

proposition has been attempted during the last few years on the ordinary bush roads with a fair amount of success, just enough to show what could be done if a really good road were provided. The Government, I presume, are looking for works on which the bulk of the money can be expended on labour. I commend this proposition to their serious consideration. I have been informed that a sum of £10,000 is being made available to start the work. That is not nearly enough. It was stated in the Press the other day that about £28,000 had been voted for roads in the North-West. Quite a rumpus was kicked up in certain directions at the expenditure of such a large amount. Why, ten times that amount would not be anywhere near sufficient to meet present requirements. On analysing that amount, we find that roughly the average per road board is £2,000, and as some of the road boards have 2,500 miles of road to look after, it works out at less than £1 per mile of road. Consequently, when we get down to an analysis of the position, the amount is practically negligible. Let me now make a few remarks about the incidence of the financial emergency tax. I am of opinion that this taxation or a similar form of taxation must be continued. If we are going to balance the budget and provide all the work possible for the unemployed, there is no question that taxation cannot be lessened. If it is the insistent demand of this House that full-time work be provided for all men, then there is no other conclusion to be arrived at than that taxation must be increased.

Mr. Raphael: Quite right.

Mr. RODOREDA: To balance the budget and provide more money for the unemployed will unquestionably mean increased taxation. People insistently demand that full-time work shall be provided for all men, but do not tell us how that is to be done. The financial emergency tax in its present form seems to be unfair in its incidence. Two men on a similar salary, one with a family and the other without, both pay the same amount of taxation. All taxation is inequitable in its incidence, but we could surely devise some means whereby this particular tax should not be so grossly inequitable. As we know, in the Income Tax Act we make provision for allowances for men

with obligations. We do the same thing when providing the relief worker with occupations. We give more work and more money to men according to their family obligations than we do in other cases. In the case of the financial emergency tax, once we come within its scope we are all on the same mark. I hope the Government will have some proposals to bring forward whereby the incidence of the tax will be more equitable.

On motion by Mr. Watts, debate adjourned.

BILL—SUPPLY (No. 1), £2,200,000.

Returned from the Council without amendment.

House adjourned at 8.38 p.m.

Legislative Council.

Thursday, 13th August, 1936.

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

QUESTION—EDUCATION.

Perth Girls' School.

Hon. H. V. PIESSE asked the Chief Secretary: In connection with the building of the Perth Girls' School, what was the total cost of—(a) building; (b) furniture?

The CHIEF SECRETARY replied: (a) £73,607; (b) (i) Expenditure, £1,682, (ii) Liabilities, £3,134, Total £4,816.

QUESTION—AGRICULTURAL BANK.*Interest Rates Paid and Charged.*

Hon. H. V. PIESSE asked the Chief Secretary: 1. What rate of interest is paid by the Government on the money utilised by the Agricultural Bank? 2. What rate of interest is debited to the Agricultural Bank by the Government on money advanced to it?

The CHIEF SECRETARY replied: 1. On account of the conversion of the whole of the internal debt of Australia, it is not now possible to distinguish that part of the debt which was originally advanced to the Agricultural Bank. The average rate of interest payable on all the debt, however, was £4 8s. 2d. per cent. This rate includes 10s. 9d. per cent., being exchange on overseas debt. 2. For ordinary advances 4½ per cent., for Soldier Settlement 4 per cent.

**QUESTION—RECLAMATION WORK,
SWAN RIVER**

Hon. H. V. PIESSE asked the Chief Secretary: What is the cost of the reclamation work on the Swan river since the present Government took office?

The CHIEF SECRETARY replied: £5,000. (N.B.—It should be noted that this Government took office only in April last.)

**PAPERS—TRANS-AUSTRALIAN
RAILWAY.***Kalgoorlie-Fremantle Section.*

On motion by Hon. A. THOMSON, ordered: That all papers and plans prepared and discussed by the Federal and State Governments regarding the suggested extension of the Trans-Australian Railway from Kalgoorlie to Fremantle be laid on the Table of the House.

ADDRESS-IN-REPLY.*Fourth Day.*

Debate resumed from the previous day.

HON. A. THOMSON (South-East) [4.37]: Before addressing myself to the subjects mentioned in the Lieut.-Governor's Speech, I desire to take this opportunity of expressing to the electors of the South-East Province my appreciation of their having

returned me unopposed to sit again in this House. Having been in public life since 1914, I appreciate such an honour very highly; and I can only trust that the services I shall be able to render to my electors and the State during the next six years will prove of advantage both to the province and to Western Australia as a whole. I wish to congratulate the Government on having concluded the financial year with a small surplus. The position is highly satisfactory: but, as pointed out by Mr. Seddon, the State has considerable leeway to make up. I am afraid that had it not been for the grant we received from the Commonwealth, our position would not be satisfactory. In saying this, I have no desire in any way to detract from the Government's achievement. On the other hand, if the Commonwealth sees fit to reduce the amount of the subsidy which the State Government have been fortunate enough to secure, they will have a difficult task in squaring the ledger. Certainly it is a happy sign that we have arrived at a financial position enabling us to show a surplus for the past year. I thank Mr. Seddon for the pains he has been at to compile the interesting figures which he quoted last night. Those figures show what an enormous amount of money is being taken from the people by way of taxation. The adoption of the Address was moved by Mr. Heenan. I am sorry that the hon. member is not present, as I wished to be the first to congratulate him on the important step which, according to the Press, he is about to take. Certainly 1936 seems destined to be an important year in the hon. member's life, since during it he has entered the public arena and is about to assume the responsibilities of matrimony. In the course of his remarks Mr. Heenan said—

It is very heartening to learn from His Excellency's Speech that our conditions in this respect (social unrest) are becoming less acute. The aim and the responsibility of every Government should be to provide full-time employment for their citizens, so that all can maintain a decent standard of living . . .

I concur fully in those remarks of Mr. Heenan. I had hoped that when the financial position was shown to be so satisfactory, the Government would see their way to abolish part-time employment. I am sure that the men who have borne with part-time employment so patiently for years, feel that they are justified in asking that the Government should as soon as possible give them full-time work. In that connection I desire

to deal with one phase of the depression. We have now with us what is called the lost legion, composed of young men who during the depression lost their rightful opportunity to acquire a trade or profession. This was caused by the lack of work prevailing when they left school, the usual avenues of employment being closed to them. Emergency taxation was brought into existence for the definite purpose of providing work for the unemployed. Last year that taxation produced £827,119. I urge the Government to set aside at least one-third of that amount in order that members of the lost legion may be given the opportunity to learn a trade or profession. When our soldiers returned from fighting for us in the war, the Federal Government inaugurated a scheme whereby those men were trained to some trade or profession, thus being enabled to get out of the blind alleys of work and trade. I see no reason why the same cannot be done for the young men who have suffered so severely during the depression. The youth leaving school to-day is in a much happier position than the youth who left school during the depression. The latter found it almost impossible to get work; he had to go out and take any sort of job in the country. The Federal Government provided a sum of money to enable some of these youths to work two days per week in forestry. No doubt that work was highly useful, but what further hope had these young men and where did that work lead them? In view of the enormous sum being collected by the State through the financial emergency tax, I urge that a considerable proportion of it should be placed on one side for the purpose I have indicated. Further, I urge the Government to give serious consideration to the inauguration of some scheme whereby the young men of the lost legion may be enabled to acquire a trade or profession which will permit of their getting out of the ruck of the last five years. An appeal was made for the raising of a fund of £50,000 on behalf of youth and motherhood. To judge from statements made by Mr. Baxter, the committee administering that fund scarcely know which way to turn in order to make use of the money. Agriculture in Western Australia is a most important industry, and I am going to suggest to that committee that they utilise portion of the £25,000 in their trust to provide additional facilities at the Narrogin School of Agriculture. We

have in the metropolitan area our technical schools, and on the goldfields our School of Mines, where our youths are able to receive instruction and improve their knowledge of the various trades they are following. It is just as essential that technical education should be provided for those boys who have an agricultural turn of mind and are desirous of following agriculture as a means of earning their livelihood.

Hon. G. W. Miles: You want another Muresk College there.

Hon. A. THOMSON: I can assure the hon. member that at Narrogin he will see a splendid demonstration of practical work. The State has been fortunate in having at the head of that school a man of the ability of Mr. Slugg, who has been in charge of that school for a number of years. But when we see the dilapidated condition of the school buildings and the lack of necessary facilities, we realise that the school is not able to take more pupils because there is not sufficient accommodation for them. So my proposal points to a practical way of using part of the sum raised in the Youth Appeal.

Hon. L. B. Bolton: Is not that the Government's work?

Hon. A. THOMSON: Yes, to an extent it is, but we know that very useful work at the State schools is done by means of the Parents and Citizens' Association, the various branches of which take a practical interest in local schools. As I say, I feel that this proposal of mine points a practical way of utilising some of that money from the Youth Appeal. I am an ardent supporter of agricultural schools. I know one farmer whose son went to the agricultural school, actually against his father's wish. But the boy's mother, who was of a more practical turn of mind, insisted on the boy's going there. When the boy came back after having served his term at the school, his father cagerly admitted that the knowledge of practical work, such as blacksmithing and the repairing of machines, which the boy had acquired at the Narrogin School of Agriculture, constituted the best investment that he, the father, had ever made on behalf of the boy. So I strongly urge that the Youth Appeal Committee, who cannot find ways of getting an adequate return for the money in their charge, should at all events look into my proposal and see whether it would not be of great advantage to help provide at the Narrogin Agricul-

tural School this technical education for the boys. The Country Party, I may say, stand solidly for decentralisation. Recently I was very much interested in the published report of a meeting held in your room, Mr. President, for the purpose of considering ways and means for the proper utilisation of the port of Esperance. It seems an absolute scandal that although the Government have spent a large sum of money, about £60,000, in the construction of a jetty at Esperance, and although at a much earlier date a railway was built connecting Esperance with the Eastern Goldfields, the steamship companies are not using the Port of Esperance. The revival in the goldmining industry provided a splendid opportunity for developing that port and making full use of the jetty and the railway. Yet the steamship companies of Australia, protected by the Navigation Act, say it is better for them to carry Esperance cargo on to Fremantle. That may be all right from the point of view of the shipping companies, but as a member having the port of Albany within his electorate, I shall be very glad to give any assistance I can to the residents of the goldfields and to members representing the Esperance district, to help them reach their objective of having the port of Esperance properly utilised. I can assure the people most concerned that all that I and other members of the House can do to induce the shipping companies to make use of the facilities provided at Esperance, will be gladly done.

Hon. G. W. Miles: It is a private service.

Hon. A. THOMSON: Yes, that is so. I know from personal experience that in the early days after the war, business people in my home town frequently had to invoke the aid of Mr. Gregory, M.H.R., and Mr. Prowse, M.H.R., and our own senators to insist upon the interstate steamers taking certain cargo to Albany, where it was required, rather than to carry it on to Fremantle. Of course it did not matter to the shipping companies, but we in the Katanning district awaiting that cargo had to pay additional railway freight to bring it down from Fremantle. So I know what it means when cargo that should be dropped at Esperance is brought all the way round to Fremantle, and then put on the railway in order that at last it might reach its destination, perhaps on the goldfields. It is only right that public influence should be brought to bear with a

view to having the port of Esperance properly utilised.

Hon. G. W. Miles: The same thing applies to goldfields' cargo.

Hon. A. THOMSON: Yes, that is so. Now I wish to say a word or two about the Agricultural Bank. Last session when the Agricultural Bank Bill was before the House, I considered that it was giving just a little too much power to the Bank Commissioners. I admit that those Commissioners have a very heavy task to handle, but I am still of opinion that too much power has been given to them. Take, for the sake of argument, the position in which the employees of the bank find themselves, men who have given practically lifelong service to the bank. It must be very disappointing to those men who have served the State faithfully and well and have performed their duties satisfactorily to the bank, to find that when some of the most important positions in the bank are about to be filled, preference is given to outsiders. I have no desire to cast any reflection on the ability of the gentleman who has been appointed manager of the Agricultural Bank, but I do feel that when the Bill was going through Parliament the Government failed adequately to provide for the protection of the bank's employees who have rendered loyal service to the State. I am sure that many of them must feel greatly disappointed at the filling of various positions in the bank. The new manager recently appointed has been connected with the Associated Banks all his life. I trust that is not going to be the policy of the Agricultural Bank in the future: because fundamental principles are to be found in the foundations of the Agricultural Bank, the primary object of which is to assist production and the development of the State. But if the bank trustees are going to adopt the banking methods of the Associated Banks, I am afraid that much of the benefit which Western Australia has in the past received from the work done by the Agricultural Bank, will in future be lost to the State. The position in the realm of group settlement to-day is that there is considerable dissatisfaction expressed by the group settlers themselves, and I must admit that in my opinion those settlers have some measure of justification for their complaints. I

venture to say that much of the loss which has been incurred on group settlement has been due entirely to governmental or departmental administration. Between 60 per cent and 70 per cent. of the money that has been written off from group settlement has been lost through the fault, not of the group settlers, but of others. I remember that in the early days of group settlement, while many people were placed on the blocks who were not temperamentally or otherwise qualified for the task, were not suitable to undertake the development of that class of country, there were also numbers of men who went there having their own money and who put it into their blocks and were genuinely desirous of making good and becoming useful settlers. But, under the policy of the administration, men of independent spirit slowly but surely decided they could not carry on, and so they left the groups. One would naturally think, after all the experience of the Agricultural Bank and those administering it, that they would be very careful with any rules and regulations that were promulgated, careful to see that they would not have an adverse effect on the settlers. It is easy to sit down in an office in Perth and draw up rules and regulations that are quite all right from an administrative point of view, but will prove to be harmful in their application to the settlers. I have here a list showing what was expected of the settlers. I do not propose to read the whole of the list, but I will give four instances, none of which is an extreme case. This is a schedule of the settlers to whose proceeds Section 61 of the Agricultural Bank Act will apply from 1936 onwards. I do not wish to give the names of the settlers, for it is not at all necessary that they should appear in "Hansard." In the first case I will quote, a request or demand was submitted to the local butter factory. The Agricultural Bank said to the manager of the factory that they required from Jones and Smith and Robinson a sum of 50 marks per month, and that it was for the manager of the butter factory to deduct those sums from the respective cream cheques. Hon. members will agree that group settlers have every reason for being dissatisfied with the action of the Agricultural Bank. One of the instances I will quote

gives the deductions for July, August and September. These amounted to £5 8s. 4d., and the amazing thing is that the cheque for this man's cream was £2 15s. In another case, the Bank demanded £3 18s. 4d., while the cream cheque was only £2 18s. 4d. In another instance, the cream cheque came to £2 8s., and the Bank demanded £4 18s. 2d. The Agricultural Bank certainly committed a grave error of judgment when it was decided by the Commissioners to take the income of the particular settlers for the months I have named. It was reported to us when we visited Denmark recently that one young man had worked for his parents for no less than 11 years without having received any payment. The father transferred the block to the son, and his first cream cheque for a month was £3. The whole of that was taken by the Bank. This young settler pointed out that to-day the business people in that area would not supply the settlers with provisions.

Hon. E. H. Angelo: If a man cannot do better than that, he should go off the land.

Hon. A. THOMSON: I want the hon. member to reserve his criticism in respect of group settlement, and I would remind him that though the whole scheme has cost, as it has been alleged, ten millions, considerable development has taken place in the South-West, and that development will be found, in a few years' time, to have justified itself. We are producing sufficient butter in Western Australia to supply the whole of our wants, whereas previously we were importing it in large quantities from the Eastern States. The young man to whom I have referred went to the manager of the Bank and said that he could not carry on. I will admit that since then the manager has had permission to give this settler a rebate. Here is the unfortunate position: He was referred to the police to obtain his rations, but the police replied that they could not give him rations because he was a group settler. The young man and his wife had no alternative but to walk off. There was only a matter of £3 involved and, remembering that he had given 11 years of his life to developing the holding, more generous consideration might have been shown him. The Agricultural Bank then put on a caretaker, and paid him £6 a month. One can scarcely believe that such things still happen. I realise the difficult task facing the Agricultural Bank Commissioners, but

I also realise the difficult position that many of the settlers have to face. Having given many years of their lives to the cultivation of the areas, they should be treated more considerably, particularly when a matter of only a few pounds is involved, and the cost of keeping a caretaker on the property is £6 a month. Is that good business?

Hon. E. H. Angelo: There must be something behind it.

Hon. A. THOMSON: I should like the hon. member to tackle one of those groups.

Hon. E. H. Angelo: I would not waste my time there.

Hon. A. THOMSON: No, you have too much sense; you much prefer to sit where you are.

The PRESIDENT: Order! The hon. member must address the Chair.

Hon. A. THOMSON: It is necessary that the Agricultural Bank Act should be amended. What the settlers ask is that they should have a board to which they can appeal. There are quite a number of instances of men having been forced off their holdings in respect of which appeals to another tribunal would result in their being permitted to remain on their blocks.

Hon. T. Moore: Was that £3 18s. to which you referred the usual month's cheque?

Hon. A. THOMSON: It was for the leanest period of the year.

Hon. J. M. Macfarlane: August, September and October are the leanest months of the year.

Hon. A. THOMSON: The period I quoted was the leanest in that part of the State.

Hon. J. M. Macfarlane: Oh, no.

Hon. A. THOMSON: However, it cannot be denied that the Agricultural Bank Act does require to be amended, and it is essential, in my opinion, that an appeal board should be appointed. I noticed recently at a conference in Adelaide of the Federal Labour Party, one of the planks which that party proposed to submit to the people was, in effect, the nationalisation of banking. I wish to draw the attention of members, and also those people who might feel inclined to support that policy, to the fact that if the action of the Agricultural Bank of Western Australia, which is a Government institution, is a sample of what we might expect from nationalised banking, the taxpayers should unhesitatingly turn down the proposal. Most of us who have had anything to do with Government institutions are aware that they have neither body to be

kicked nor soul to be damned, and so I feel the nationalisation of banking would be a retrograde step in the Commonwealth. Hon. members will recall that when we were dealing with the Transport Act last session I took a prominent part in opposing certain sections of it. I hope again to place before members of this House an amendment which will give the right of appeal to a resident magistrate against the decisions of the board.

Hon. H. Seddon: Do you think that is a good business proposition?

Hon. A. THOMSON: I will tell the hon. member. I propose to read a letter which was published in the "Primary Producer" newspaper, signed by W. H. Howard, secretary of the W.A. Transport Board. This reads as follows:—

From reports received at this office from time to time, there appears to be some doubt in the minds of primary producers as to the application of the exemption set out in paragraph 3 of the First Schedule of the State Transport Co-ordination Act, 1933. It is thought that the following explanation may therefore be of interest to readers of your publications. The paragraph referred to provides that no license is necessary for any vehicle which is used "solely for the carriage of livestock, poultry, fruit, vegetables, dairy produce or other perishable commodities, or wheat from the place where they are produced to any other place, and for the carriage of on the return journey any farmers' requisites for domestic use or for use in producing the commodities named herein, and not intended for sale, in a vehicle owned by the producer.

A farmer or orchardist, etc., may therefore use his own vehicle to convey livestock, perishables or wheat produced by himself from his property to Perth, or any other place, and return with stores, petrol, manures, netting or other goods for use in producing his livestock, perishables or wheat. The exemption applies only to a vehicle in respect to which a "producer's license" under the Traffic Act, 1919-35 has been issued, and in order to claim the benefit thereof, the producer:—

I want members to pay particular attention to these paragraphs—

- (a) Must use his own vehicle.
- (b) Must not carry goods for other persons, whether free of charge or not.
- (c) Must not convey any goods whatever back to his property unless he has carried his livestock, perishables or wheat on the forward journey.
- (d) Must not in any circumstances carry wool or any other goods not mentioned above.
- (e) Must not carry back to his property any goods intended for sale.

It is a criminal act even to carry parcels.

Hon. J. Nicholson: It is an offence against the Act.

Hon. A. THOMSON: Yes, and a penalty can be imposed. So that if one wants to take back to his farm about 30s. worth of provisions, he has to pay 10s. for the right to do so.

Hon. G. W. Miles: They are not enforcing that?

Hon. A. THOMSON: Here is the letter sent out by the secretary of the Transport Board, and published in the "Primary Producer" newspaper of last week.

Hon. V. Hamersley: And the charge is for only one trip!

Hon. A. THOMSON: Yes, it is necessary to get a permit for each trip. We were told, when the Transport Act was introduced, that it was to co-ordinate traffic. I wonder whether members realised what would happen when that Bill was before this House.

Hon. G. W. Miles: It is as bad as the shipping service on the North-West coast.

Hon. A. THOMSON: I cannot understand why the Commonwealth Government have not endeavoured to bring influence to bear upon the State Governments to minimise the effect of the various transport Acts. We should realise that recently we have heard a good deal about the movement of artillery by mechanised means, and we must not forget that the great success achieved by the Italian army in conquering Abyssinia was largely due to its mechanised army being able to transport their people and guns with rapidity. Unfortunately, the action of the Government of this State seems to be in the direction of stopping progress, and preventing people using the means of transport which are of benefit to them.

Hon. V. Hamersley: Unless they are within a 25-mile radius of the metropolis.

Hon. A. THOMSON: Yes. I thought it would be interesting to members to know the attitude adopted by the transport authorities in dealing with the producers for I am confident no member here will be desirous of such a state of affairs continuing. I do not wish to cast any reflection upon the Government officer to whom I shall refer. When the State Transport Co-ordination Act was going through this Chamber, a permanent official of the Railway Department sat in the House. He was, in effect, officially in charge of the Bill and, as was stated here, he prepared it. It was rather an amazing coincidence that he was subsequently appointed to the position of secretary of the

Transport Board and continued as such until the whole of the motors were pushed off the road. As soon as that form of traffic was eliminated, this gentleman went back to his position in the Railway Department. Co-ordination of that description is such that members should have their attention drawn to what occurred. Undoubtedly the Railways have shown better figures, but certainly not the whole of the improvement is attributable to the elimination of motor transport. In my opinion the greatest factor in the improvement arose through the increased traffic with the goldfields districts. I do not propose this afternoon to go into facts and figures with regard to our railways. On several occasions I attempted to secure the appointment of a committee to consider the over-capitalisation of the railway system. For years past I have contended that the railways are over-capitalised and that lines have been constructed and forced upon the Commissioner of Railways, although those lines can never be expected to pay.

Hon. G. W. Miles: Political railways.

Hon. A. THOMSON: I would not say they were political railways but I will give an illustration of what I mean. Together with other members representing the South-East Province, I accepted an invitation from the Denmark Road Board to visit the Denmark district, and we went through to Nornalup. The distance from Nornalup to Albany is 70 miles. Leaving Nornalup at 7.30 a.m., the train took 7½ hours to traverse the 70 miles and reach its destination at Albany. Any decent motor car could do the journey in two hours without any strain whatever. I am pleased to see that the Government and the Commissioner of Railways have given consideration to the services on country branch lines and that orders have been placed for six Diesel electric railcars.

Hon. W. J. Mann: They are using motor coaches now.

Hon. A. THOMSON: Yes, there are some in use but they are of a very old type and they cannot take the load that is necessary. However, the fact remains that non-paying lines have been constructed and forced upon the Commissioner of Railways, and it is not fair to expect him to find the interest, sinking fund and other charges on the capital involved.

Hon. T. Moore: The position regarding the northern end of the line you have referred to is worse still.

Hon. A. THOMSON: If it was in the public interests to appoint a Royal Commission to inquire into the operations of the Agricultural Bank, in which upwards of £15,000,000 of State funds are at stake, surely it is equally important that a committee of inquiry shall be appointed to consider the operations of the Railway Department in which £26,000,000 of State funds are involved. If such a body were appointed to consider the position of the railways, it is quite possible that many excellent recommendations would be issued that would be of assistance not only to the department but of advantage to the people in the outback country. The metropolitan area is fortunate in its transport services. I am at variance with the Government regarding the expenditure of £84,000 in providing trolley buses for the Claremont service. I cannot understand the action of the Government in entering upon such an expenditure without the consent of Parliament, especially as the money could be better spent in setting up new avenues of employment.

Hon. G. W. Miles: And private enterprise was prepared to provide the service.

Hon. L. B. Bokton: Private enterprise is doing it now.

Hon. A. THOMSON: That is so.

Hon. G. W. Miles: It is a wilful waste of public money.

Hon. A. THOMSON: I consider the money could have been better spent in training men who are in what I regard as "The Lost Legion" and enable them to learn a trade or profession. Exception has been taken frequently to the criticism indulged in by certain members representing country constituencies regarding the reclamation work along the Swan River foreshore. During the depression, when the money market was tight, I recognised there were other avenues whereby that money could have been expended, but I must admit that those who conceived the reclamation scheme and the Government who are carrying on the work, performed and are rendering, in my opinion, a very useful service. They have created an asset for the State. It could not be said that the mud flats that were disclosed when the tide was low were beautiful to contemplate.

Hon. G. W. Miles: Nor yet the mosquitos.

Hon. A. THOMSON: As a country representative, I say that the money spent on that work has resulted in the provision of

a permanent asset for the State, and therefore I do not take exception to the expenditure. Having indulged in a certain amount of criticism, there is one other matter I desire to deal with before concluding. I offer a suggestion for serious consideration by the Government respecting a new avenue for the provision of employment, and the utilisation of much land that is not being profitably used to-day. I received a letter some time ago from Mr. Lawrence of Young's Siding, where he has been farming for a considerable time. He drew my attention to the fact that it was within the realms of practicability that the sugar beet industry could be established in the South-West. He pointed out that there were large areas that could be more profitably used. Frequently the potato crops did not prove profitable, nor did the growing of vegetables. He considered that if the sugar beet industry were started as an additional activity, it would form a satisfactory adjunct to production by the people in his district. When tobacco growing was suggested in this State, the idea was pooh-pooed. It was not regarded as practicable and it was definitely stated we could not grow tobacco. Now, after some years, it is a profitable industry that is finding employment for a large number of people, and is providing increased revenue for the State. When we discuss the establishment of the sugar beet industry with departmental officers, they point out that it will cost £200,000 for the erection of a factory. Quite rightly, the State Government had no hesitation in guaranteeing the company operating the Wiluna gold mine and they also accepted the responsibility of informing those who are developing the Big Bell Mine that if they carry on their work, a railway will be constructed to the mine. In each instance it was sound business, and I commend the Government for their action. I decided to make some inquiries regarding the sugar beet industry and I wrote to the Premier of Victoria, Mr. Dunstan, who supplied me with the following memorandum in reply to my letter:—

The sugar beet factory at Maffra was established in 1897 at a cost of approximately £75,000. The plant then had a capacity of 400 tons of beet per day. The plant has since been modernised and its capacity increased to 500 tons per day. The cost of establishing a factory of like capacity was investigated recently, and it is estimated that it will amount to, approximately, £255,000. In addition, pro-

vision of approximately £100,000 would be required each year to finance purchase of beet and cost of operations. The sugar produced at Maffra averages about 5,000 tons per annum, and the cost per ton of sugar varies between £20 and £26 per ton according to the sugar content of the beet and the quantity treated. The beet grower is paid according to the average sugar content of all beet received for the year, as follows:—

Sugar content.	Price per ton of beet.
Under 15 per cent.	36s. 6d.
15 to 15½ per cent.	37s. 6d.
15½ to 16 per cent.	38s. 6d.
16 to 16½ per cent.	39s. 6d.
Over 16 per cent.	40s. 6d.

The average yield at Maffra under irrigation is approximately 11¼ tons per acre, and the cost of producing an average crop is estimated as approximately £15 per acre.

Hon. L. Craig: On those figures there is not much in that industry.

Hon. G. W. Miles: Surely you are not advocating that the Government put up such a plant.

Hon. A. THOMSON: Mr. Craig claims there is not much in it on those prices, but they represent £5 an acre clear profit, and I am certain that the average farmer in this State would be quite satisfied if he could make that profit from his wheat. I do not suggest that the producers should depend entirely upon the growing of sugar beet. They would continue growing potatoes and carrying on their dairying operations, but the production of sugar beet would be an increased avenue for their activities. I shall show how much profit has been made by the factory over a number of years and that will indicate that the proposal is worthy of consideration, particularly when members realise that we import £500,000 worth of sugar annually. If it was worth while establishing the dairying industry to prevent money being sent out of the State for dairy products, surely it is worth while considering the establishment of the beet sugar industry.

Hon. T. Moore: Why not start on the groups?

Hon. A. THOMSON: It could be made part and parcel of group work. The letter continued—

The Maffra factory is run at a profit, the figures over the last five years being:—

	£
1930-31	52,366
1931-32	19,418
1932-33	56,209
1933-34	65,199
1934-35	28,075

Hon. G. Fraser: What was the capital invested?

Hon. A. THOMSON: About £200,000.

Hon. C. F. Baxter: For many years it made a loss.

Hon. A. THOMSON: In the five years I have quoted the profit was £221,365.

Hon. G. W. Miles: Is that a Government factory?

Hon. A. THOMSON: The Government erected it.

Hon. G. Fraser: I suppose when the Government erected it, it showed a loss and they handed it over when it made a profit.

Hon. A. THOMSON: The suggestion is well worthy of consideration.

Hon. J. Nicholson: What is the selling price per ton?

Hon. A. THOMSON: The cost of sugar varies from £20 to £26 per ton and the wholesale price is about £36.

Hon. L. Craig: I think it is £34.

Hon. A. THOMSON: Well, that shows an excellent margin.

Hon. L. Craig: There is a large export of sugar at about £8 per ton.

Hon. J. Nicholson: It would tend to increase the difficulty with sugar elsewhere.

Hon. A. THOMSON: Western Australia is importing approximately £500,000 worth of sugar each year and as our population increases,—and it must increase—the demand for sugar will increase. A little while ago the then Minister for Industries travelled the State strongly urging the establishment of factories to provide employment and keep money within the State. If it is worth while establishing other industries, it is worth while establishing this one. Years ago Mr. Angelo spent a large sum of money to establish the banana-growing industry at Carnarvon. When I was a member of another place he strongly advocated the growing of bananas. Now Carnarvon is reaching the stage when it can supply a considerable proportion of the bananas required in this State. The matter of growing sugar beet should not be turned down lightly. I thank members for their patient hearing and shall support the motion.

HON. E. H. ANGELO (North) [5.35]: Nearly every member who has spoken since the House met has expressed sincere regret at the death of King George V. and has also expressed pleasure that so able a scion has

ascended the Throne. I desire respectfully and sincerely to concur in those sentiments. From this Chamber I regret the loss of two members, both of whom I could claim as friends. I desire to welcome the members who have taken their places. I wish them all possible luck in their Parliamentary career, especially since they come from families who have done much for this State. I wish also to express my deep regret that the previous occupant of the seat I now occupy has passed away. Sir Edward Wittenoom was always a very kind friend to me, both in and out of Parliament, and I miss him very much. His death has been a loss to the whole State. It is to be hoped that Western Australia will continue to produce sons of that calibre. Last year I took the opportunity to inform the House of the very unsatisfactory state of affairs in the North-West. I told members then that there were fewer men, fewer cattle, fewer sheep, and fewer horses than there had been 25 years before. The decrease continues; in fact, it is aggravated this year by a severe drought. Members doubtless are aware that the whole of the North-West, as well as other parts of the State, is suffering from a severe drought. In my 49 years association with the North-West, I have known of severe droughts in one or two districts at a time, but never before have we had a drought of such severity extending from the far North right down to the lower Murchison. I am afraid we must expect a considerable decrease in the wool clip; it is certainly hard to get fat sheep. Unfortunately the winter months there have closed without any rain, and I cannot see how we can possibly get any more rain until the beginning of the next wet season, by which time the position will be serious indeed. I am afraid that the loss of stock will be very heavy, and I do not know where cures will be obtained to help the squatters to stock up again when the rains do come. Some little time ago the method of fixing the rent on pastoral leases was altered. A new method was adopted; a certain figure was agreed upon on the understanding that if the price of wool fell below that figure, rents would be reduced, but if on the other hand the price of wool exceeded that figure, the pastoralists would pay more. No one seems to have contemplated the situation that has now arisen. The pastoralists received fairly good prices for their wool last year on which their rent will be assessed, but

I am afraid that this year they will get very little wool and will be required to pay rent at a higher rate. Thus they will be in a worse position than when wool prices were low. I have not been asked by the pastoralists to bring this matter before the Government. The pastoralists are a body of men who try to battle through without spoon-feeding. When hard times come, they keep a stiff upper lip and carry on. However, I wished to explain that little anomaly to the Chief Secretary so that if the pastoralists are forced to ask for a little consideration, perhaps in the deferring of payment of rents for a while, I hope the Government will give them sympathetic consideration. Last month I took a trip right through my Province and I should like to tell members what I saw. The first port of call, Shark Bay, is in a very depressed condition, but the people are battling along without asking for any help. The prices of pearls and pearl shell have declined but the residents are eking out an existence by catching fish. One man who had made some money outside of pearling is establishing a small fish canning factory and I believe that, knowing what a field he has to work on, it will be the beginning of a big industry. At Carnarvon we found that those engaged in the fruit-growing industry were experiencing an anxious time. Abnormal conditions are existing; the river has not run for over two years. Unless the river runs frequently, the reservoir in the sands of the Gascoyne River ekes out. Nothing serious has happened so far, though one or two wells have turned salt, but the people are feeling considerable anxiety. A request has been made to test the water at a deeper level. A sum of only a few pounds is sought and I hope the Government will grant it. The wonderful success achieved by the fruit-growers there makes me wonder whether the time has not arrived for the Government to make a thorough investigation as to the capabilities of the Gascoyne River district for carrying population. Some years ago one of our leading agricultural experts visited the Gascoyne and reported to the Government that, by damming the river at one or two places and conserving a considerable body of water, the land would be capable of supporting 250,000 people. If we divide that by five and make it 50,000 there is something which might help us to populate the empty North. Later on the head of the dairying industry, Mr. Hampshire, visited

Carnarvon. He was so struck by the wonderful fodders which were produced under irrigation that in his report to the department he urged that 600 dairy farmers should be established there. I am not suggesting that if we had that big population up there we should all grow bananas. There are such things as fat lambs. The lambs could be produced on the stations, and when weaned, fattened in the irrigation paddocks. Dairying could also be carried on. That area would probably be the identical place for real group settlements. Up there a small holding of 10 acres ought to be able to support a man and his family, and enable them to grow nearly everything they required. The Government might consider the advisability of sending competent engineers there to see what could be done with the river along the lines I have suggested. We have shown that we can grow the stuff provided the water is made available. It could be made available by damming. I have been asked to say something about the experimental plot in which I am interested. It comprises altogether two acres. We produced some ripe bananas after 12 months' work, and during the last 16 months have sent to market 2,900 crates of bananas.

Hon. L. Craig: Do not tell the Taxation Department that.

Hon. E. H. ANGELO: We all know what Carnarvon bananas are fetching on the market. So profitable has the undertaking been that my partner and I have another place going and have planted altogether 15 acres. I hope the Government will have the investigation made. The next port we called at was Onslow. I was pleased to see the new jetty there in good working order. It is a great blessing to the district. Unfortunately the pastoralists will not have very much wool and very few sheep to send away this year, but the jetty will be ready when good times come again. A start has been made with a new jetty at Cossack, and that too will be very useful. I hear that a plant has been erected at the Weerianna gold mine, close to Roebourne. The field is a promising one. Port Hedland is going to boom, as the reports from the near-by gold mining area are very good. The flotation of one mine and the opening up of another new big show will attract a lot of attention. Many mines which were abandoned in the past are sure to be worked now that the price of gold has advanced. Broome is in a depressed condition, but I was pleased to hear that

the price of shell had gone up a little. Derby too, is in a very depressed condition owing to the drought. I am afraid they will never do much there until some big scheme is launched for dealing in beef right through the North. Yampi Sound promises to be a thriving place later on. That will, perhaps, help Derby.

Hon. G. W. Miles: It will.

Hon. E. H. ANGELO: A big industry like that is bound to be of assistance to the hinterland. The drought has had severe effects at Wyndham. The killing season at the meat works has been curtailed by several weeks owing to there being insufficient stock for the works to operate for the full time. At Darwin we saw one of the bright spots in the North. A big scheme of development is going on there, largely through Federal money. The Commonwealth Government are building a huge garrison town there. From a defence point of view Darwin must become an important place. I am pleased to know that a new steamer is going to be put on the coast, for one reason in particular. When I was at Darwin last year I was informed by the administrator and several local merchants that if we could send a boat there regularly every month, Western Australia could look for orders for half the requirements of Darwin. At that place about 1,000 tons of goods are imported from the Eastern States every month by the Burns Philp boat.

Hon. G. W. Miles: Every fortnight.

Hon. E. H. ANGELO: It would be better still if we could have a fortnightly service. Burns Philp's boats go to Singapore, Java and Japan. They are bigger steamers than ours. I am certain that if a monthly service to Darwin can be inaugurated by means of the new steamer, Western Australia will get a fair share of the trade of the Northern Territory. I do not know what is to prevent us from taking a hand in it now. The "Kangaroo," which has done good prospecting work to Malaya, could be sent to Derby once a month, and that would enable the "Koolinda" to make the trip to Darwin every month on the other tide. In the opinion of Messrs. Jolley & Company, agents for Burns Philp in Darwin, there is a fine prospect of opening up a good and lucrative tourist trade round Australia by connecting our boat with their boat, and having people going

up this way and round the east coast, and vice versa. I am sure many travellers would like to know more about the north of Australia. Last year I spent some time in pointing out the seriousness of the emptiness of the North. You, Sir, in your book, gave it the right name, "An Empty Land." There are empty harbours there which could accommodate a fleet. There may be half a dozen harbours in the extreme North that would hold a fleet. One does not know that foreigners are not already occupying them. The "Koolinda," in going between Derby and Wyndham, goes right outside the Archipelago, the Admiralty group as it is called, and does not go near the coastline nor see the coast. No boat goes there. Some foreign power may be established there without our knowledge. The coast is not patrolled. We know poaching is going on by Japanese sampans. I was told at Darwin that 90 of these vessels are operating around the islands not far from Darwin. The Federal Government have supplied a new launch to do patrol work from Darwin. She is a wonderful boat! I thought when I saw her first she was the launch coming out to Burns Philp's steamer. She is only as long as from where I am standing to where the Chief Secretary is sitting. She has sunk twice at the jetty, and can hardly be called a floating asset. This is the vessel the Federal Government have supplied to look after their interests. We know that these particular waters are very often visited by hurricanes. We have heard there is a Japanese trawler operating on the coast in the vicinity of Wallal, and that she has been there for a long time. I was told by the captain of a Singapore boat that a Japanese vessel goes there every month and fills up from the trawler with fish, which they probably take to Japan, can, and send back to us. We also know what the whalers are doing. Some 14 vessels are operating in territorial waters within 30 miles of Carnarvon. I have seen all of them myself. We are told that one fleet consisting of seven vessels acknowledges having caught 600 whales within about three weeks. A Norwegian fleet was seen close by Point Cloates. This had been there three or four weeks longer than the other fleet, and probably caught 1,500 whales. I would not be surprised if these two fleets together had taken about

2,000 whales, so that we have lost £200,000 at least.

Hon. T. Moore: Have we no British whalers?

Hon. E. H. ANGELO: I would suggest that some effort be made to do a little more in this direction. Until last year I was always opposed to handing over the North to the Federal Government unless they were prepared to throw their northern territory in with our northern territory, so that the North in general might be developed by the Federal Government. There would have to be an understanding that when this joint territory had a certain population it would automatically become another State of the Federation. The position has become so acute and so serious that I am now prepared to hand over the North to the Federal Government if they will develop it and its industries, as they could well afford to do. The beef industry, for instance, requires a lot of monetary assistance. The beef industry later on will be most valuable to Australia because the meat will be required in the United Kingdom. A lot of money is required to develop it. The Federal Government would probably be able to induce London capital to come in. I am certain that if proper methods were adopted, a lot of people could make a good living out of the fishing industry. If the fisher folk of Scotland could be induced to take an interest in the industry a huge amount of wealth would come to Western Australia. The wonderful climatic conditions under which these Scottish folk would have to work should appeal to them, compared with the awful conditions of a winter in the seas around Scotland. We should be able to bring a lot of people here for that industry alone. That is something the Federal Government could take up. I cannot see how we could absorb many immigrants in the South-West, but I believe that if the fishing industry of the North were properly developed and worked by experienced men, and the necessary factories established, it should be possible to absorb from 5,000 to 10,000 immigrants. The Federal Government can do more than we can do in encouraging prospecting for oil. That is a very important matter. That is one of the reasons why I would advocate handing over the northern portions of Australia to the Federal Government. One of the conditions

should be that they would spend a good deal of money in having it properly developed and populated. Some people ask why we should lose the North. We cannot lose the trade. It is impossible to shift the Kimberleys to Canberra or Melbourne. They would always remain where they are. We would get the benefit of the development without the liability. I hope if any suggestion is advanced by the Federal Government for taking over the North, the State Government will give it serious consideration and perhaps give Parliament an opportunity of discussing it. I wish to say something about what is really a Federal matter. It is so important, so vital, so serious to every one of us, that every man holding a public position should express his views upon it and set forth how he stands with regard to it. The text I am going to take for my remarks is the last paragraph of the report of a speech made in Sydney by Rear-Admiral Lane Poole the day before yesterday. He was addressing the Royal Empire Society. I quote from the report of the speech—

Rear-Admiral Lane Poole suggested that a good way of furthering the great cause of Empire in this country would be for members of the Royal Empire Society and kindred bodies to inculcate into the citizens of Australia a sense of personal pride in their navy. He asked citizens to encourage youngsters to adopt a career afloat.

Now I come to the most important part of what doubtless is a well-considered utterance by a high authority—

The time was surely ripe, for the Empire whose cause they had so much at heart was nothing like the Empire it was a year ago. The voice of the Empire no longer carried the weight it did 12 months ago. The Empire no longer possessed the power to ensure respect for its perfectly peaceful and honourable wishes. England at the moment was going through the painful and extremely expensive process of regaining its power to compel respect. It was, in effect, paying up its insurance premiums, which had fallen overdue. Whether or not Australia followed suit was Australia's own business and nobody else's. It depended upon the value which Australia placed on its existence.

That is the opinion expressed by our leading naval authority. Speaking in this Chamber last year, I pointed out the need for taking immediate steps to people and defend our land. I then mentioned that Italy was contemplating the seizure of Abyssinia. She has done it. I then mentioned that Japan

was going further and further into China, also looking for land for her surplus people. Japan is still going there, and nobody is stopping her. Since I spoke, Germany has publicly announced that she is going to demand the return of her colonies. Many of those colonies are held by the British people to-day—New Guinea being held by Australia. Other nations are also voicing their determination to have colonies. All these nations up to the present time have talked of places that are already populated. They know, however, that we have a huge empty North. They know that we have a continent carrying only a little over six millions of people but capable of maintaining a hundred millions.

Hon. G. W. Miles: We will strike!

Hon. E. H. ANGELO: Motions have been carried by outside bodies declaring that the Australian people are not prepared for conscription. It does not seem to be realised that the greatest safety we can possibly secure lies in being prepared. That truth is inculcated upon boys at school. If a boy learns to box, other boys leave him alone. As he grows up in life, the man who can hold his own, whether in debate or anything else, is respected. And it is the same with nations. I feel perfectly sure that if there had been a million men under arms in Britain, there would have been no war in 1914. It is for the Australians to get prepared, and the sooner we do it the better. We shall want a lot of men and a lot of money. The Federal Government are showing a surplus this year, and a lot of people are after a bit of that surplus. Commercial people want less taxation, merchants want the sales tax knocked off, motorists want a reduction in the price of petrol. I hope that the Federal Government will spend every penny of that surplus on defence, and also every other penny they can raise. In fact, the position is now so serious and the menace has grown so grave that I would like to see a special tax, a "Federal defence emergency tax," to be spent wholly on defence. It would have to be paid in small amounts by workmen, and in larger amounts by those able to afford them. It should be a graduated tax. In point of fact, it would not be a tax, but an insurance premium, and nothing else. As Rear-Admiral Lane Poole has said, we are behind in our insurance premiums. To think that a country like Australia has only about 35,000 soldiers, including the small regular army and the

reserve! That is all we have. There are about 3,000 maritime reserves and seamen, and about 1,000 men prepared to work aircraft. We should have a force of a quarter of a million men. If we had 250,000 men being trained and ready to use rifles or other munitions of war—

Hon. G. W. Miles: That would do away with all the sustenance business.

Hon. E. H. ANGELO: If it went out to the world that Australia had 250,000 soldiers ready, there would be no invasion of our land. To hear people say that they are not in favour of conscription! I am in favour of conscription for home defence. People may retort, "Yes, you are too old to go." I tried my hardest to go to the South African war. When the Great War began, in 1914, I consulted a doctor, and he told me that I had a bad heart and had only two years to live. Thank Heaven, I was able to do something in a private position during the Great War! I have always regretted the fact that I am the eldest son in seven generations who was not an officer in the British Army. At any rate, we must have conscription; and I trust that on the first day the Federal Parliament meets, conscription will be brought in. Every boy at school old enough to handle a rifle should be taught drill. Every boy on leaving school should be taken into a training camp; but if a boy in a training camp could at any time show that he had either been promised a job or the chance of a position, let him out. But gather in every able-bodied that we can, on the strict understanding that this conscription means Australian defence. If later on it is necessary to send troops out of Australia, call for volunteers amongst the trainees. We shall get plenty if they are asked to go out. Conscription, however, I want to see introduced for Australian defence. There is not a man in Australia who would not fight to prevent burglars or murderers from coming into his home and perhaps ill-using or killing his family. Service in Australia amounts to exactly the same thing, and plenty of men will volunteer if required abroad. But for the defence of Australia itself every lad and every man should be prepared to be conscripted so that he can do his share. I am indeed sorry to think that we have to do it. I do not like conscripting men. I do not like to send any man to do a job that he would not do voluntarily and with goodwill. However, we are now in such a position that

we have to take drastic action. It is vitally necessary. We have all done our best to make a little money and save it for the benefit of our families. Nearly all of us have insured our lives, and all our assets are held by the life assurance companies. The banks hold the deposits which are to see us through our old age. Every one of those securities may go suddenly unless we are prepared to defend ourselves against aggression. A nation not far from us now has submarines that can go to Sydney and return without re-fuelling, submarines that can stand 25 miles out and shell Sydney to pieces. I was told that in Sydney by the Minister for Defence some years ago. The sooner we have a quarter of a million trained men and a thousand aeroplanes the better. No time should be lost in putting us into a position of more assured safety than exists at the present day. I have only one fear. I am not afraid of the results of conscription. I think that when the people realise the position, the matter of conscription will not make any difference to politicians advocating it. Not that I, for one, care a hang. I certainly advocate conscription for home defence. My only fear is that already we may be too late.

On motion by Hon. G. B. Wood, debate adjourned.

House adjourned at 6.12 p.m.

Legislative Assembly.

Thursday, 13th August, 1936.

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

QUESTION—RAILWAYS, SHEEP TRUCKS.

Mr. SEWARD asked the Minister for Railways: 1, How many new CXa (sheep) trucks have been constructed during the last