingston was one who recognised that when the Convention delegates returned to their own people they would have to be persuaded that if they entered into Federation the Commonwealth authorities would give them something like a fair return. He continued—

When we go back to our people and dilate on the advantages of Federation, we shall be met by the matter of fact inquiry: What will it cost? And if we return with a Bill in the shape proposed, we shall be compelled to tell them that we do not know. We shall have to admit that the whole of the Customs revenue is handed over to the Commonwealth, and that, as regards the expenditure of the Federation we do not know what that will be—how much is coming back to the States, how much is available for distribution, or in what proportion the surplus will be distributed. Under these circumstances, there will be a natural reluctance, as I think there ought to be—however much we may desire the accomplishment of Australian union—to rush into it too hastily, unless we know what it is going to cost.

Sir George Turner: The people will look at that more than at anything else.

Mr. C. C. Kingston: Unless we have some more precise provision on this subject, the States will be absolutely at the mercy of the Federation. They will be nothing more nor less, so far as their revenue is concerned, than dependencies of the Commonwealth. We are told that finance is government and that government is finance. We have been at great pains to provide for the proper representation of the States, but all these constitutional provisions seem to me to be of little importance indeed so long as you leave the absolute control of the States' purse-strings in the hands of the Federal Treasurer; and that is what you do unless you provide for something in the shape of a distinct return to the States. You place a tremendous power in the hands of the Federal Government and the Federal Parliament in enabling them to regulate the mode of distribution of whatever surplus they may have left amongst the various States. I am appalled, and I use the word advisedly, at the contemplation of the possibilities which may arise on such a state of things. The temptation to waste and extravagance is almost shocking. However honest the Federal Parliament and the Federal Government may be—and I attribute to them every honesty—with a sum of between £4,000,000 and £5,000,000 to work upon, we know full well there are possibilities if not probabilities, of waste to the States which are interested in the surplus, and we shall be failing in our duty if we do not attempt to provide against that as far as we possibly can.

That is a very plain statement. Speaker after speaker at the Convention stressed the selfsame facts. Again and again it was pointed out that there would be a temptation for the Federal Government to launch into expenditure in all directions. It was stated that the Federal Treasurer would probably be urged to build forts and arsenals and indulge in all sorts of unnecessary expenditure. I think Mr. Kingston sized up the position well when he said there were appalling possibilities of waste and extravagance, and with that in mind he said the States should have some hold on the Commonwealth. In my opinion the legal phrasing of the section was faulty in that it placed too much power in the hands of the Federal Treasurer. Section 87 contains the words "until the Parliament otherwise provides" which, in the first instance, really meant until the Parliament provided a different mode of distribution. The Parliament is now providing a different mode of distribution, the appalling character of which I have already indicated. When pondering over this question, I have propounded to myself several queries, "What are we giving up? What are we likely to get in return? How will our

position be affected by an increase of population?" Whether we had a moral or legal right to a proportion of the Customs revenue, anyone who understands the meaning of words can have no doubt what the intellectual giants of the day, Braddon, Reid, Kingston, Forrest, Lyne and others intended and what we as a people accepted. There is no supposition as to what the people accepted when they entered Federation. I, like everyone else on the Goldfields at the time, was carried away with enthusiasm. I thought Federation would be a great thing for this State. Before the question of Federation came into prominence, the late Mr. Vosper came up to the fields and was received with acclamation. Later, after he had made a few speeches against Federation, I met him on the occasion of one of his visits and there was not another soul to greet him. I remarked upon that fact, and his reply was, "Such is the public."

*Sitting suspended from 6.15 to 7.30 p.m.*

Mr. GRIFFITHS: Before ten I was quoting the utterance of various members of the Convention which sat in Adelaide in 1898. I now wish to complete my quotations. In support of the argument that the spirit of the Constitution has not been adhered to, as was intended by its framers, I would quote the remarks of Mr. Holder, who said—

I know the danger connected with entrusting any Treasurer with a surplus, and the danger of leading him into extravagance. If I could see any way, through the debts or any other method, of preventing him from having a large unappropriated surplus I would adopt every means to that end. We might say that the interests of the Federal Parliament will be apart from the interests of the State Parliaments; that the members of the Federal Parliament may wish to degrade, to weaken, the State Parliaments. It is conceivable that they may, but in the interests of the Commonwealth itself, if it is to live and prosper, if it is to live at all, it can only continue through the solvency of the several States being maintained.

Mr. Fraser followed him and said—

You may have a crank as Treasurer in the Federal Parliament who would make ducks and drakes of the whole affair if you give him absolute power. If he has uncontrolled power, I do not know what he might do.

Mr. Higgins: It must be done by the Parliament.

Mr. Fraser: But of course the Treasurer of the day pretty well represents the Parliament.

Mr. Alfred Deakin said—

Still, I think we might place in this Constitution a plain direction to the Federal Parliament that we all deem to be an obligation on the Commonwealth—to preserve the solvency of the States—should be something more than an implied obligation—that it should be an expressed obligation.

Mr. Isaacs, who became one of the High Court judges, said—

If we are to preserve the Federation, and not to expose the States to annihilation, and that is what complete control of the revenue might lead to, we ought to be very careful to do what I sought to do in some way the other evening, the absolute necessity, if the consent of the States is to be obtained to a Commonwealth Constitution, of the States being made in some way secure from annihilation. . . . It has been pointed out in the Victorian Blue Book prepared by the Government Statist (Mr. Fenton) that the Customs revenue which now amounts to £6,000,000 or £7,000,000 per annum, will probably in a century's time amount to something like £70,000,000 per annum; and to ask the States to enter this Federation without any sort of security is too much. We know very well that faith will move mountains, but it seems to me that we are making a mountain of dimensions that it will take a very strong faith to move.

In regard to the building of arsenals, Sir George Turner said—

My only object was to throw the onus on the Federal Treasurer of making provision for this payment in order to prevent him from being extravagant, and giving way too easily, as Treasurer, to every demand for expenditure which will undoubtedly be made upon him. As the Bill stands, he will have ample power to spend money in the erection of arsenals and military colleges, and matters of that kind which would eat up a large portion of the revenue. There can be no doubt that he would be extremely liable to have pressure brought to bear upon him to spend money in military and other directions, especially in times when there is anything like a war scare.

Sir John Forrest, in reply, said—

In the other colonies the greatest revenue producer is the Customs and the Customs are to be handed over absolutely to the Federal Government (Parliament). It is natural that colonies so situated should be somewhat anxious about the future. Probably we are over anxious. We have often said that we should trust the Federal Parliament, and in connection with this matter I think that we should trust the Federal Parliament.

Now note the irony of it in view of later happenings. Sir John Forrest added—

There is no reason to suppose that the Federal Executive will squander money that is handed over to them in trust, so to speak, in building arsenals and forts, and by those means place these colonies in a position in

which it would be difficult for them to pay their way. I am sure that we, in Western Australia, do not want anything from anyone. I hope, and I believe, that I speak for every other representative in making that statement. Our present debt is only three times the amount of our revenue, which no other colony represented here can say.

Mr. Henry, of Tasmania, said—

I, as one of the members of the Convention who have always held that it is desirable to lay some definite obligation on the Federal Parliament in the matter of finance, seeing that we are parting from our Customs duties, certainly rejoice at the decision given this morning. It was an emphatic declaration that that obligation shall be laid upon the Federal Parliament.

Mr. Symon said—

If we are going to trust to the integrity, the honesty, and the good sense of the Federal Parliament which we are about to create, and which will be as good a body as this Convention, we may fairly leave to it the duty of dealing economically with the Commonwealth revenue, and maintaining the solvency of every State.

After the framing of the Braddon blot was over, Sir William Lync said—

I have on every occasion advocated that there should be some definite return to the States provided for. I hailed with great pleasure Sir Edward Braddon's amendment when he brought it in. It is simple and effective and will coincide entirely with what I have advocated upon this question. In winding up the convention, Sir Edmund Barton said—

A charter of liberty is enshrined in this Constitution, which is also a charter of peace, order and good government for the whole of the peoples whom it will embrace and unite.

The quotations will satisfy members that what is happening is not in consonance with the intentions of the framers of the Constitution. My complaint is that that spirit which animated the members of the Convention has not been adhered to. The Federal Government have not read into the Constitution what was intended, but have picked out that particular part of Section 87, which says, "Until Parliament otherwise decides." If the proposal had been for 10 or 15 years, subject to revision or readjustment at the end of that period, it might have been regarded in a different light. We might then have been in the position to require a readjustment, or some other State might have been in that position. But, in common justice, 58 years is too long. Big responsibilities are placed upon the shoulders of members here concerning this agree-

ment. They have to make their decision upon it. We are told this is the final word of the Federal Government, though I cannot accept that statement in its entirety. We are told that the Federal Parliament have complete control, and that they are going to treat the Constitution as a scrap of paper. If so, what becomes of that Federal spirit of fair play and compromise upon which the Constitution was said to have been founded. A contract was entered into by the Government of this State with the Perth City Council for the supply of electric current for 50 years. The Government of the day may well find fault with the Administration which signed that contract, but they are nevertheless bound for 50 years from the signing of the agreement to supply current at a price below that of the cost of production. The contract is irrevocable and must run its course.

Mr. Lindsay: It was a reasonable contract 15 years ago.

Mr. GRIFFITHS: The same argument applies to Western Australia. What might appear a reasonable argument to-day may seem to be a very strange one 20 years hence. To the people who are to follow it may appear that we were off our heads in these days when we made this arrangement. Undoubtedly the Federal Parliament carries a big responsibility. More attention has been given to repatriation, and it has had to find a lot of money for various works. Against this, it has had an enormous revenue. There have been many instances of waste. I suppose the Naval Base here was built out of loan, but a lot of money was wasted on it.

The Premier: All Governments make mistakes.

Mr. GRIFFITHS: Yes. I may also in stance Jervis Bay. What went on there may not be so much the fault of the Government as that of the swindling that occurred. A jetty was built, and in the course of constructing it the authorities dug out an immense quantity of sand and replaced it with cement at a huge cost, although experts have since declared that it was quite unnecessary to do this. A special committee inquired into the matter and showed what waste and extravagance took place.

The Premier: This Parliament put a quarter of a million pounds into a hole at Fremantle in an endeavour to construct a dock. All Governments make mistakes.



Mr. GRIFFITHS: That was probably due to an error of judgment.

The Premier: That is what the Federal Parliament would say about Jervis Bay.

Mr. GRIFFITHS: It cannot be said to be an error of judgment when a lot of useless work is done, and men possessing technical knowledge should have been in a position to save the country that loss. Thousands of pounds have been wasted in many directions.

The Premier: We have built railways and pulled them up again. We have made mistakes everywhere.

Hon. G. Taylor: What about Herdsman's Lake?

Mr. Davy: And the Canning-road?

The Premier: And the Lake Preston railway?

Mr. Clydesdale: And the Peel Estate?

The Premier: We shall be asked to take the beam out of our own eye, and so will every other State Parliament.

Mr. GRIFFITHS: Recently in the Federal territory £72,000 was spent on renovating the Federal Governor-General's house. Something like a million has been spent on a Federal Parliament House.

The Premier: The Federal Parliament must have a building to live in, and there is nothing elaborate about that building.

Mr. GRIFFITHS: That is what the complaint is, that the expenditure on Parliament House and other buildings at Canberra has not been economical.

The Premier: How do we know?

Mr. Mann: A Commission is inquiring into the matter now.

Hon. G. Taylor: It is all Commissions.

Mr. GRIFFITHS: Now as regards the disabilities grant. That grant is merged, I presume, in the £473,000.

The Premier: No. It is not included in that at all. It has nothing to do with the agreement.

Mr. GRIFFITHS: It is for only a limited period.

The Premier: It has three more years to run.

Mr. GRIFFITHS: I am pleased to know that Western Australia will have that grant for another three years. The chances are that by then, if this agreement is ratified by Parliament and the people, we shall find ourselves a little better off, and shall be able to see what is lying before us in the years ahead. I would like the Premier to make it quite clear in his reply just how long the benefits of the proposed arrangement will

last. That information would exercise a certain influence on the vote, especially if we knew that we were to be better off for 30 or 40 years instead of four or five.

Mr. Teesdale: Mr. Lovekin says three years, and that ought to be enough.

The Premier: Mr. Lovekin is occasionally not quite right.

Mr. GRIFFITHS: I consider that Parliament is indebted to Mr. Lovekin for the amount of work and research he has devoted to this subject. I have been filled with admiration for his disinterested efforts to probe to the very bottom what this agreement means. Whilst I have done a certain amount of research and reading myself, I have to admit that I have been put on the track of many things through reading the circular issued by Mr. Lovekin to every member of this Parliament.

The Premier: Who—Lovekin?

Mr. GRIFFITHS: The circular may contain some things with which the Premier does not entirely agree, but many of Mr. Lovekin's arguments are extremely hard to refute.

The Premier: To whom are you referring?

Mr. GRIFFITHS: To a member of another place. As regards our Federal Constitution while efforts were made during its framing to put it on the same footing as that of Canada, with fixed grants, the American model was adopted, subject to the notable exception that provision was made for the distribution of surplus moneys. That provision does not appear in the Constitution of the United States, a Constitution that has resulted in huge accumulations of wealth, but at the same time a great deal of injustice, and has not worked as satisfactorily as it might have done. If we were to cut the financial painter binding us to the Commonwealth, we should be in practically the same position as if we were under the Constitution of the United States. In many respects our Federal Constitution is good. It would be one of the best in the world if only it were read and interpreted in the spirit in which it was framed. A recent article in the "West Australian" stated that opposition to the Bill was prompted by anti-Federal views. I wish to dissociate myself from that attitude. I believe that the Federal Constitution, wisely administered, will operate for the good of Australia as a whole. I wish particularly to emphasise that, because from the very first I have been a

strong supporter of the Federal compact. The complaint I made here to-night is that Western Australia has not been treated in that spirit of compromise of which there has been so much talk. The present Federal Government have behaved better to us than any previous Federal Government, but possibly they are tied by Eastern influences preventing them from granting us those things which are our due. The first part of my argument this evening was that we were all right up to 1901, solvent up to that date. We carried out a bolder development policy than any other State, to the extent of £100 per head of the population as against a corresponding amount of £20 in the other States. Nevertheless we finished up with a surplus. Tasmania, the only other State to have a surplus at that time, is now in much the same position as we are. The other States have, through Federation, changed their deficits into surpluses. One thing I wish to get clear in my mind is whether something cannot be done towards obtaining a reconsideration of the agreement. I presume that all the other Parliaments or States have signed the agreement, binding themselves for 58 years, subject to a referendum. Now we are called upon, at the point of the pistol, to do the same thing.

Hon. G. Taylor: No; there is no necessity whatever.

Mr. GRIFFITHS: In that case we are back on the Constitution again. The Premier has told us that the Federal Parliament can give us what it chooses. That is not what should occur under the Constitution, the framers of which emphasised again and again that what was fair and reasonable and just should be done to preserve the solvency of the States, while at the same time carrying out the functions of the Federal Government.

Mr. Panton: The trouble is that the Federal Government are the judges of what is fair and reasonable.

Mr. Davy: No; we are just as much the judges.

Mr. GRIFFITHS: I may perhaps mention that a public man who has visited the Federal capital site, where something like 10 million sterling has been spent, says that the Prime Minister's dog-kennel cost nine guineas. My informant gives that as a minor illustration—a padded kennel made for the Prime Minister's dog at a cost of nine guineas! I shall conclude by saying that Western Australia, with its huge area, its great respon-

sibilities, and its enormous development policy, which is being energetically carried out by the present Government, to whom I give every credit, contributes to the Customs revenue in a much larger degree than is generally recognised. That position is due to our purchasing goods which have paid duty in the Eastern States. Moreover, we as consumers employ many people in the Eastern States, and thus are helping to build up Eastern secondary industries, whilst our own secondary industries may be described as at present in a condition of coma. Although I was not born in Western Australia, I am just as loyal a Western Australian and as loyal a Federalist as anyone else; and I am anxious that if an agreement is entered into, safeguards shall be provided over this long period of 58 years.

MR. ANGELO (Gascoyne) [7.58]: I quite agree with the previous speakers in the opinion that this is one of the most important Bills that have been brought before the Legislature for a very long time. In fact, the measure may be more than appears on the surface. The results from this Bill may be the crossing of swords with the Commonwealth Government in a very much more important matter. It may be that we shall have to prove what we claim to be, a sovereign State. It may be that we shall have to stand up for our rights. Like the previous speakers, I have read almost everything that has been published in the Press on this important subject, and the opinions of various people concerning it; but I tried to keep as open a mind as possible until I took my seat here on Tuesday. I listened to every word the Premier had to say in support of the Bill. I listened just as attentively to the opinions expressed by the Leader of the Opposition, and have also listened carefully to the speeches which have been delivered since. I was exceedingly pleased with the speech of the member for Williams-Narrogin (Mr. E. B. Johnston). I think all members who heard it must admit that he took a considerable amount of trouble in preparing a speech which is a most valuable contribution to the debate. After what I have read and heard, I have arrived at a conclusion as to how I shall vote. I shall vote against the second reading of the Bill for the following three reasons:—Firstly, because what the agreement offers us is unjust, and inade-

quate to the requirements of the State; secondly, because the States should not have been asked to make an agreement extending over 58 years, before the Royal Commission on the Federal Constitution had submitted their report; thirdly, because of the absence of any provision for North-West development. Dealing with the first point, I contend that what the Federal Government have offered us under the agreement is unjust and quite inadequate for our requirements. We know that during the last two decades, at any rate, there have been agitations in this House against the unjust treatment of Western Australia under Federation. Long before I entered the House I remember the then member for York leading a movement in favour of secession because of the unfair treatment the Federal Government meted out to this State, especially in connection with financial matters. We have had suggestions for a new convention which, as you know, Mr. Speaker, was in the mind of the framers of the Constitution who held that it was advisable that a further convention should be held after the lapse of 20 years. Such a convention was even definitely promised by Mr. Hughes when he was Prime Minister. When he found that the smaller States were preparing their cases for presentation to the convention so that they could more effectively point out the anomalies to be rectified and the necessity for a better financial arrangement as between the Commonwealth and the States, he decided that there would be no convention, and he went back on his promise. At various times some newspapers here have advocated secession. The present and past Premiers have pointed out to Federal Governments, from time to time, how unjust was their treatment of this State, particularly in regard to the finances. Our small community is expected to develop one-third of Australia with but paltry financial assistance from the Federal Government. That is the first reason why I object to the Bill. It is unjust, and unfair to us. Western Australia through its Parliament has objected to the unfair treatment extended to it by the Commonwealth. We had a select committee that prepared our case for presentation to the Federal authorities. The result of the labours of that committee was placed before the Federal Government. Naturally the Federal Government said, "This is your own case.

We cannot take the statements for gospel. We will appoint a Royal Commission to inquire into your disabilities." The Federal Government did so and they appointed to that Commission a number of men from the Eastern States. They came here to see if there were any truth in the suggestions we made regarding our disabilities. We know the results of that Royal Commission; they were in our favour. Perhaps they were not so much to our advantage as we had expected, but certainly they were in our favour. With all confidence we looked to the Federal Government to do their share and to abide by the findings of their own Royal Commission. What did we get? We got practically nothing! Since then we have had the views of Senator Pearce. Before the last elections he told us that the findings of the Disabilities Royal Commission would be adhered to and would be carried out. Nothing has been done! For that one reason alone we have a right to turn down the proposals made by the Federal Government under which we shall tie our hands for the next 58 years. The second reason that I advance for opposing the Bill is, to my mind, just as important. Why are the Federal Government rushing this agreement? About 18 months ago they seemed to admit that there might be something wrong with the Constitution and that after 20 years of Federal life there might be some anomalies. They seemed to admit that the treatment of the States by the Federal Government might not be just what it ought to be. At any rate, the Federal Government appointed another Royal Commission to consider amendments to the Constitution. In those circumstances, surely the Federal Government should await the findings of that Royal Commission before asking the States to tie themselves up financially for 58 years. Why cannot they wait? Why this tearing hurry? It has been suggested that certain evidence tendered by their own officials has been kept back. Surely that is not right. I understand from what extracts from the evidence we have been able to peruse that it would be in favour of Western Australia. We are told that that evidence would have demonstrated that the agreement will not be so advantageous to us as we have been given to understand. Why has not that evidence been sent to us immediately for the benefit of members of this Parliament? Why is it that the Prime Minister yesterday, on the eve of the taking of a vote on the Bill, sent a very long telegram

for publication, at the end of which he said that if Western Australia did not come in, there would probably be an agreement between the other five States and the Commonwealth.

Hon. G. Taylor: He has got the wind up.

Mr. ANGELO: I wish that is what would happen. It would be one of the greatest arguments we could possess in favour of secession. If they left us out of such an agreement, we would have an additional really good argument in favour of cutting the painter.

The Minister for Justice: Do you seriously want to cut the painter?

Mr. ANGELO: No, provided we can get just treatment from the Federal Government, and we have not had that up to the present. I trust that that argument will also appeal to hon. members before they vote on the Bill. The third reason I have advanced for voting against the Bill is the total absence of any mention as to the Federal or State intentions regarding the development of our North. Everyone who mentions this subject seems to admit the seriousness of the position of the North-West at present. They all say that it should be peopled and developed. Only recently a proposal was advanced by the Federal Government and submitted to the State Government for taking over that portion of the North lying above the 26th parallel. We turned down that proposition, and I am glad that we did so. Then it was suggested that the Federal Government might perhaps take over that part of the North lying above the 20th parallel. It is there that all our danger spots exist. That is the part of Australia that is closest to any menace from the Far East that may exist in the North. The Premier promised us definitely that he would try to ascertain what proposals the Federal Government had in mind for taking over that part of our territory. This Parliament and the people of Western Australia generally are being asked to agree to certain financial proposals that will extend over the next 58 years, yet nothing whatever is said about nearly half of our territory.

The Premier: That is a most extraordinary argument!

Mr. Teesdale: See! They laugh at it!

The Premier: Laugh at it! Yes, because it would be utterly absurd to start slicing the State into various parts under an agreement like this. We cannot deal with the

North-West under the financial Agreement.

Mr. ANGELO: But surely, seeing that we are to be tied up financially for 58 years, we should know in what direction the money that we will receive from the Federal Government, is to be spent!

The Premier: Bunbury, Albany, and Kalgoorlie might ask the same thing.

Mr. ANGELO: But £473,432 a year might be adequate and very useful in the development of half the State; if we are to continue our endeavours to develop the North, such a sum is absolutely ridiculous. It may be asked why some of the other States have not mentioned the same point. The answer to that is that they have not any North-West territory of their own to be developed. Certainly Queensland has a small portion in the North that requires development, but it is a mere nothing compared with the area that we in Western Australia have in the North. Before any such agreement was placed before Western Australia, or before any of the other States, the Federal Government should have stated definitely what their intention was regarding the far North.

The Premier: They have told us.

Mr. ANGELO: We have not heard it.

The Premier: Yes, you have; they are willing to take it over.

Mr. ANGELO: Under what conditions?

The Premier: Those conditions have been published.

Mr. ANGELO: When?

The Premier: Everyone else has seen the conditions. They were certainly published.

Mr. ANGELO: Regarding the portion of the State north of the 20th parallel?

The Premier: Yes.

Mr. ANGELO: The last time I saw Senator Pearce, he told me that the Premier had all particulars regarding the offer of the Federal Government, but that those conditions had not then been published.

Mr. Panton: He did not know.

The Premier: Well, those conditions were published.

Mr. ANGELO: Senator Pearce told me that the Federal Government were agreeable now to take over that part of the State and develop it during its transition stage, developing the territory until it had qualified to become a State. The North then would be allowed the status of a State.

The Premier: The Federal Government are willing to take over that part of the State under the same conditions as they were prepared to take over the area north of the 26th parallel. The only difference between their earlier proposal and their later proposal related to the question of area. The one included the area above the 26th parallel and the later one, the area above the 20th parallel.

Mr. ANGELO: It is strange to me that we have not heard of those latest proposals.

The Premier: I say the hon. member has heard of them, because when I moved for the rejection of the Federal Government's first proposal, I gave out all the particulars regarding their offer and the conditions. The second proposal is precisely similar to that except that the 20th parallel is substituted for the 26th parallel.

Mr. ANGELO: Senator Pearce told me recently that the new proposals were that they would take over the development of the North and hold that territory only until it had reached a certain stage, and until its population had reached a certain number, when it would automatically become a State. That is a totally different arrangement from their offer regarding the taking over of the area north of the 26th parallel. I am dead against the Federal Government taking over the North-West and holding it for all time. On the contrary, however, the proposal is that the Federal authorities will hold the territory only during the transition stage, giving the country time to be developed until it has a population of 20,000. That was the number Senator Pearce mentioned to me. That is a totally different proposal from what was embodied in the earlier proposal.

The Premier: There was no mention of 20,000 people.

Mr. ANGELO: On account of these three points I have stressed, I shall vote against the second reading of the Bill. The Premier told us he had done his best to secure the most favourable terms possible, and I believe the Premier did very well indeed. It has been pointed out that all the other States have already agreed to this proposal. No wonder New South Wales and Victoria agreed to it. They will fare far better under the agreement than we will. Being situated so close to the Federal capital, they have all the advantages to be gained from contact with the Federal Government. They are quite close to the

ears of the Federal Parliament and the Federal Cabinet. Tasmania has agreed to it, and no wonder! The population of that State has not increased to any extent. It will help the people of those States for a considerable time, but it will be of no assistance to us. The basis of some of the calculations the Premier furnished to us was of an increased population at the rate of 3 per cent. During my recent visit to the Eastern States, and judging from the number of people who wanted to know all about Western Australia and the possibilities of land settlement for their sons and relatives, I think the rate of progress will exceed 3 per cent. considerably, at any rate during the next five years. If that is so, instead of the agreement proving of benefit to us for 15 years, as the Premier claims, I doubt whether it will be of benefit for half that period.

The Premier: We will be very lucky if we get the 3 per cent. increase decade after decade.

Mr. ANGELO: The Premier has told us in this House several times that the per capita payments have gone, and has said, "This agreement is what is offered to you. We must take it or leave it. That is the position; we must take the agreement or we will get nothing." I want to be quite candid and say that if this was an agreement between business firms or business men and we had a similar pistol put at our heads, I think I would accept the agreement, because in business it is usually considered that if a man is offered something and turns it down, he will not get the same offer again. The man has had his opportunity and it has gone. But that does not apply to Governments, especially to Governments like ours that are developing and administering the same territory. Some of the electors of the Federal Parliament are our own electors. I am positive that the Commonwealth dare not penalise or punish us if we refuse to accept this agreement. If we refuse to approve it, I am sure we shall continue to get the amount suggested in the agreement and also the increased interest on the transferred properties. Of course we cannot expect to get the other advantages referred to by the Premier, but I am satisfied we would get that much until we put our case more forcibly before the Federal Government. I feel positive that if we wait awhile and keep on pressing our claims as we should do, we shall get more liberal treatment and a better run

in every way. We are told that Mr. Bruce is to visit Western Australia in a month's time or so. I suggest that a deputation representative of the Government, the Opposition, and the Country Party, together with one or two members of the Upper House, meet Mr. Bruce—

Mr. Panton: Bring him here and make the speeches; that would be the best way.

Mr. ANGELO: And insist on his hearing and realising what our difficulties are.

Mr. Marshall: What about kidnapping him for a while?

Mr. ANGELO: Perhaps if we held him as a hostage for a time we might get something more. I agree that Mr. Bruce has been a most sympathetic Prime Minister so far as Western Australia is concerned. He has been very sympathetic to us, more so than his predecessors, but we want to get him by himself, away from the influence and atmosphere of the Eastern States.

Mr. Panton: That is the trouble.

Mr. Marshall: Woe betide him if we get him!

Mr. ANGELO: Then we could point out to him what our difficulties are, what our responsibilities are, and the huge territory we are asked to develop, not only on our own behalf but for the sake and safety of Australia.

On motion by Mr. Davy, debate adjourned.

*House adjourned at 8.19 p.m.*

## Legislative Council,

*Tuesday, 19th June, 1928.*

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

### QUESTION—MINING, BORING AT COOLGARDIE.

Hon. J. CORNELL asked the Chief Secretary: Is it the intention of the Mines Department to cease boring operations at Coolgardie, and to shift the boring plant elsewhere?

The CHIEF SECRETARY replied: Boring operations at Coolgardie will be temporarily suspended because of the urgent need for the drill elsewhere.

### QUESTION—LICENSES REDUCTION BOARD, POWERS.

Hon. J. R. BROWN asked the Chief Secretary: Is it a fact—1, That the Licenses Reduction Board, since its appointment, has suppressed over 30 licenses within the districts of Kalgoorlie and Boulder? 2, That the term of office of the board expires on the 31st December next? 3, If so, can the Government take any steps to prevent the board in the meantime suppressing further licenses in these districts, seeing that there is every possibility of a great revival in the mining industry?

The CHIEF SECRETARY replied: 1, The Licenses Reduction Board, acting under the powers of Part V. of the Licensing Act, 1911 (as amended), has reduced the number of licenses in the districts of Kalgoorlie and Boulder by 46 licenses. 2, Yes. 3, Every determination of the Board arrived at under Part V. of the Licensing Act is, by Section 92, final and conclusive and shall not be questioned in, or reviewed or amended by any court whatsoever. The Government has no power to interfere with the board.

### QUESTION—POPULATION OF THE STATE.

Hon. A. LOVEKIN asked the Chief Secretary: What was the percentage increase of the population of Western Australia from 1st July, 1927, to 31st May, 1928?

The CHIEF SECRETARY replied: The population figures for the above periods are as follows:—Population on 1st July, 1927, 385,043; population on 31st May, 1928, 398,667; increase to 31st May, 1928, 13,624; percentage increase 3.54.