

Mr. BROWN: But the man in fairly affluent circumstances does not use the public hospitals.

Mr. Lambert: You do not suggest that the inmates of the Old Men's Home should pay for the upkeep of hospitals.

Mr. BROWN: No, but the man who has acquired property through thrift and self-denial has to pay for the maintenance of the inmates of the Old Men's Home. If a man is trying to make a home for himself, he is perhaps considered mean when he denies himself many little luxuries, but he is doing the right thing by trying to build up a competency for old age. Any new taxation introduced falls upon the thrifty. Any measure that the Government introduce for the welfare of the people of the State generally I shall do my best to support, and I hope that Western Australia will continue to prosper.

On motion by Mr. A. Wansbrough, debate adjourned.

*House adjourned at 9.55 p.m.*

## Legislative Council,

*Wednesday, 12th August, 1925.*

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

### QUESTION—MINING ROYAL COMMISSION.

Hon. E. H. HARRIS asked the Colonial Secretary: 1, What fee was paid Mr. Kingsley Thomas for his services as Royal Commissioner on Mining? 2, What was the total cost of the Commission?

The COLONIAL SECRETARY replied: 1, Fee £2,100; travelling and other expenses £419. 2, Total cost £3,342.

### LEAVE OF ABSENCE.

On motion by Hon. J. W. Kirwan leave of absence granted to Hon. J. Cornell (South) for 12 consecutive sittings of the House on the ground of urgent private business.

On motion by Hon. V. Hamersley leave of absence granted to Hon. G. W. Miles (North) for six consecutive sittings of the House on the ground of urgent private business.

### BILL—MINISTERS' TITLES.

On motion by Colonial Secretary, Bill introduced and read a first time.

### MOTION—MINING INDUSTRY, GOLD BONUS.

#### *Standing Orders Suspension.*

HON. J. W. KIRWAN (South) [4.35]: In connection with the motion appearing in my name on the Notice Paper, it is provided in the Standing Orders that only formal business can be taken before the adoption of the motion for the Address-in-reply. I propose that the House should suspend the Standing Orders, under Standing Order 422, in order that the motion may be dealt with to-day, for reasons I should like to explain. I move—

That so much of the Standing Orders be suspended in accordance with Standing Order 422 as to enable the House to deal with the motion on the Notice Paper referring to the gold bonus.

It is rather an important matter to ask the House to suspend the Standing Orders without notice, and, as Standing Order 422 should only be availed of when there are serious circumstances which warrant it, I should like to explain briefly my reasons for the urgency in asking that the matter be considered straight away. The question affects a large number of members, and a large section of the community, and is all-important to this State. I refer to the gold bonus. Last May the question of the payment by the Commonwealth of a gold bonus was submitted to a body that had then been recently constituted, namely, the

Board of Trade. The Prime Minister stated that the Board was formed in order to advise the Commonwealth Government regarding the many industrial and commercial questions arising from time to time, which had other aspects than those concerned with Government power, and to which it was difficult for the Federal Cabinet to give that detailed consideration that their importance deserved. On that Board three representatives from each of the States were appointed. Amongst the questions the Prime Minister referred to it for report was that of the advisableness of paying a gold bonus. The Board of Trade, as I understand, then asked the three members representing Western Australia to report to it on the advisableness or otherwise of granting a gold bonus. The Western Australian members of the Board consist of Mr. W. M. Gray, Mr. H. A. Stephenson and Mr. C. W. Harper. I understand that these three gentlemen have formulated their report. Although there has been no public or private announcement of the fact, we know these gentlemen and we know the strength of the case for a gold bonus. I, and a great many others, have the utmost confidence in the belief that these gentlemen are almost certain to have reported favourably upon the question. The whole matter will be considered on the 25th of this month by the Board of Trade. It is desirable that, before then, both Houses of Parliament should have an opportunity of expressing their views concerning the gold bonus, and if, as I hope will be the case, both Houses declare that compensation for the disabilities that the gold mining industry has suffered by reason of Federal action should take the form of a gold bonus, it will be a very important factor in deciding the Board of Trade to support the proposal to the Prime Minister, and later on to induce the Commonwealth Government and the Commonwealth Parliament to take the necessary action.

Question put and passed.

**HON. J. W. KIRWAN** (South) [4.40]:  
I now move—

That as compensation for the disabilities suffered by gold mining through Federal action, this Chamber is of opinion that the Commonwealth should assist the industry by the payment of a gold bonus.

I have heard this proposal objected to in Western Australia, but only on one ground. Those who have offered any objection to the payment of a gold bonus have been people who have been wedded to the policy of freetrade. They say it is a departure from their policy of freetrade to advocate the payment of a gold bonus. What I have said to those people who have qualms about supporting a proposal of this kind on this ground, is that I am one of those who have always been a supporter of a revenue tariff or freetrade, which, from my point of view, are identical. I believe it would be in the best interests of Australia that a tariff should be framed upon revenue lines, having no protective incidence. That question was fought out for many years, and the Federal Parliament was divided into two factions, the protectionists and the freetraders. After two elections it was clearly demonstrated that the majority of the people of Australia, rightly or wrongly, favoured a protective policy. Sir George Reid, the then leader of the freetrade party, in a speech stated that they had to accept the position as it was. He regretted very much that the majority of the people of Australia were wedded to a protective policy, but those who favoured a policy of revenue tariff or freetrade had no alternative but to accept the position. It is from that point of view I present this motion for the consideration of members. I say that if the policy of Australia were one of freetrade, I would not present such a motion and if it were presented I would not favour it; but when I see that practically every industry of Australia has been assisted by a protective policy, either in the form of protective duties or bonuses, and when the industry with which the constituents I represent are mostly concerned has not been assisted in any way by protection, but has been injured in many ways by the protective policy, I say it is desirable that the Commonwealth should apply to us the same system of protection that they extend so lavishly to other industries. We see in Queensland an industry built up by artificial means and sustained artificially at the expense of all the industries of Australia. We see them paying on their exports of meat a farthing per lb. in order that the meat may compete on the London market with the product of South America. There are numerous similar instances that can be quoted where bonuses are granted. Nearly every industry that can be assisted in that

direction is granted a bonus. When we find that the gold mining industry has suffered so severely because of the Federal tariff and other Federal actions to which I shall refer, we are justified in asking the Commonwealth why the same assistance should not be rendered to the mining industry. The effects of the tariff on production in the gold mining industry are threefold. The customs duties have raised the cost of mining machinery and requisites and have imposed handicaps on mines not yet equipped; they have increased the cost of living and so necessitated rightly so, the payment of higher wages to those employed in the mines and in subsidiary industries. It has also added considerably to the price of materials required for mining operations. What has happened during the last 10 or 12 years? The cost of producing an ounce of gold has gone up very considerably and the gold mining industry is the only one in which, while the cost of production has gone up enormously, the price to be obtained for the product of the industry has gone down. It is true that gold has a fixed price, but the monetary value to be obtained for an ounce of gold to-day gives less in material worth than ever before. That is a most extraordinary position and there is no other industry to which it applies. The Western Australian Advisory Committee that went into the question of Western Australia's relations with the Commonwealth pointed out clearly in their report that is now before hon. members that the system by which the gold producers were deprived for years of a free market and received no premium meant a loss to the industry here of not less than three million pounds. That was the loss estimated by the advisory committee because the gold premium system had not been introduced at the outbreak of the war and therefore the producers had not received that benefit in the earlier stages. The advantage went, not to the gold producers but to those who had the gold and benefited by the exchange rates. The committee based their estimate on what was paid during the period when the gold premium operated. The premium paid was entirely dependent upon the rate of exchange between America and London, and calculating what the rate of exchange was during the period the premium was not paid, the committee was able to estimate the loss to the mining industry and the gold producers at the figure I have mentioned. When we ask the Commonwealth Govern-

ment to apply to the mining industry the policy of protection, we merely ask them to give some quid pro quo for what was actually lost during the years when the gold premium was not operating, and also to provide some recompense for those affected by the high tariff. It is rather interesting to inquire exactly how this works out. To-day there are engaged in the gold mining industry of this State 5,347 men. It is calculated that each gold miner supports six people—so many traders, so many in his own family, and so on. If we multiply the number of the men in the industry by six, we find that there is a population supported by the gold mining industry in Western Australia to-day of 32,082 souls. Consider how much that population contributes to the revenue of the Commonwealth. It is estimated that the revenue per head paid to the Commonwealth amounts to £8 6s. in the form of direct and indirect taxation. That would mean that the community supported by the gold mining industry of Western Australia contributes to the Commonwealth Government something like £275,905 in taxation. I quote figures concerning Western Australia but it is quite true that what I propose would apply equally to the whole gold mining industry of the Commonwealth. Western Australia, however, yields more than 70 per cent. of the total gold production of Australia, and I am dealing with the question rather from the standpoint of this State because Western Australia will receive the major portion of the benefit from the proposal I advance. If the Commonwealth Government were to pay a bonus of £1 per ounce, it would come to about £500,000 a year. In other words, it would simply mean £225,000 in excess of what the gold-mining industry is paying to-day in the form of taxation. The Commonwealth Government do not tax the profits from the gold mines. It is an endeavour to apply the principle that they recognise to be right, namely, that in return for the disabilities that the gold-mining industry has suffered it ought not to pay taxation. If we calculate exactly the amount of taxation from the gold-mining industry, and it is returned to the industry in the form of a bonus, then it will really amount to the completion of the principle the Federal Government have recognised. If the bonus be not paid the position of the industry may be a serious one, not only for the State but for the Commonwealth as well.

To serve the goldfields of Western Australia 1,160 miles of railways have been built, 2,000 miles of roads have been made, 350 miles of piping have been laid to deliver five million gallons of water per day; innumerable reservoirs for holding water have been constructed; 1,700 miles of telegraph and 3,000 miles of telephone lines have been erected. Many towns have been built, but taking Boulder and Kalgoorlie only, the municipal values based on a five years' purchase represent over one million pounds. To this must be added the value of the mining plants, which are set out in the annual report of the Mines Department for 1923 at £1,950,000. It is easy to prove that these items provide a total of over £8,000,000. It would be a serious matter for Western Australia, and Australia generally, if these great services were to be scrapped, and because of that anything that can be done to keep the industry going should undoubtedly be done. I have pointed out that the payment of £1 per ounce on all gold produced would come to, roughly, about £500,000, but it may be pointed out that if the gold bonus is paid, the gold won from the mines will be considerably increased. If the payment of the gold bonus does not have the effect of increasing the production of gold, the proposal will not be as successful as we hope. If the bonus is paid it will provide the mines with the opportunity to treat a much larger percentage of low-grade ore than is possible now. It will greatly prolong the life of the mines. I quote as my authority the statements made by the Chamber of Mines, the members of which can speak with authority on the question. They say that the payment of a gold bonus will appreciably increase the life of the mines and extend the area from which auriferous ore can be properly treated. They also say—

It would enable the mines to treat a very much larger percentage of low-grade ore than now, which would greatly prolong the life of the present producing mines. It would enable mines having 6 to 8 dwt. ore to work at a profit, and would greatly stimulate the search for new mines. With the increase in the tonnage treated it is safe to predict that the population of the goldfields of this State would be increased 50 per cent. in a comparatively short space of time. If 50 per cent. more ore were treated the average grade would drop to 10 dwt.

To-day the average ore treated is about 12 dwts. If the bonus be paid, the grade of ore will be even much lower

than 10 dwts., besides considerably increasing the activities of the gold-mining industry generally. An increase of 50 per cent. in the tonnage treated would mean an increase of 50 per cent. in the population of the goldfields. As the population of the goldfields would increase, so would the taxation capacity of the goldfields be increased accordingly. There would be more people to contribute to the Commonwealth revenue and so the Commonwealth would be in a better position because of the gold bonus than it occupies to-day. I quote further from the report of the Chamber of Mines—

Again, if the tonnage were doubled, as it very probably would be by adding one ton of 6 dwt. ore to one ton of the present 12 dwt. ore, the total would be 1,563,538 tons of average grade of 9 dwt. At this grade the gold produced would be 703,592 oz. and the bonus £703,592. A doubled population would be 64,082. That population at £8.6 per head would pay to the Commonwealth £551,105 in taxation. The difference, as before, representing the net Commonwealth subsidy to the industry would be £152,487. . . . Of the total value of the gold produced, just about half is paid away directly to the mine workers. The gold-mining companies of Kalgoorlie and Boulder only, pay in wages to their employees the sum of £750,000 per annum.

There is only one other statement I would like to read before I sit down and it is this—

The belief that some people seem to entertain that the gold-mining industry here is languishing because the ore deposits have approached exhaustion, is quite erroneous.

Any person in any way connected with gold mining knows that that is the case, knows that it is not due to the exhaustion of the auriferous deposits, but that it is due to the higher cost of working, and that as the cost of working increases so the grade of the ore to be treated must be increased. The difficulty always arises with regard to getting sufficient quantities of high-grade ore. The extract continues—

On the Kalgoorlie and Boulder mines ore bodies of a standard value of 6dwt. to 8 dwt. per ton are known to exist at a depth of 4,000 feet, and there are very large quantities of ore at higher levels which the bonus would make available for treatment, and on other deserted fields there are large quantities of a similar grade ore. It is quite true that a mine is a wasting asset, and those now working, or which, with a little encouragement, could be worked, have many years of life ahead of them, and he would be rash indeed who ventured to say that all the mines have already been found in the hundreds of thousands of square miles of auriferous country in this

State. Yet the vast industry which this area might support is so hampered by the high cost of production that without some relief such as that of a bonus, its extinction would seem to be within measurable distance.

In framing the motion I have submitted to the House I did so on general lines. It is only the general principle that is referred to. Some think that the bonus should be paid in one way and others that it should be paid in another way. Some people are doubtful about the amount of the bonus, or the period of years in which it should be paid, but we who are interested in the question may well confine ourselves to the general principle as to whether or not relief should be given to the industry by the Commonwealth. It is good to always catch your hare before you arrange to cook it. Let us have the bonus principle affirmed before we start to argue about details.

Hon. A. J. H. SAW: Why confine the bonus to the gold industry?

Hon. J. W. KIRWAN: It is not; if the hon. member cares to turn up Knibbs' statistics he will find at least 30 industries in the Commonwealth that have been assisted by bonuses. I presume that the hon. member is a believer in freetrade, and as such he is possibly opposed to anything that continues to affirm a protective policy. When assistance is given to all sorts of industries by means of customs duties and by means of direct bonuses, why should not similar assistance be given to the one industry that has suffered most by reason of the policy of protection and by reason of the commandeering that took place. It is the general principle of a gold bonus that I wish to affirm, and I trust members will pass without a dissentient voice, the motion that I have submitted.

HON. J. R. BROWN (North-East) [5.6]: I second the motion. A gold bonus will mean a great deal to the gold mining industry in this State which for some time past has been in a decadent state. If it had not been for the goldfields we would have had a very small Perth to-day, and in order to bring about a revival I can see nothing but assistance in the shape of a bonus for the industry. Gold mining has gone down to such an extent in Western Australia that if the Commonwealth Government do not come to the rescue, we shall find many thousands of pounds worth of machinery and material lying idle at a not very distant date. The gold bonus' I am convinced, will bring capi-

tal to the country, and that is what at the present time we need badly. I support the motion.

HON. J. E. DODD (South) [5.8]: I desire to support the motion in a very few words. I do so because I believe we should have some equity in our national policy. I am not a protectionist, but the policy of to-day is protection, and I think that all industries are entitled to a share in the benefits that follow from the adoption of that policy if there be any. The high tariff is giving great benefit to a large number of secondary industries, and at the same time we find huge surpluses are being accumulated by the Commonwealth Government because of that high tariff. In addition, bonuses are being paid to a number of primary industries. The sugar industry is protected in many different ways and assisted in many ways. Excuse is made that we have to help it so as to enable it to find work for our own people. Almost all customs imposts are detrimental to the mining industry and that industry reaps no advantage whatever. I cannot see why the mining industry and those engaged in it should be made the industrial scapegoats of the Commonwealth. Certainly this industry has been hit in every possible way by Commonwealth legislation. If we can possibly vitalise mining it will mean a great deal, not only to Western Australia, but to the Commonwealth as well. As Mr. Kirwan has pointed out, the cost of producing gold has gone up enormously. When the cost of producing any other article goes up there is generally some means of counteracting that increase, but with gold there is none. Gold must be sold at a fixed price in spite of the fact that the cost of producing it has advanced considerably. I hope the House will pass the motion and that it will do the good desired, if not for all time, then at any rate for some time to come.

HON. E. H. HARRIS (North-East) [5.13]: This is an opportune time for the Legislative Council and Parliament to express an opinion on the question of the gold bonus which has been exercising the minds of those engaged in the industry for some time. The decline in the industry has not been prominently brought under notice until comparatively recently. A once flourishing industry is now dwindling away very rapidly and in order that we may not lose sight of the outstanding features of the industry I

had intended quoting a few figures. Mr. Kirwan, however, has alluded to some of them, but I must mention that no less a sum than £152,195,803 worth of gold has been won in Western Australia. I have taken these figures from the latest returns of the Department of Mines. They speak volumes for the effect the gold mining industry has had on the State. No more powerful agent exists in connection with migration and population than gold mining. It distributes money quickly, and finds an immediate market for the stock growers, fruit growers, and so forth in other parts of the State. No other industry gives so rapid a return as gold mining. The Commonwealth Government in their wisdom have seen fit to grant bonuses and bounties to many other industries—industries which, perhaps, were in difficulties, but certainly not in a more difficult position than the gold mining industry. Therefore I have pleasure in supporting Mr. Kirwan's motion, which I hope will be carried unanimously.

**HON. J. EWING** (South-West) [5.17]:

All members who have so far spoken to the motion are goldfields members, and I feel that an expression of opinion from those who dwell on the coast and in the country districts will be welcomed by the mover. Certainly we are all indebted to Mr. Kirwan for placing before us so clearly the case which has been ably supported by other members who have spoken. Gold mining has undoubtedly been a greater factor than anything else in the development of Western Australia. When I came here 27 years ago and travelled through the goldfields, they were simply booming. I was absolutely surprised to see the great wealth of gold in them then; occasionally one could see more gold than stone. The position to-day is reversed. We now have a large area of low-grade ores, representing a problem which has been inquired into by a South African expert. The expert recommended that certain things should be done; whether he is right or wrong, I am not prepared to say. Outside the gold bonus, there are only three alternatives; amalgamation of properties and consequent saving of expenditure, reduction of railway freights, and reduction of wages. I fully agree with the South African expert that the wages on our goldfields do not admit of reduction. All over Australia to-day the Commonwealth Government are granting bonuses, and therefore why should

not a bonus be granted to our gold industry? The amount mentioned by Mr. Kirwan, £500,000, may strike some members as very considerable; but it would be a relatively paltry expenditure if it resulted in the advantages outlined by Mr. Kirwan. The towns and equipment on our goldfields, Mr. Kirwan has informed us, represent a capitalisation of something like eight millions sterling. In my opinion there is no doubt whatever that unless some means of working low-grade ores can be devised, the position will become disastrous for Western Australia. For years the metropolitan and country districts lived on the goldfields, though since then our agricultural lands have been largely developed. The effect of the goldfields was to accentuate settlement on the land. We want to raise Western Australia to the position of the foremost State of the Commonwealth, and if, as the result of a gold bonus, it is rendered possible to produce gold from our low-grade ores, down to 7 or 8 dwts., the result will be a revelation to the world. Mr. Kingsley Thomas stated that these were the greatest gold mines the world has ever seen, and it is melancholy to think that in them we have wealth which cannot be made available because it will not pay the cost of production. We should find out the reason. Meantime, there is no reason why a bonus should not be granted to gold as well as to any other industry. I have the greatest pleasure in supporting Mr. Kirwan's motion.

**HON. C. F. BAXTER** (East) [5.21]:

I too have pleasure in supporting Mr. Kirwan's motion. It will mean a great deal to the Commonwealth as well as to Western Australia if by the granting of a gold bonus a large number of our low-grade mines are brought into operation. That would be a wonderful revenue-producing gift, as one might say. Really, it would not be a case of giving, but a case of restitution, having regard to the high tariff. In the absence of the high tariff we could possibly revive our goldfields by means of a reduction in railway freights. As one who has spent some years on the fields, I appreciate the importance of a gold bonus which might be the means of resurrecting numerous old mines that have been idle for years. The revival of those mines would mean an immense deal to the State in the way of requirements of labour and foodstuffs. I believe that every

member realises what it would mean if we could turn our idle mines into prosperous ones.

**Hon. A. J. H. SAW** (Metropolitan-Suburban) [5.22]: I am sorry to strike a discordant note in what has been up to the present a universal chorus of approval and paeans of praise showered on Mr. Kirwan's motion. In the first place, I object to the motion, because it is one which intervenes in what I consider to be a Federal matter. I should like to know how members of this House would regard it if the Federal Senate passed some resolution directing the Government of Western Australia with reference to, say, a Legal Practitioners' Bill. It is wise for each legislature to confine itself strictly to its own business, and the question of a gold bonus, or of urging a gold bonus on the Federal authorities, is not, to my mind, one of the functions of this Chamber. You, Mr. President, who are fond of a classical allusion, will no doubt remember that the elder Piny some 2,000 years ago declared, "Ne sutor ultra crepidam," or in other words, "Let the cobbler stick to his last." I think it would be a good thing if this Chamber applied itself only to its legitimate business, of which I am sure we shall have plenty before us. Apart from that somewhat theoretical objection, I have another one. I entertain a strong objection to the whole principle of bonuses, except for the encouragement of young and struggling industries. All political economists, I believe, regard the system of bonuses as generally unsound; and I do not think the gold bonus is an exception to the rule. There is a great deal to be said in favour of bonuses which assist a young and struggling industry to get on its feet.

**Hon. J. Ewing**: A bonus might revive this industry.

**Hon. E. H. Harris**: We have been knocked off our feet and want to get up again.

**Hon. A. J. H. SAW**: Young and struggling industries are important to the future of Australia, because they hold out some promise that, once assisted to arrive at a flourishing condition, they will eventually yield incalculable benefit to the entire Commonwealth. I might compare such industries with children, for whom we care in the matter of education, health, and general welfare. Our reason for doing these things is that the young people may grow into manhood, strength, and health, and become an incalculable asset to the State. Unfortunately,

young industries that have been assisted to arrive at maturity are usually very loth to quit their swaddling clothes. They still desire nutriment from the maternal breast. That is one of the objections to a bonus, even a bonus to assist a young industry. We know that many countries have assisted young industries in this way, Germany, I suppose, being the most notable example. Before the war Germany assisted ship-building and her mercantile marine until they became flourishing industries, and very severe competitors to the corresponding industries of Great Britain. But to my mind the question of assisting a declining industry rests on an entirely different basis. My point is, if we are going to assist the gold mining industry in this way, where are we going to stop?

**Hon. H. Seddon**: The industry is being strangled.

**Hon. A. J. H. SAW**: Is there a single industry that cannot put up just as legitimate a claim for assistance?

**Hon. H. Seddon**: Yes.

**Hon. A. J. H. SAW**: Why cannot other industries put up equally good claims?

**Hon. H. Seddon**: Because the price of gold is fixed.

**Hon. A. J. H. SAW**: I maintain that the fruit growing industry has suffered even more than gold mining. Where are we going to stop? If we once put a bonus on gold mining, there is no reason whatever why every other industry throughout Australia should not claim assistance, until finally industries, instead of creating the life-blood of the people, will represent a vampire living on the blood of the more prosperous industries. Another objection I have is that once a vested interest has been created, it is almost impossible to get rid of it. We know perfectly well that once anything has been given in this way, to put a stop to it is extremely difficult. Australia at the present moment is carrying two enormous burdens, real mountains I consider them, in the shape of assistance to sugar production in Queensland and of the baby bonus. No political party has the courage to abolish either form of assistance. The gold mining bonus seems to me to suffer from yet another defect. Mr. Kirwan's proposal, as I understand it, is that a bonus should be paid on each ounce of gold produced. Undoubtedly these people have in their minds that so much should be given by way of bonus for every ounce of gold won. To

my mind that is a pernicious system, because many of our mines are paying handsomely. The Fenian mine, for instance, has yielded enormous wealth at very little expenditure and energy. Under such a proposal as this people who are already in a very fortunate position, who have gained wealth beyond the dreams of avarice, are to be made still richer at the expense of the general taxpayer. That is one of the strong objections I have against the proposal. It will not only assist low grade mines to get on their feet and remain in production, but it will also make handsome presents to people who are already doing quite handsomely enough. The golden shower is to fall on all, alike on the deserving and on those who do not require it. The gold mining industry has, I believe, been fostered by every Government that has ever been in power here. Considerable assistance has been given in the way of assistance to prospecting—subsidies to prospectors, and sending out prospecting parties. Assistance has also been given in the way of the erection of State batteries, to enable mines not in a position to put up batteries of their own, to have their crushings at reasonable cost.

Hon. J. W. Kirwan: But the industry has done well by the country.

Hon. A. J. H. SAW: Undoubtedly, to a certain extent. Recently exemption from income tax has been given to gold mining companies until the capital that has been expended shall have been returned. No other industry is put on such a favourable basis as that. There are plenty of other industries that never return any dividend at all. Yet there has not been any question of exempting them from income tax until the whole of their capital is repaid. One disadvantage in the mining industry is that mining is a wasting asset. It is usually held that an ounce of gold, taken in the aggregate, costs more to win from the ground than it is worth. Then there is the result after we have got out these ounces of gold. In respect of the land, the effect is that there is a useless hole in the ground; in respect of the product, the great portion of it, after being dug up from the bowels of the earth, is again hidden away from sight in a bank vault many feet below the surface and, so far as I can see, is fulfilling no useful function whatever. As Mr. Hickey remarks, another use to which it is put is that of stopping teeth—a perfectly good function. But it is also put to baser uses

in the shape of vulgar ornament. So I do not know that in its product the gold industry has much to recommend it. But I do know of disadvantages. There is the disease known as miners' phthisis, which has ruined the constitutions of thousands, and compelled them to become a burden on the State. Up to the present the gold mining industry has not been fulfilling its proper duty in caring for those people, but I hope that that will soon be changed. To my mind the great advantage the gold mining industry has been to Western Australia is that in the early nineties it attracted a very considerable population to this State. And I must say the people who came here in those days were almost the finest and most virile specimens of humanity I have ever seen; in fact I may say that the whole of the people of the goldfields have been an exceedingly virile lot, and I am grievously disappointed to see so many of them ruined by miners' phthisis. Another disadvantage of the industry in Western Australia is the fact that so many mining men, once they have accumulated wealth, have deserted these shores to live elsewhere. I do not suppose many in the House can write the names of half a dozen mining magnates who have become possessed of great wealth and still have remained in this State—perhaps not one comes into that category.

Hon. J. W. Kirwan: Quite wrong.

Hon. A. J. H. SAW: Except a few successful mining managers. I doubt whether very many others are left to give this State the benefit of their riches.

Hon. J. W. Kirwan: Quite wrong.

Hon. A. J. H. SAW: Well, that is my experience, and I shall be glad if Mr. Kirwan will compare those men who have derived great wealth from mining in this State and gone elsewhere with those few who possibly have remained here. So, mining from that point of view has not been very beneficial to the State. It is claimed that the bonus is to be a special consideration for the mines because during the war mining investors suffered certain disabilities. But the mining investor is not alone in that respect. Many industries suffered very much more than did the mining industry. The mining industry, if not able from lack of labour to get out the gold, at all events had the advantage of knowing that the gold still remained in the earth to be mined on a future occasion;



whereas many other industries, such as farms and orchards, suffered harm because they could not be cultivated owing to lack of labour, and further because their products could not be sold, and so many of them had to go to ruin. Yet I have not heard any suggestion that those people should be recompensed on account of disabilities suffered during the war. Then, take the sufferings of the majority of those who went to the war. The diggers gave up their avocations and submitted to great pecuniary damage in addition to suffering physical hardships and incurring a good deal of personal risk; yet I have not heard any proposal, other than in the gratitude of their country when they returned, that those people should be recompensed on account of what they suffered pecuniarily during the war. For those reasons I have to strike a discordant note and regretfully intimate that I cannot support the motion.

**HON. H. SEDDON** (North-East) [5.36]:

I wish to add a few words to what has been said, and also to answer some of the objections raised by Dr. Saw. He started out by questioning the whole policy of granting bonuses, and he took particular exception to the granting of bonuses to the mining industry. Unfortunately for his attitude, we are already committed in the Federal arena to a policy that extends protection, either by the tariff or by bonuses, to most of the industries of Australia. One may say the whole of the secondary industries of Australia exist by reason of the tariff. One might also say that many of those industries which exist by exportation are able to continue because of assistance given to them by the Federal Government. Consequently to take exception to assisting the mining industry, at once a primary and an exporting industry, is to take exception to one particular instance, while swallowing the principle of assistance to other industries of lesser importance.

Hon. A. J. H. Saw: I have not had an opportunity of expressing an opinion on them.

Hon. H. SEDDON: The opportunity was in the criticism of this question of granting a bonus to the gold mining industry. Most of us realise that protection rapidly leads a country into a position at once artificial and unsound. At the same time, unless we are prepared to retrace

our steps and recast the whole question of assistance to industries, it is unfair to discriminate against one industry, while still assisting others. That question was brought up by the Prime Minister when replying to a deputation at Kalgoorlie, who requested a bonus for the mining industry. In the course of his reply, Mr. Bruce asked them to consider and answer whether the gold bonus could be justified on the policy of granting to exporting industries assistance commensurate with that granted through the tariff to industries seeking a market inside Australia. Further, he asked was it in the interests of the people of Australia as a whole that assistance should be granted to carry on an industry treating low grade ore. We have to recognise that mining suffers from the handicaps placed on it by the Federal policy. In the first place it suffers from the direct effect of the tariff itself. In that connection I should like to point to certain facts taken from the Commonwealth Year Book, the effect of tariffs and bounties on gold mining costs. Bounties and tariffs have the effect of increasing prices. A basis for the estimation of the extent to which this effect operates is indicated on page 262 of the Commonwealth Year Book, 1924, as follows:

Table 4.—Effect of the various tariffs on imports.

Equivalent Ad valorem Duties charged.	Under the tariff of—		
	1908/11	1914	1921
On all merchandise imported into the Commonwealth	% 17	% 21.9	% 22.63

The Western Australian Year Book gives the following particulars for the year ending 1923.

Table 5.—Western Australian Trade and Production.

Production	Exports.	Imports—		Imports—Total.
		Australian	Overseas	
£ 24,639,000	£ 11,105,000	£ 6,466,000	£ 7,213,000	£ 13,772,000

From this information we deduce the Western Australian consumption, and the proportions contributed from the various sources of supply. Assuming that the carry over from one year equals the carry over from another, and there is no reason to believe anything to the contrary, we find that Western Australia consumed:—

Table 6.—Western Australian Consumption, 1923.

From Production.	Eastern States.	Australian Total.	From Overseas.	Total Consumption.
£ 13,584,000 45 %	£ 6,466,000 23.6 %	£ 20,050,000 68.6 %	£ 7,213,000 31.4 %	£ 27,362,000 100 %

It will be seen that the consumption from production equals production less export.

Reference to Table 4 shows that the effect of the tariff for the year 1923, was an increase of 22.63 % on all merchandise. As previously stated, the tariff and bounties increase the price of the local article to nearly the cost of the imported. In addition to this, to the imports from the Eastern States must be added freight charges. There is also the cumulative effect of the tariff on the supplementary services such as railways, commercial agencies, etc.

Hence we are justified in taking the figure of 22.63 % as applying to all articles consumed by the goldfields community.

Therefore the tariff increase on the prices of commodities is the 22.63 % by which £27,263,000 has been loaded.

$\frac{£27,262,000}{£22,310,201} = 122.63\%$  of £22,310,201.

22.63 % of £22,310,201 = £5,051,799.

This represents the increase caused by tariff on the commodities consumed in Western Australia. The population of the goldfields in 1923 was 30,677, or 8.8 per cent. of the total population of the State. If, therefore, we take 8.8 per cent. of £5,051,799 we get £444,558. The addition of this amount to working costs has had a very adverse effect on the mining industry. Taking again the year 1923, the total tonnage treated was 781,769 tons. Therefore the tariff effect on that tonnage works out at 11s. 3d. per ton. That is one result that the tariff has had on the mining industry, namely, the loading imposed by it. But the effect of the tariff is not limited to that direct effect. It is also reflected in the increased prices of services and goods used in the mining industry. There has been a great increase in nominal wages since the year 1911. The increase in nominal wages in Australia between 1911 and 1923 was 80 per cent. That has affected prices. In the evidence which Mr. Hamilton, President of the Chamber of Mines, gave before the Board of Trade on the 13th July, he made the following statement:—

On the Western Australian mines from 1913 to 1923 wages rose 38 per cent., materials 45 per cent., and machinery 100 per cent., while for the same period there was a rise in wages in South Africa of 13 per cent., and the rise in the price of materials was proportionately lower.

Mr. Hamilton was drawing a series of comparisons between Western Australian and South African conditions. Those are two factors entirely due to the effect of Commonwealth policy. Therefore they are factors that the Commonwealth is justly entitled to recompense us for, and the request for assistance for the mining industry in the form of a bonus or bounty is justified on the ground that the industry has been penalised by Commonwealth policy. Dr. Saw made reference to the position of the industry during the war. I should like to quote from a table compiled in connection with the gold mining industry. That shows the tonnage produced

per man underground during the years 1913 to 1924. In 1913 the total tonnage produced per man underground was 393 and the working cost per ton was only 19s. 6d. In 1924 the tonnage per man produced was 291, while the working cost in that year was 34s. 3d. for mines that had the roasting process and 26s. 6d. for mines treating free milling ore. Those figures of working costs do not include the values of residues which pass out after the ore has been treated. Consequently, they represent the bare working costs of the mines in those particular years. I should like to draw attention to the way in which the tonnage increased during the years of the war. In 1914 the tonnage produced per man underground was 410; in 1915 431; in 1916, 411; 1917, 411; and 1918, 402. In 1919, the year after the war, the total tonnage produced per man underground was 327. There is a substantial reason for that tremendous drop. During the war the mining companies were asked to exert every effort to produce every ounce of gold that could possibly be produced. Gold was one of the most important factors in winning the war, and the mining companies throughout the length and breadth of the Empire were requested to do their utmost to get every ounce of gold they could. The mining companies responded to that request, and they responded under conditions that were very adverse, because a large number of the men who had been engaged in the industry, the most virile men, had volunteered and were doing their duty at the Front. The men who were left behind were doing their work in getting out the gold ore. That is the reason why the tonnage per man increased. The men in the mines were engaged in getting out the ore, and development work was neglected. What was the position in Kalgoorlie after the war? I am quoting Kalgoorlie because that is the principal mining centre. The mining companies found that they had gutted out their ore reserves. They had then to undertake a most vigorous policy of development, and they had to do so under conditions that made mining costs higher than ever before. What was the result? They found that their capital was not anything like adequate to do the necessary development work, so that the mines were penalised in two ways as a result of their activity and the assistance they rendered to the Empire during the war. This is one of the most important grounds upon which we can demand that the Common-

wealth Government should do something to restore the position and enable the mining companies to continue operating. The Royal Commissioner, Mr. Kingsley Thomas, has made a report to the Government. Whatever we may have to say for or against that report, one important thing has been accomplished by the inquiry. We have got authentic figures regarding working costs, ore reserves, and values existing in the mines. We have also received from him a most optimistic forecast regarding the future of gold mining in Western Australia.

Hon. A. J. H. Saw: Is that based on the bonus?

Hon. H. SEDDON: No; he ignored two factors in making his report. Those factors were the effect of the increase in prices and the effect of the tariff. Yet in his report he pointed out that the working cost was 25 per cent. higher than prior to the war. The bonus asked for is equal practically to an increase of 25 per cent. on the pre-war figures. That is to say, if the bonus is granted, it will enable the mining companies to work at the same figure as prior to the war. Dr. Saw compared the mining industry with a decrepit old man. The mining industry, however, is in the position of a man who, in the full vigour of youth, has been starved and ill-treated by adverse conditions. Nourish him and restore him to life, and enable him to compete fairly with other workmen and he will stand his ground. If we ask him, while undernourished and suffering from disabilities, to do the full amount of work, we are imposing upon him an unfair burden.

Hon. A. J. H. Saw: He wants to be fed on gold paps.

Hon. H. SEDDON: I have shown how the gold industry is being strangled by Federal conditions and we are asking the Federal Government to place it on a fair basis. Knowing the mining industry as I do, I think it will attain its former or even greater proportions if it is given a fair deal.

Hon. J. J. Holmes: Will mines both weak and strong get the bonus?

Hon. H. SEDDON: That question has been inquired into very thoroughly by persons investigating the claim for assistance for the industry. The proposal for a bonus is not the only one advanced to assist the mining industry. That question, however, is a detail. What we desire is to get the Federal Government to recognise that the industry is in need of assistance. I person-

ally put forward a proposal that the industry should be aided by a measure of graduated assistance on a tonnage basis. That is to say, the assistance should be graduated so that the low-grade mines would receive the greatest amount, while the high grade mines received next to nothing.

Hon. J. J. Holmes: That would be more equitable.

Hon. H. SEDDON: That scheme was placed before the Federal authorities and no doubt will be considered by them in deliberating as to the best way to assist the industry. Whichever proposal be adopted, I take it the Federal Government will see that the scheme operates fairly to assist low-grade mines. Both of these proposals would assist the mining of low-grade ores. We have in Western Australia an auriferous area that is the largest in the world. It extends from Ravensthorpe in the south to the Kimberleys in the north, a distance of 1,200 miles, and from Westonia in the west to Edjudina in the east, a distance of 250 miles, and area altogether of 300,000 square miles of gold-bearing country; and who can say that the whole of that enormous area has been anything like thoroughly prospected? Apart from that, there are mines that could be profitably worked to-morrow if we could bring working costs down to under £1 per ton. There is the Great Victoria mine working out from Southern Cross. That mine at present is showing a record for Western Australia in the handling of low-grade ore.

Hon. H. Stewart: And the Royal Commissioner recognised it.

Hon. H. SEDDON: Yes, and yet that mine at the present time is seriously handicapped. In it ore cannot profitably be opened up below the 200ft. level, although above that level there are thousands of tons of ore that could be profitably worked if the mine were given the assistance of the gold bonus. The Balgarrie mine is a low-grade proposition which could and will be opened up if this bonus were granted. The Vanguard mine at Sir Samuel has been worked for 20 years by a man and his three sons. It is a low-grade proposition. If assistance were forthcoming that mine would operate and would employ a large plant and a large number of men. Take Wiluna, of which we have heard so much. It has a tremendous ore body, and a million pounds' worth of gold has been taken out of Wiluna down to the 100ft.

level. There are still thousands of tons above that level which could be profitably treated if the gold bonus were granted. These are some examples of mines that could be opened up and which would produce wealth if we could only get the assistance of the Federal Government to compensate for the disabilities under which we are working. There is another indication of the way in which mining is suffering. If any mining man goes to London at present to raise capital for Western Australian mining he is immediately confronted with a statement such as this—

We find that the conditions governing gold mining in Australia are such that we cannot see how we can get a profitable return from a mine operating on low grade ore. In other words, we can get far better returns from capital invested in gold mining in other parts of the world.

That statement was made by Mr. Prothero Jones, chairman of directors of the Golden Horseshoe, while in Western Australia. On the other hand, the same gentleman said—

I would be only too pleased to recommend the investment of additional capital in Western Australian mining if the conditions were altered and were placed on a fairer basis.

That is a plain statement by a man who ranks high in mining circles in the Old Country. One fact must be recognised, namely, that gold mining in Western Australia depends almost entirely upon foreign capital. Here is an opportunity for us to get foreign capital into mining. We must make our conditions somewhat equivalent to those prevailing in other countries. A paragraph in the "West Australian" on Tuesday morning dealt with the same question.

Hon. A. J. H. Saw: Foreign capital would get the bonus.

Hon. H. SEDDON: No, it would not. The bonus would permit of the treatment of ore that at present cannot be treated, and would be some restitution to the industry for the disabilities under which it has been suffering. I have referred to the big ore bodies which would be brought into production by the bonus. Dr. Saw referred to one of the most important factors connected with gold mining and the discovery of gold, as being the influx of population that came to Western Australia as a result of the discovery of gold. I have taken from the Commonwealth Year Book some figures with regard to the population in Victoria prior to and after the discovery of gold, as well as figures relating to this State.

In 1850 the population of Victoria was 266,900; in 1855, after the discovery of gold, the population had grown to 613,000; and in 1860 to 914,000. By 1855 it had increased by 346,000, and by 1860 it had increased by 647,000 above the year 1850. In Western Australia in 1890 the population was 48,500; in 1895 it was 100,500, and in 1900 it was 179,900. The increase in 1895 over 1890 was 52,000, more than double, and in 1900 it was 131,000, nearly three times the 1890 figures. This is an immigration policy which costs the country nothing, and this is one of the results.

Hon. A. J. H. Saw: It will cost £1 an ounce.

Hon. H. SEDDON: I will deal with that presently. I am trying to point out that gold attracts the most virile and hardest working people it is possible to get, the best type of immigrant and the type we want most. It does not cost us anything in the way of expense in settlement.

Hon. J. R. Brown: And it means capital, too.

Hon. J. Ewing: You could have them both.

Hon. H. SEDDON: I am not objecting to either. Another question has regard to the effect of gold production upon Australian industries. I have referred to the proportion of consumption in Western Australia, and to the fact that 68 per cent. of the total consumption of Australia is of products made in Australia. The effect of an increase in the population of the goldfields, more particularly upon those industries which are producing commodities that are consumed on the goldfields, will be reflected in stimulating all the other industries of Australia. Under this heading it will be noticed that the State that will benefit most by the resuscitation of the gold mining industry is Western Australia, and that the State that will benefit most in respect of her industries is also Western Australia. Western Australia produced 60 per cent. of the total gold production of Australia, and the population of Western Australia produced 45 per cent. of the total consumption of Australian products in Western Australia. The benefit will be greater to this State than to any other, and that alone should commend the proposition to all members. Let us take an illustration. Suppose as the result of a gold bonus we restored our gold production to what it was prior to the war, and that it resulted in a production of £5,000,000 worth of gold instead of £2,000,000 as at present. Under the

£1 per ounce proposal on the basis of £5,000,000 this would bring out the bonus at £1,250,000. It seems a lot of money, but it comes out at about 5s. per head of the population. If we refer to the report of the Mines Department, page 11, we will find a table that gives the value of the gold production of Western Australia, and the amount that was paid by way of dividends between 1915 and 1924. The highest percentage of dividend paid to the total gold production was 20 per cent. If we use that figure as a basis of comparison and take also the £5,000,000 production we will find that £4,000,000 is distributed in the way of working expenses in the gold mining companies. Of the £4,000,000, £2,700,000 would be spent in Australia; again, of the £4,000,000, £1,800,000 would be spent in Western Australia. If we work out these figures on the population basis we will find that the people of Australia will benefit by gold production worth £5,000,000 to the extent of 10s. 3d. per head, but the people of Western Australia will benefit on the population basis to the extent of £5 per head. I do not think I can use a stronger argument in support of the proposal to extend this assistance to the gold mining industry than to point out how Australia would benefit, and how every industry would be stimulated by the deflection of population in the direction of gold production. This is a primary industry, and one the greater part of whose products is exported. The gold production of the world is not nearly equal to the consumption. If we ignore for the time being the accumulation of gold in America, we will find that the total gold production of the world is in the region of £80,000,000, whereas the requirements of gold for currency and other purposes is £120,000,000. There is thus a market which there is no danger of over-supplying, and we can continue to supply it until further orders. I should like to stress that point. Here is an industry we can extend indefinitely, and it will be extended if we can only set it upon a fair basis. I agree with Dr. Saw when he contends that the idea of assisting industries by bonuses and by a high tariff is economically unsound. I would refer members to an article that appeared in the "Daily News" last night to illustrate this point. Here is the position we are placed in. For the present we cannot alter the Federal policy. If we cannot alter it, why should we discriminate between one industry that is being strangled—and it is the principal industry that is now

being strangled as the result of the Federal policy—and others that are being so lavishly assisted by the Federal Government?

Hon. A. J. H. Saw: Why put another burden on the old man's back?

Hon. H. SEDDON: The burden will not be on the old man's back. It will help to restore the balance. We are in this position. Let us take the wheat producing industry.

Hon. H. Stewart: Or fruit.

Hon. H. SEDDON: The same argument applies to fruit. The wheat growing industry at present is able to operate in Australia because prices are pretty high. Let us assume that the production of wheat in other parts of the world increased so rapidly—and it is increasing very fast—that the demand was more or less completely satisfied. The result would be a serious diminution in the price of wheat. Australia, which has to export its wheat 12,000 miles to the world's market, would find that prices had come down below the cost of production. On these grounds we are justified in asking that those who are engaged in other primary industries should support us in our endeavour to secure a readjustment of the unfair conditions under which the gold mining industry is operating, in view of the fact that they themselves may some day be placed in a position similar to that which we now occupy.

Hon. A. J. H. Saw: They would be justified in asking for a reduction in the tariff.

Hon. H. SEDDON: What chance would Western Australia have of obtaining a reduction, when the whole of public opinion in the Eastern States is in the direction of increasing the tariff? Throughout the Press of the Eastern States we find demands for increases in this or that direction in order that the industries concerned may continue to function. While such strong public opinion exists there, and and there is such a strong proportion of the population to fight against, what chance have we in this State of altering the Federal policy? We have, however, the chance of getting the gold mining industry put upon a fairer basis by introducing a system of bonuses, so that the industry may be established on such a basis that it can operate fairly. Western Australia has an asset in its gold mining industry that is second to none. It is capable of infinite development, and it will respond to a fair and square set of conditions. Unless we improve the present conditions we shall find ourselves faced with a condition of affairs that will simply mean

the extinction of the industry. From Mr. Kingsley Thomas' report I have made the following extract. The statements that were made by the various mining companies to the Royal Commissioner included statements of the ore reserves which had up to the present been opened up. The total tonnage was said to be 2,987,000 tons, and the total value thereof £4,492,000. The total tonnage of reserves above payable working costs was £1,349,000, or 45 per cent. of the total tonnage. That is to say, the total payable tonnage at present opened up is only 45 per cent. of the total tonnage that is available, and the remaining tonnage could be brought into profitable treatment by the payment of a bonus of £1 an ounce. That is a very serious state of things. These figures refer to mines which are operating now. If you examine the returns for the past eight months you will see, Mr. President, that mine after mine has been working at small profit or at a loss. The very mine that Mr. Thomas quoted as the most up to date in Western Australia has been working for the last two or three months on a narrow margin of profit, a margin which cannot possibly pay a 1 per cent. dividend. It is regarded as the most efficient mine in the State, and yet the difference between working costs and profit every month is almost infinitesimal. This state of things shows the adverse conditions under which the industry is operating. I cannot put forward a stronger argument than this. Here is a mine which Mr. Thomas has recommended as being up to date, but which cannot pay on 30s. dirt, which is equal to 7½ dwts. to the ton. Mr. Thomas' remarks on the gold mining industry are to a large extent discounted by the operating conditions of this mine under up-to-date and efficient management. Our industry is competing unfairly with gold mining in other parts of the world. Until we place it on a fair basis, one that will remove from it the disabilities from which it suffers, we cannot expect it to prosper. We cannot remove these disabilities by having the Federal tariff abolished, but we can assist it by inducing the Federal Government to give the industry a bounty or a bonus.

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

**THE COLONIAL SECRETARY** (Hon. J. M. Drew—Central) [7.30]: I desire to explain briefly what the Government have done in connection with this matter. There

seems to be an impression in some quarters that the Government have done nothing or, at least, next to nothing. At an early stage we took action. Towards the end of the year we were notified by the Federal Government that they proposed to appoint a Royal Commission to investigate among other matters, the disabilities Western Australia had suffered under Federation. We then decided to appoint an advisory committee in order to frame the case for Western Australia. On the Committee was Mr. Norbert Keenan, K.C., who has been referred to by Mr. Kirwan as possessing brilliant intellectual attainments. We all agree with that statement. In addition, for a long period Mr. Keenan resided on the goldfields where he was the legal adviser to the Chamber of Mines. Owing to his residence on the fields and his intimate connection with the industry, he understood all its ramifications and one of the reasons that actuated the Government in appointing him was that he could give close attention to the mining industry in relation to this question. The Commission arrived in Western Australia and, with the help of Mr. Keenan, the Advisory Committee put up the case for the mining industry. They went into the question of the commandeering of gold by the Commonwealth Government during the war period, and later they took up the gold bonus question. The fields were visited and the members of the Chamber of Mines were interviewed. Elaborate evidence was taken and ultimately the case was closed. When the Commission left Western Australia, Cabinet met and it was decided to write to the Federal Government strongly supporting the case for the gold bonus. The letter was written in such terms that, I think, will assure it bearing weight with the Federal Government. There seems to be an impression that the Government should have gone further. I do not know in what direction we could have done that, but surely it could not be expected that members of the Government should give evidence before the Commission! We did all we possibly could regarding the whole question. We appointed an advisory committee led by a man eminently qualified for advocating the case for the goldfields and producing the evidence before the Commission. That was followed up by a strong letter of recommendation to the Federal authorities urging them to recog-

nise the grievances of the goldfields and to grant the gold bonus. I strongly support the motion. I am not in favour of bonuses from the Federal Government for every purpose. I am not in favour of the Federal road grant. These are purely State matters. I claim that the Federal Government should hand over the surplus revenue to the States for distribution, but as the Federal Government refuse to do that, retain the surplus revenue and distribute bonuses in every direction, it is for us to advance a claim on behalf of one of our most important industries. If the bonus is granted it will go back to the Federal authorities in the form of increased taxation. Our population will be largely augmented owing to the development of the goldfields and, as Mr. Kirwan has pointed out, every increase in the population means an extra £8 a year to the Federal Government. The granting of the bonus will certainly encourage the existing mining companies to carry on operations more vigorously. They will be in a far better position to carry out the recommendations of the Royal Commissioner, Mr. Kingsley Thomas. It will create greater interest in mining matters and I am certain it will lead to further discoveries. In my own Province it is possible that in that section containing within its borders the Murchison goldfields, it will lead to the opening up of at least a dozen important mining propositions. Taking everything into consideration and realising that the bonus system has, under the Federal regime, come to stay, I have no hesitation in supporting the motion.

**HON. H. STEWART** (South-East) [7.36]: In my opinion the framing of the motion is rather unhappy in that the word "disabilities" is used. It tends towards confusion in view of the recent investigations by the Federal Disabilities Commission. When reading the "West Australian" I gained quite a wrong impression as to the motion of which Mr. Kirwan had given notice. If some other phrase could be substituted, I think the results would be more satisfactory.

**Hon. J. W. Kirwan**: The motion simply refers to the disabilities suffered by the gold mining industry.

**Hon. H. STEWART**: But the fact that the leading newspaper in referring to the matter, misled me because of the use of

the word "disabilities," suggests the advisability of substituting other words.

**Hon. J. W. Kirwan**: If a mistake made by the paper, what has that to do with the motion before the House?

**Hon. H. STEWART**: I am endeavouring to indicate that if a mistake can be made by the "West Australian," a mistaken impression can also be created in the mind of the citizens here and throughout the Commonwealth. It is not desirable that any mistake should occur regarding the intentions of Parliament on this matter. I did not hear Mr. Kirwan's speech, but I understand from him in private conversation that one point is that the £3,000,000 lost to this State, which would be equivalent to £4,000,000 lost to the gold mining industry of the Commonwealth, prior to the formation of the Gold Producer Association should be made up by the gold bonus as some recompense for the loss suffered by the industry. That position is outlined in the report by the State Advisory Committee. That puts a different complexion on the motion compared with what one gathered from the reference in the "West Australian." However, if the debate is turned up in "Hansard" where the question is before the Commonwealth Parliament, it may be used as an argument against the principle of granting a bonus. The gold mining industry is not the only one that has suffered. Practically every member who has spoken in support of the motion will vote for it, not because of the economic soundness of the proposition, but because the Federal Government have indulged in a system of bonuses to industries that have suffered disabilities or respecting which the policy of Australia has made assistance necessary in order that they may be fostered. The sugar industry of Queensland is frequently referred to whenever the question of bonuses arises. I have never been to Queensland, but I have wondered, in view of what one has read regarding the compulsory marketing scheme there, whether the majority of the people would vote in favour of the continuance of the bonus to the sugar industry. For instance, we read that large quantities of tomatoes that had to be marketed under the compulsory scheme were lost because they went bad. In those circumstances, I should think the tomato grower would feel sore because the sugar grower received the benefits of a bonus in common

with the meat growers and orchardists, whereas they did not have that advantage. The Federal Constitution provides that no State can be granted a bonus unless it is available to other States. The growers of soft fruits in the Eastern States have been able to secure financial assistance from the Federal Government although the growers here were not able to secure it. Although there is a factory here that could take their fruits, the Eastern States manufacturers have dumped supplies here and made the production of jam an economic impossibility. While the mining industry suffered severely, it did not suffer to the extent that the fruit-growers did. From 1914 until at least a year after the end of the war, growers, in some instances, have conducted the fruit-growing industry at a grievous loss.

Hon. E. H. Harris: Does that disability still exist?

Hon. H. STEWART: To a certain extent it has been removed, but the prices received for fruit to-day are not as good as they were before the war.

Hon. J. W. Kirwan: And the fruit industry has a bonus at present.

Hon. H. STEWART: The fruit industry of Western Australia has no bonus.

Hon. J. W. Kirwan: If the hon. member will look up Knibbs's statistics, he will see the particulars for himself. Although the bonus has not been availed of, it is there for dried fruits.

Hon. H. STEWART: I was referring to soft fruits. There are bonuses in connection with the meat and the sugar industries, and if the hon. member will allow me I will repeat that I believe that practically every member who votes for the motion will do so, not because it is right as an economic proposition, but because bonuses to industries, primary and secondary, are in operation elsewhere in the Commonwealth, and because they think that if other people are getting a bit it is considered that we also should get something.

Hon. A. Burvill: It is the only way we can get redress.

Hon. A. J. H. Saw: The only way we can get redress is by taking in each other's washing on a bonus.

Hon. H. STEWART: If the system is to be continued, a crisis must come, and the high tariff and bonus policy will sooner or later fall to the ground.

Hon. C. F. Baxter: The high tariff policy has done good service.

Hon. H. STEWART: It seems that hon. members anticipate that I intend to vote against the motion.

Hon. A. J. H. Saw: Do you know yourself how you intend to vote?

Hon. H. STEWART: I am trying to draw attention to some facts in connection with the matter, and before I cast a vote I am going to put it on record that economically, in my opinion, the proposal is unsound in principle. When Mr. Seddon was speaking I refrained from interjecting, but I would have liked to hear him on the position of the copper-mining industry, not only as it exists in this State but throughout Australia, an industry that is now absolutely unpayable. I would not have referred to this but members who have interjected prompted me to make the remark. It is a fact that the gold-mining industry is suffering from a disability; so are other industries. But under the existing Commonwealth system there is no telling which will be the next industry to suffer. It is my intention to submit an amendment to the motion moved by Mr. Kirwan. My original idea was to strike out the words "gold mining" with a view to inserting "gold-mining industry in common with other primary industries." The motion would then have read, "That as compensation for the disabilities suffered by the gold-mining industry in common with other primary industries through Federal action this Chamber is of opinion that the Commonwealth should assist the industries by the payment of a bonus." I thought afterwards that it would be better to put the amendment in this form, to redraft it altogether so as to make it read, "That as compensation for the extreme economic hardships through Federal action suffered by the gold-mining industry in common with other industries, this Chamber is of opinion that the Commonwealth should assist the industry by the payment of a gold bonus."

Hon. J. J. Holmes: Why introduce other industries and then come back to a gold bonus only?

The PRESIDENT: I may inform the hon. member that the Standing Orders were suspended simply for the purpose of discussing the question of the payment of a gold bonus. If the hon. member wants to go any further he must extend the suspension of the Standing Orders.

Hon. H. STEWART: Am I to understand that I may not propose an amendment



to the motion? Am I to understand that the motion is only to be discussed and not to be divided on, that no vote shall be taken? I shall be pleased to have your interpretation of the position, Mr. President.

The PRESIDENT: I can make the position clear by informing the hon. member that the original motion carried was, "That so much of the Standing Orders be suspended in accordance with Standing Order 422 to enable the House to deal with the motion on the Notice Paper referring to the gold bonus." Therefore the discussion must be limited to the subject for the discussion of which Standing Order 422 was suspended.

Hon. H. STEWART: Surely that does not preclude me from moving an amendment to the motion before the House? If a motion is before the House I think it is the privilege of any member to submit an amendment to it provided that amendment is not out of order? I submit that the amendment I have suggested is in order and therefore I ask that it be accepted.

The PRESIDENT: I cannot accept the amendment because it is outside the scope for which the Standing Order was suspended. If the hon. member can induce the House to widen the scope for which the Standing Order was suspended, then he can introduce any subject he likes. His alternative is to vote against the motion.

Hon. H. STEWART: Then I can ask hon. members to agree to add to the motion suspending the Standing Order that which will enable me to include other industries.

Hon. J. J. Holmes: The President has told you that it cannot be done.

The PRESIDENT: I have drawn attention to the circumstances under which Standing Order 422 was suspended.

Hon. H. STEWART: It seems to me that if the House had been aware of the limited scope the suspension of the Standing Order has permitted, it would not have agreed to pass the first motion in the form in which it was submitted. During the many years I have been in this Chamber such an instance as the present has never cropped up. No member has ever been refused the right to amend a motion before the House.

The PRESIDENT: It has nothing to do with me personally. A motion was carried for the suspension of Standing Order 422, to permit of the House dealing to-day with the motion Mr. Kirwan gave notice of on the previous day, dealing with the gold

bonus. The subject matter of that motion is purely the gold bonus. The easiest way out of the difficulty is for me to put the matter to the House now. Members can decide whether they will permit the motion to be amended in the manner desired by Mr. Stewart. Is it the wish of the House that Mr. Stewart's amendment be accepted?

On the voices the President declared that the Noes had it.

Hon. H. STEWART: In reply to that—

The PRESIDENT: The hon. member cannot reply.

Hon. H. STEWART: May I say a few words in explanation. I did not know that you were going to put the question to the House in that form. I was in the act of looking up the Standing Orders, which I believe give any member the right to amend a motion before the Chamber. It is the first occasion on which the gag has been applied and when members have not been prepared to listen to reasonable argument.

HON. J. W. KIRWAN (South—in reply) [8.15]: I would like briefly to refer to the remarks made by Dr. Saw. Dr. Saw is usually very clear and very logical, and sensible, but the remarks he made on this occasion will not do justice to him. He is evidently one of those die-hard freetraders. I myself was one for a long time, but I realised that we had to submit to the inevitable when the great majority of the people of Australia, declared in favour of a protective tariff. I believe that in the interests of expediency it is desirable that we should make the very best of the fact that we are governed by those who believe protection to be in the best interests of Australia. Dr. Saw also says that a motion of this kind, inasmuch as it deals with a Federal matter, should not be brought before a State Parliament. I claim that every matter which affects the welfare of Western Australia, or affects the welfare of a Western Australian industry, is of vital concern to us all, and should be brought before the State Parliament. Is there anything that so much affects Western Australia as the welfare of gold mining, the decline or fall of which vitally touches Western Australia generally? One might as well say that the Federal disabilities concerning which we have heard so much, should not be discussed in this House. All these matters, the whole range of public affairs, in my opinion, are open for the con-

sideration of the State Parliament, since they affect the people whom we represent. The present proposal is merely in the form of a recommendation to the Federal Parliament, to be adopted or otherwise as that Parliament may think advisable. There is one other matter I wish to refer to, in justice to the mining industry. Dr. Saw implied that those who made money out of mining here were people who went away to other countries, and lived there, and spent there the money that they made in this State. If I liked to deal with one other industry that I shall not mention, I could adduce the cases of several men who acquired a good deal of wealth in that industry—not mining—and who are living in Europe or in the Eastern States. However, I shall not go into details regarding that industry, nor shall I mention names, but I will refer to our mining industry in order to show how unjust the hon. member has been, unwittingly unjust I believe, to the industry in question. I know a great deal about those who have been concerned in the mining industry especially during the early days; and among those who are living abroad, having made money out of Western Australian gold mining, I can only recall one name. It is the name of a gentleman who lives in Adelaide and who has never identified himself with Western Australia, or lived here; but he happened to be a member of the original prospecting syndicate which opened up the Golden Mile. The gentleman in question is Sir George Brookman, who lives in Adelaide. He is a wealthy man, and he has not in any way associated himself with Western Australia, although he made his wealth here. Another gentleman who was sometimes spoken of as being a very wealthy man, but those who knew him were aware that, in fact, he was not a wealthy man, was Sir George Doolette, the chairman of the Great Boulder Co. When he died his whole estate was proved at something like £6,000 or £7,000, a very small amount indeed in comparison with the way in which he was generally referred to. I have known many men who made money out of gold mining here, and in a large number of cases those men re-invested their money in Western Australian mines, and lost it. On the other hand, I can mention the names of several prominent goldfields men who made money out of mining and put that money into farms and into industries here, and who live, and have their homes permanently established,

in Western Australia. I need only mention the name of one man who is known to us all—the president of the Chamber of Mines. He has a large amount of money, if not all his money, invested in farming and in the Collie coal mining industry. I believe that everything that gentleman has is invested in Western Australia. Another man who made all his money on our goldfields, and all of whose money is being utilised to-day in the development of the agricultural industry of this State is Mr. Hedges, whose farm “Koolberrin,” 18 miles from Bruce Rock is one of the show places in the agricultural districts of Western Australia. I need only mention a few other names—gentlemen like Mr. Frank Moss, Mr. George Roberts, Mr. Robert Black, Mr. N. W. Harper—

Member: All mine managers.

Hon. J. W. KIRWAN: All men who made money out of gold mining. Although those gentlemen were mine managers, still they were men who did not make their money only out of their salaries for managing mines, but they re-invested their money in gold-mining, were successful, and then re-invested their money once more in the agricultural, or the pastoral, or some other industry of this State. I much appreciate the reception that this motion has been accorded by the House. In conclusion let me say that gold mining is almost the only industry in this State that has not been assisted by Federal action, either through the medium of the Federal tariff or through the medium of a Federal bonus. Now, as the result of the Federal tariff and as the result of the commandeering of our gold during the war, we say that the Commonwealth ought to assist Western Australian gold mining on the same lines as it has assisted various other industries in Australia.

Question put and passed.

Hon. J. W. KIRWAN: As a corollary to the passing of that resolution, I move—

That the resolution be transmitted to the Legislative Assembly with a request for its concurrence herein.

I hope that the Colonial Secretary, in view of the speech he has made here to-day, and in view of the announced action of the Government, will perhaps induce the Premier to take this matter up in the Legislative Assembly; and, if it be necessary, perhaps the Premier will see that the same course is followed in that Chamber as in this, namely, that the Standing Orders be sus-

pending in order that the motion may be dealt with in the Assembly prior to the matter being considered by the Board of Trade on the 25th inst. If the motion be passed in the other Chamber, as I am convinced it will be, then I trust that the Premier will see that the resolution is forwarded to the Prime Minister, thus showing that the gold bonus is favoured not merely by the mining community of Western Australia but also by the State Parliament and by all parties represented in it.

Hon. J. Ewing: I second the motion.

Question put and passed.

### ADDRESS-IN-REPLY.

#### *Sixth Day.*

Debate resumed from the previous day.

**Hon. J. J. HOLMES** (North) [8.11]: Before proceeding to speak to the Address-in-reply, I wish to refer to the loss this House has sustained by the death of Mr. Greig, whom we had amongst us for many years, and whom to know was to esteem and admire. The late Mr. Greig was a man of a stamp that we can ill-afford to lose, a man of a stamp not too numerous in the community, a man who sacrificed his personal interests in order to advance those of the State. I do not think more than that can be said, unless it be that he served his country first. I welcome the new member, Mr. Glasheen; and if he serves his constituents as well as Mr. Greig served them, I am sure the people who sent Mr. Glasheen here will have no cause to regret their choice. I wish to congratulate the Treasurer upon the results achieved during the last financial year. When the Treasurer came into office at the close of the financial year 1923-24 I told him that I should not hold him responsible for any deficit of the past, that he had not been a party to the six millions of accumulated deficit, and that if he would start out by making the ledger balance in respect of his receipts and his expenditure, it was as much as could be expected of him. I said further that if he did so much, he would have my congratulations; and these I now offer. Certainly during his first year he has not squared the ledger, though he got within £58,000 of doing so. It has been stated that there has been an unnecessary readjustment of

figures in order to accomplish that result. As far as I am concerned, I have no knowledge of it; but if it is so, the only result can be to reduce the deficit for the past year and to increase it for this year. I do not think the present Treasurer would place himself in the position of being told by his political opponents, "For the first year after we went out there was only a deficit of £58,000, and ever since, year by year, the deficit has tended to increase." I take this opportunity of congratulating the Treasurer on what has been accomplished, and I also congratulate the State, because the results speak well for the buoyancy of Western Australia. We have a population of only 366,000 and have provided a revenue of approximately 8½ millions sterling, and I do not think that 366,000 people in any other part of the world engaged in primary production could have done the same. The Treasurer has had to find approximately £1,000 per day for 365 days to pay interest on a deficit of six millions to the creation of which he has not been a party—loan moneys used to pay revenue accounts. I am prepared to give credit where credit is due, but I am not prepared to congratulate the Government upon the manner in which they handled the recent strike in Perth. They did handle the Fremantle strike fairly well, better than the Nationalist Government handled the previous strike at Fremantle.

Hon. A. J. H. Saw: That was under very different conditions.

Hon. J. J. HOLMES: In the handling of the Perth strike there was a complete reversal of the policy followed in the handling of the Fremantle strike. Evidently the acid had been put on. Ministers certainly did not do their duty. The function of a Government is to maintain law and order and see that justice is given to every section of the community. But there was no law and order in Perth, no government, and the bona fide trader that wanted to work did not have his interests protected, while a number of employees who also wanted work had to go without it. That is approaching very close to the rebellion stage, and Australian people as a whole are not rebellious. One of the hardest nuts the Government will have to crack when next they meet the electors will be their failure to maintain law and

order and live up to the oaths they took as Ministers.

Hon. E. H. Gray: It was better than batons and bayonets.

Hon. A. J. H. Saw: Will they say that when the Japanese come?

Hon. J. J. HOLMES: Will they stand up to the Germans and their poison gas?

Hon. E. H. Gray: You were going to kill your own fellow citizens.

Hon. J. J. HOLMES: If any citizen will not obey the laws of the country, he should either be sent out of the country or put into some safe retreat. His Excellency's Speech refers to the appointment of Sir William Campion as Governor of the State. This raises an important issue, namely, the desirability of having all these appointments of State Governors made by the authorities in the Old Country whence we came. There is nothing more capable of binding the outposts of Empire with the Mother Country than the interchange of men of the calibre of successive Governors who come here unbiassed and with a desire to do what is right, nothing that will do more to assist the Dominions to come under the wing of the Mother Country. There is a feeling abroad that we should cut the painter and appoint our own Governors and do all sorts of things, but I hope this State will continue the policy that has worked so well in the past. Reference has been made to the new migration agreement. From what I have read, the new agreement is certainly an improvement on the old one, which to my mind was an impossible one. I said that when first we got it, when everyone was shouting how well the Premier had done in securing six millions of money and agreeing to bring 75,000 people to the State and set up 6,000 farms. When I began to analyse the agreement I could not get along with my speech for the clamour protesting that I was quoting from the wrong agreement. In the end Mr. Colebatch, the then Leader of the House, averred that it was the right agreement. It was an impossible agreement from the day it was signed, an impossible proposition for 350,000 people to take on. The results have proved that. That was the first agreement made under the Oversea Settlement Scheme and passed by the House of Commons, in which the Secretary of State for the Colonies was empowered to make an agreement with the Dominions. That agreement provided that he could give the Dominions a rebate of interest to the extent of  $\frac{1}{2}$  per cent. for 15

years. What we got under that agreement was a rebate of interest of one-third for five years. If there was one place in God's earth that was entitled to have the full rebate for 15 years it was Western Australia, the country that had been depleted of her manhood in the Empire's cause. Yet under that scheme we got only one-third rebate of interest, and that with conditions that no 350,000 people could carry out. The idea of establishing 6,000 farms at £1,000 each by a handful of people who had already nationalised the agricultural industry through the Industries Assistance Board and the Agricultural Bank! Yet because one criticised the agreement from that standpoint, one had not too many nice things said about him. However, I said then, as I say now, that it was an impossible proposition, and I congratulate the present Government upon having called a halt and said, in effect, "We have started enough of these farms; let us get them to the productive stage and see then what further we can do." I succeeded in getting a Royal Commission appointed, of which I was chairman. We dealt with the Peel Estate, and a fairer or more equitable report than ours has never been put up. We pointed out that there was any amount of good land held in reserve, while hundreds of these migrants had been put on blocks where they could never hope to succeed. We said further that in a country like this, with so much good land available, no man should be put on a block on which success was impossible of attainment. At every opportunity I have been visiting the group settlements further south, and I want here to thank the Government officials for their kindness in showing me what has been done. As a result I am converted as to the possibilities of a very large area of good land in the South-West. Before the timber was taken off it, when one could not see what the land was like, one was inclined to condemn it. However, I have since seen down there thousands of acres of cleared land of a quality I was not aware was to be found in that part of the State.

Hon. H. J. Yelland: Then there is some hope for you yet.

Hon. J. J. HOLMES: The trouble is we have not put the right class of men there. The scheme never provided that we should do so. I cannot give a better illustration of what I mean than this: the whole of the evidence before the Royal Commission, including that of expert officials, was "that a good

man would succeed on inferior land, but that a man who did not know his job would fail on the best land." When we were about to close the evidence I put that up to the principal executive officer as the interpretation I had drawn from his evidence and that of his subordinates. I asked him was the interpretation correct. He said it was. I then said, "How do you propose to spoon-feed into prosperity these thousands of migrants who do not know their job?" His answer was the only one he could give, namely, "I did not bring those people to this country. It was the policy of the Government to bring them here, and I am trying to make group settlers of them." There is no doubt as to the existence of good land in the South-West, nor as to the possibilities of that district, but we have to get the right class of man.

Hon. E. H. Gray: Where?

Hon. J. J. HOLMES: We have lost thousands of them. While we were bringing these migrants here we were allowing thousands of our own miners to go to the Eastern States.

Hon. A. J. H. Saw: Have we had any assistance from the Home Government to bring those miners down here and put them on the land?

Hon. J. J. HOLMES: The assistance we got from the Home Government under the agreement was of no value at all. A Government that would impose such conditions as that we must establish a farm for £1,000, and if we were to spend any more on the farm we would have to make it up ourselves; a Government that would subscribe an agreement laying it down that the only rebate of interest would be in respect of not more than £1,000 for each farm—is the hon. member proud of that agreement?

Hon. A. J. H. Saw: A paltry construction to put upon the agreement.

Hon. J. J. HOLMES: I do not know about its being a paltry construction. It is costing the country at least a million of money. The hon. member cannot see wrong in what some people do, and he cannot see right in what other people do. I am always prepared to give credit where credit is due, and if necessary to criticise where criticism is justified.

Hon. E. H. Gray: There is room for you over here.

Hon. J. J. HOLMES: You would have a better chance if you had handled the Perth strike a little better. Unless you can handle a proposition of that kind and show your-

selves able to govern the country, you can count me out of the Labour movement for ever. I was associated with the Labour Party once, but was pushed out, as most good men have been. While we have been spending millions of money in the south and trying to establish farms for people who do not know the job—some of them according to evidence and from what I have seen never will know and never want to know the job—we have been neglecting other portions of the State where much quicker returns could be obtained for far less expenditure. During the recess, I had occasion to spend considerable time in the North Province which I represent. I found there people who have been battling for years against difficulties, people who experience a prosperous season and then a reverse, which brings them back practically to where they began. But they battle along in spite of it. They do not want an Industries Assistance Board; they do not want Agricultural Bank assistance. They want only ordinary facilities in the shape of shipping and roads in order to get their products to market. Prior to the general election, the Labour Party sent out ambassadors to preach the policy I have preached for years. "Previous Governments have neglected the North," said these ambassadors, "but put us into power and we shall see that justice is done." All I ask is ordinary facilities for the people of the North. I want the Government to live up to their promises and provide these facilities in order that the people of the North may get their products to the world's markets. Before the Ministers who made those promises were fairly comfortable in their office chairs, they began to send out feelers by stating that the development of the North was too big a proposition for the State and was a Federal matter. To develop the North is not a Federal matter. The Federal authorities have no right there whatever. If they came there I think they would come for no good purpose, and we would be justified in sending them away. Until some agreement is arrived at with the Commonwealth for dealing with the North, it is a State matter pure and simple. If the Government cannot find a few hundred thousand pounds to give those people the necessaries to which they are entitled, but yet can provide millions for people who so far have done nothing for the country and some of whom never will do anything for the country, there is something wrong. Hitherto I have said the neglect of the North was due to the

fact that we have politicians and not statesmen in power. We in the North have no voting strength. That is why we cannot get the facilities required. Out of 80 members of Parliament, the North has only seven representatives, and the whole thing in the past has been political. Now we have in power a clean party, as they call themselves, and I call upon them to live up to their promises and do the right thing by the North. I had an interview with the Minister for the North-West who was accompanied by Mr. Hickey, an interview that extended over some hours, and not only did I receive a generous hearing but the Minister showed a keen desire to do what was right by the North. I already have promises of what is to be done, and I hope the Minister will live up to them. I have been battling for these things for several years, but other Governments have always turned a deaf ear to my requests. Let me give one instance: The town of Roebourne is connected with Port Sampson by a steam tramway that runs over a 14-mile marsh. That township was one of the early settlements of the North. Within the last 12 months it was visited by a cyclone, which wiped out the jetty and practically the town, and laid windmills level with the ground. The people had to go out and draw water by hand in order to keep their sheep alive. The first thing I heard from the Government was that it could not afford to spend £50,000 to replace the jetty. After an interview with the Minister, I understand that it is now only a question of securing a suitable site before those people will again have a jetty, but it will take two years to construct it. Meanwhile they have arranged to lighter their produce to the ships. They do not ask for assistance from the Government. They have arranged for a lighter to be built in Perth and they are prepared to pay £2 per ton lighterage to get their produce from the town to the ships' side. Do those people ask for bonuses? No.

Hon. E. H. Gray: They are the supermen of Western Australia.

Hon. J. J. HOLMES: They ask to be left alone. They do not ask for such things as the Workers' Compensation Act, which is the hottest thing ever passed by any State in the British Empire. All they ask is for road and other facilities to enable them to ship their produce and get something in exchange for it. They will do the rest. Regarding Roebourne and its surroundings, that very rich country unfortunately had had no

rain for two years, but the people there did not approach the Agricultural Bank for assistance. One station that sheared 25,000 sheep last year sheared only 11,000 this year. Another station that sheared 27,000 last year sheared only 10,500 this year. But the people are battling along and are re-erecting their windmills and starting life over again. Still it hurts to be told that the Government cannot afford to restore the jetty, a Government who came into power with promises to do the right thing. However, the Leader of the House says it will be re-erected. Meanwhile those people are cut off, but the Minister has promised to provide a road across the marsh and to keep it in repair until the jetty is restored. These matters may appear trifling, but I want to emphasise the fact that the whole of this State has to be developed, and that assistance should be given to those worthy of assistance, instead of spending millions of money in one corner of the State, where the officer controlling the department says that the best men on the best land will fail if they do not know their job. Mr. Gray will well remember that evidence having been given. I am a convert to the possibilities of the South. I was starved out of the South 40 years ago, but at that time fertilising was not known, and scientific farming was not known. Now we have reached the position that, provided there is the rainfall and fertilisers are used, it is possible to get results that the previous generation never could get. I note from the Speech that the Government are starting on the development of the light land of this State. In so doing they are on the right track. I could show members land that was bought for 3s. and 4s. per acre and was cleared for about 15s. an acre, the total cost cleared being £1 per acre. That land has been planted with oats, and where the drill has missed the super, the oats are hardly an inch high. Where the land has been treated to the extent of three-quarters of a cwt. of super to the acre, there is fine crop standing 3ft. high and cutting two tons to the acre. Hundreds of thousands of acres of this country is as yet untouched, but while it is available and a great area of it is Crown land, we have fought for days and weeks over a Closer Settlement Bill to take land from people who have spent a lifetime in bringing their holdings into production, instead of telling the new people to go out and follow their example. Reverting again to Roebourne, under the Land Act of

1917 it is provided that when the reappraisal of pastoral leases came about, the proximity to railway or to port should be taken into consideration in fixing the value of the lease per acre. In and around Roebourne, where the disaster occurred, they were fixed on a higher rate because of the proximity to Port Samson. It would be unfair to leave these people high and dry for 15 years because of their nearness to a port, and charge them at the higher rate on this ground. No Government with a conscience would be guilty of doing such a thing, and I refuse to believe it of the Minister for the North-West. The Government should get busy. Here is a big section of the community which does not want bonuses, or the Agricultural Bank, or the Industries Assistance Board, or the Workers' Compensation Act. They merely wish to be left alone. They will do the rest if the Government will provide them with facilities for exporting their produce.

Hon. J. W. Kirwan: I have the same type of people along the South coast.

Hon. J. J. HOLMES: If members would visit that part of the State they would have a better understanding of the difficulties with which the people have to contend. The more I see of Western Australia the more satisfied I am that we have not yet commenced to produce in this country, and that we are only on the fringe of production. You can take some of this land that is referred to as worthless and go ahead with it for miles, and turn out crops and fodder that will carry thousands of sheep. If the Government will maintain law and order, continue to square the ledger as I am pleased to say the Treasurer has been able to do in his first year, and will see that justice is done to all portions of the State and is not concentrated upon one centre and that all parts of Western Australia are developed, I do not think they need have anything to fear from this House. They have, I believe, trouble emanating from another quarter, but I do not desire to discuss that now. So long as the Government do a fair thing they will not be harassed or annoyed by me. We are always complaining about the disabilities of Western Australia as a result of Federation I did not go before the Disabilities Commission because I did not wish to put my views on record. The greater proportion of the disabilities from which we suffer are due to legislation passed by this and another place. Every year we pass legislation that tends to

cripple our primary and secondary industries. We forget that the primary and secondary industries of the Eastern States were built up without the imposition of these conditions. Have Eastern manufacturers built up their business on a 44-hour week or on preference to unionists?

Hon. E. H. Gray: We have not passed that yet.

Hon. J. J. HOLMES: And are not likely to. Have they been built up on job control? If we take job control out of the mines there will probably be no necessity for the bonus we have heard so much about.

The Honorary Minister: You are getting on well. Why not leave it at that?

Hon. J. J. HOLMES: I have to view things from all standpoints. I am surprised to find from the Speech that a further amendment to the Arbitration Act is to be brought down.

Hon. E. H. Gray: You might show your gratitude by supporting it.

Hon. J. J. HOLMES: The only amendment that can honestly be made to the Act is one that can abolish arbitration. We all remember the scenes we witnessed recently, when people defied law and order.

Hon. E. H. Gray: Were you here when that was going on?

Hon. J. J. HOLMES: Yes.

Hon. E. H. Gray: I did not see you.

Hon. J. J. HOLMES: I am not an agitator, so I would not be there. Honest traders wished to carry on their business but were unable to do so. There was an award of the Arbitration Court, but it was not enforced. It is reducing the thing to an absurdity to ask this House to further amend the Act, which everyone but the employers ignores. Is it any wonder we cannot get a judge to preside over the Arbitration Court? Members need only look up "Hansard" to see my views on the subject. Why should we maintain or establish a court which cannot or will not enforce its judgments or awards? It is the height of absurdity to ask any judge to preside over it. What can we expect but that the judges will refuse to act in that capacity. A judge makes an award and it is set at defiance. It is preposterous to ask him to continue to make awards.

Hon. E. H. Gray: What would you suggest?

Hon. J. J. HOLMES: The only honest thing to do is to wipe out arbitration altogether. No one pays any attention to it,

and we could not ask anyone to do so, in view of what has transpired. Given good administration there is a wonderful future before this country. Our revenue last year amounted to 8½ millions, and our railway results were further evidence of the buoyancy of the country. When producing in a country of distances like ours we must have cheap railway freights or our industries will be hampered. We can never have cheap freights and dear coal, such as we now have. I am told that we are paying 6s. per ton more for Collie coal than it is worth, as compared with the Eastern States coal.

Hon. J. Ewing: That is not so. Whoever gave you that information is wrong. You must attack something.

Hon. J. J. HOLMES: Why did the shipping people of England put hundreds of thousands into Collie coal? Did they do it for the benefit of Collie? They put it there to help to secure control of the coal of Western Australia.

Hon. J. Ewing: They have not obtained control.

Hon. J. J. HOLMES: Yes.

Hon. J. Ewing: You do not know everything.

Hon. J. J. HOLMES: This State is paying 6s. per ton more for its coal than it ought to be paying. The object is to ensure that men and boys shall receive a pay they never earn. Having received that pay they proceed to squander it. Will the hon. member deny that in Collie there are three established bookmakers, and that every pay day the town is radiant with bookmakers ready to help these half-grown boys to spend their money?

Hon. W. H. Kitson: Do you suggest they are getting too much?

Hon. J. J. HOLMES: Yes. Too much of anything is too much.

Hon. E. H. Gray: Do you suggest they are all gamblers in Collie?

Hon. J. J. HOLMES: Let the hon. member go to Collie.

Hon. E. H. Gray: I have been there. The proportion of gamblers is very small.

Hon. J. J. HOLMES: The Government claim they are out to do the right thing and to tackle all these questions.

Hon. A. J. H. Saw: They will have spinning jennies down there if you give them all this information.

Hon. J. J. HOLMES: I am now showing what they ought to do, and I shall be

calling round next session to know what they have done. Reference has been made to reductions in railway freight. A more farcical proposal was never put before intelligent people. The Government have reduced the freight on cigarettes 5s. a ton. Will any member tell me how much per cigarette that represents? Absurdities of that kind bring governments into disrepute. If they want to foster the agricultural industry let them reduce freights on commodities essential to it, and let the boy who wants to smoke cigarettes pay the extra 5s. per ton. I wish once more to thank the Minister for the North-West for the generous help he has extended to that part of the State, and the promises that I am sure he will fulfil. Apart from the appalling position of affairs that was allowed to exist in the city recently, the Government have done well. With these remarks, and reserving to myself the right to freely criticise the Government if I so desire, I support the motion.

On motion by Hon. A. Burvill, debate adjourned.

*House adjourned at 8.58 p.m.*

## Legislative Assembly,

*Wednesday, 12th August, 1925.*

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

### QUESTIONS (2)—NORTH-WEST.

*Cotton, Ratoon.*

Mr. COVERLEY asked the Honorary Minister (Hon. S. W. Munsie): Is he aware that the conditions governing ratoon cotton are entirely unsuitable to Kimberley conditions?