

allow their clients to accept our debentures until an amendment of the board's Act has been passed through Parliament, specifically authorising the issue of such debentures payable in the United Kingdom in English currency.

There has never been any question about the board's right to borrow outside Australia. But for the decision of the Privy Council and the communication from the legal advisers to the suppliers of the machinery, there would have been no need for the Bill. The Tramways Board are not anxious for the Bill. It is only because the other people are on the hot seat and the board need the machinery that the Bill has been introduced. If they do not get the Bill, I suppose the board will not get the machinery. The member for Yilgarn-Coolgardie (Mr. Lambert) queried the amounts of £3,000 and £10,000. There is no difference between the Minister for Works and me on this point. I informed the Minister that I had made a mistake on the second reading. The fact is that the £3,000 is being spent in Sydney. All the gear procurable in Australia will be purchased in Australia, and the cost of that is £3,000. The gear being procured in Great Britain will cost something over £10,000. I made a mistake in mentioning the Sydney contract instead of the British contract.

Mr. Latham: Just a mere £7,000.

Mr. SLEEMAN: I made a mistake and I acknowledge it.

Mr. Marshall: You would not mislead us.

Mr. SLEEMAN: Certainly not. When I make a mistake, I am ready to acknowledge it. I hope the Bill will not be delayed because every week the board are without this machinery makes a big difference. They are anxious to take delivery of the machinery as quickly as possible, and until the Bill be passed the machinery will not be shipped from England.

Question put and passed.

Bill read a second time.

In Committee.

Mr. Withers in the Chair: Mr. Sleeman in charge of the Bill.

Clauses 1 to 3—agreed to.

Clause 4—Ascertainment of limit of borrowing powers:

Mr. LATHAM: This measure will extend the borrowing powers of the board.

The Minister for Works: Only while the exchange is against us.

Mr. LATHAM: Yes; but members ought to realise that it will extend their power. I accept the statement of the Minister that the board will not exceed the limit placed on their borrowing powers.

Clause put and passed.

Schedule, Preamble, Title—agreed to.

Bill reported without amendment and the report adopted.

House adjourned at 9.9 p.m.

Legislative Council,

Thursday, 17th August, 1933.

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

QUESTION—FINANCIAL EMERGENCY TAX.

Hon. V. HAMERSLEY asked the Chief Secretary: What amount of money has been received by the Treasury from the financial emergency tax passed last session?

The CHIEF SECRETARY replied: £219,982.

QUESTION—INDUSTRIES ASSISTANCE BOARD.

Hon. H. SEDDON asked the Chief Secretary: Will he make available the report of the Industries Assistance Board for the year ended 30th June, 1933, prior to the discussion on the Bill for the extension of the Act?

The CHIEF SECRETARY replied: The report is in course of preparation, and will be available during the first week in Sep-

tember. There may be no urgency about this Bill. I will confer with Mr. Seddon as to whether it is advisable to await the presentation of the report.

BILL—YORK CEMETERIES.

Read a third time and *passed*.

BILL—FINANCIAL EMERGENCY TAX ASSESSMENT ACT AMENDMENT.

Second Reading.

THE CHIEF SECRETARY (Hon. J. M. Drew—Central) [4.36] in moving the second reading said: In discussing this measure it would scarcely be possible for me to make myself intelligible throughout unless I occasionally referred to the taxing Bill which has accompanied it to this House. In acting as I am acting, I am strictly following precedent. Hon. members also would find themselves in a similar predicament, much to their disadvantage, unless a little latitude were allowed in this direction. Hence I will, with your permission, Sir, follow a custom which has, for many years, been observed here, and refer briefly, now and again, to some of the phases of the taxing Bill—that is, when it is necessary for me to do so in order to make my meaning clear.

This Bill is intended to amend the Financial Emergency Tax Assessment Act, which was passed last session. It was accompanied by a Bill that imposed a flat rate of 4½d. in the £ on salaries, wages and incomes and expired on the 30th June last. The object of this Bill is similar to that of its predecessor, but the measure differs somewhat in principle. It exempts persons with very small earnings, and, instead of the flat rate, there is provision in another Bill for a graduated tax, which preserves for the Treasury the same amount of money, as far as can be determined, as would be received if the life of the taxing Act had merely been extended. It will be remembered that, when the Bill of last year was before Parliament, the Labour Party, in both Houses, contended that the tax should be a graduated one, and that, under its provisions no single man should be taxed whose earnings were under £2 a week, and no married man who was in receipt of less than £4 a week should be called upon to contribute. Amendments were moved to that effect. Some hon. members, outside the Labour Party, expressed themselves sympathetically in a similar direc-

tion. But the main argument against the amendments was that the Treasurer had been called upon to reduce his estimated deficit by a considerable sum; that there was no hope of his being able to do so without the imposition of taxation which could be speedily collected; that delay would mean loss of revenue, and, in effect, that the Treasurer wanted money, in large volume, that he wanted it quickly and that this was the best way in which he could get it.

The need of funds for the purpose of arresting the financial drift is no less pressing now than it was ten months ago. The determination of the Loan Council to force a reduction of deficits is as great now as it was when the Mitchell Government hurriedly introduced their Bills of last year. Mr. Collier experienced this when he met the Loan Council recently. Some people with whom I have discussed the matter regard the Loan Council as a sort of Commonwealth dictatorship set up by some mysterious and malignant agency to dragoon the States into action in accordance with its whims. They fail to recognise that it is a gathering representative of the Commonwealth and the States, and that a sufficient majority of States can, if they so wish, govern the whole situation in defiance of the Commonwealth. At the last meeting of the Loan Council, attended by Mr. Collier, as at the previous one attended by Sir James Mitchell, there were strong comments on Western Australia's failure to recognise its responsibilities. It was pointed out that, despite the increase we had made last year, we still had lower taxation per head than any of the other States.

Hon. C. F. Baxter: That is brought up at every conference.

THE CHIEF SECRETARY: It was pointed out that it was our duty, before seeking special consideration, to do something to set our financial house in order by imposing additional taxation on our people. It is brought up every time, but unfortunately it cannot be met either by figures or argument. It will continue to be brought up, and brought up effectively, because the Commonwealth and the rest of the States which are meeting their financial obligations already, hold the thick end of the stick. I will refer to a report of Treasury officers submitted to a conference of Commonwealth and State Ministers in Melbourne on 7th June last. The information is very enlight-

The following table shows the tax levied on the amounts specified under the Act and also the new rates and new taxes that are embodied in the Bill:—

Weekly Income	Old Tax.	New Rate.	New Tax.
£1 1s.	Single, 4 1/2d. Married, Nil	Nil	Nil
2	Single, 9d. Married, Nil	Single, 4d. Married, Nil	Single, 4d. Married, Nil
3	Single, 1s. 2d. Married, Nil	Single, 4d. Married, Nil	Single, 1s. Married, Nil
£3 10s.	Single, 1s. 2d. Married, Nil	Single, 5d. Married, Nil	Single, 1s. 3d. Married, Nil
4	Single, 1s. 6d. Married, Nil	Single, 5d. Married, Nil	Single, 1s. Married, Nil
5	Single, 1s. 10 1/2d. Married, Nil	Single, 6d. Married, Nil	Single, 1s. 8d. Married, Nil
6	Single, 2s. 3d. Married, Nil	Single, 6d. Married, Nil	Single, 2s. Married, Nil
7	Single, 2s. 7 1/2d. Married, Nil	Single, 8d. Married, Nil	Single, 2s. 6d. Married, Nil
8	Single, 3s. 6d. Married, Nil	Single, 9d. Married, Nil	Single, 4s. Married, Nil
9	Single, 3s. 4 1/2d. Married, Nil	Single, 9d. Married, Nil	Single, 4s. 6d. Married, Nil
10	Single, 3s. 9d. Married, Nil	Single, 9d. Married, Nil	Single, 4s. 6d. Married, Nil

It will be seen from these figures that our special tax will be lighter than that of any of the Australian States except Tasmania, where, however, a rate of 1s. in the £ is reached when the income is £30 a week.

Hon. G. W. Miles: What did you say was the position in South Australia?

The CHIEF SECRETARY: I mentioned that no emergency tax had been levied in that State. I shall now give an explanation of the provisions of the Bill. In the first place, under Clause 2, the measure takes effect from the 1st of July of this year. It will be seen, however, that an exemption is made in Clause 5. Under Clause 5 every person who furnishes income tax turns as after the 30th June next will be assessed for the whole year—that is, from the 1st July last. But, under Clause 5, salary and wage-earners, who are taxed at the source, will contribute only from the 1st August. No differentiation of principle is intended, but it cannot be avoided in this instance. Those taxed at the source would be called upon to pay as from the 1st July, if it were practicable. Hon. members, however, will clearly recognise that it is not practicable. It is safe to say that if it were attempted, little of the back money would be collectable, and it would be casting too great and too unpleasant an obligation on an employer to throw upon him the respon-

sibility of deducting over two months' tax from the wages and salaries of his employees. Even the one month's tax is likely to present difficulties in some instances. Clause 3 provides exemption for single men receiving up to forty shillings a week, and for married men, up to £3 10s. a week. Clause 4 contains an amendment of Section 9 of the principal Act. The amendment means, when read in conjunction with the existing Act, that, if any payment of salary or wages includes a fraction of a £ in excess of 10s., such fraction shall be reckoned as a £. The object of this is to bring the Bill into line with the Income Tax Assessment Act, which provides that any amount in excess of 10s. shall be regarded as a £. The system simplifies calculation. This will occasionally lead to some persons paying slightly in excess. In other cases, they will reap an advantage. There is provision in last year's Act by which any person who has paid taxation in excess in regard to salary or wages, may secure a refund if he satisfies the Commissioner that there has been an excess payment. For instance, if a married man gets only 30 weeks' work at, say, £4 a week, and his total earnings for the year are only £120, he can get a refund of the money he has paid in taxation at the source, for his total payments do not reach the exemption provided in the Bill. And, so with single men, in cases where the money they have earned does not reach the exemption. Clause 5 is inserted so that the tax shall not be made retrospective beyond the 1st August in respect to persons in receipt of salary or wages, the intention being to tax only salary or wages paid on and after the 1st August, and not from the commencement of the Act, namely, the 1st July last.

Hon. J. J. Holmes: Or whatever date may finally appear in the Bill.

The CHIEF SECRETARY: It must be clear that the whole of the money expected from this and the related measure will be needed to fulfil the obligations accepted by the Premier in his discussions with the Loan Council. In the absence of the operation of legislation for the continuance of this form of taxation, we are exactly in the same position as was Sir James Mitchell when he was called upon to reduce his estimated deficit from £1,360,000 to £765,000. Failure to pass this Bill in an acceptable form is unthinkable. Loss of the Bill would mean a deficit of nearly a million and a quarter

pounds. It would mean more than that; it would mean a financial catastrophe for the State, for the Loan Council would not finance us farther to the extent of even a shilling. They certainly would have no consideration for the lowest taxed State in the Commonwealth, which had refused to continue to place upon themselves the burdens necessary to reduce, gradually, the adverse annual balance between revenue and expenditure. If, instead of that, we were to object to a re-enactment of taxation to the extent imposed last year, or if we amended the Bill with the effect of lessening the amount needed to comply with the undertakings given to the Loan Council in June last by Mr. Collier, we should prove ourselves regardless of the best interests of the State. I said that Sir James Mitchell agreed to reduce his last year's deficit to £765,000. As events proved, it could not be brought down lower than £865,000. Sir James was unable fully to redeem his promise as the late passage of the Financial Emergency Tax left him £97,664 short of his estimate of £300,000. The actual collections for the 7 months were £219,982.

Hon. C. F. Baxter: Members sitting in opposition in another place at that time did not help to get the legislation through.

The CHIEF SECRETARY: The Opposition in the Assembly showed hostility to the taxation of those they considered below the bread line.

Hon. C. F. Baxter: And hung up the legislation accordingly.

The CHIEF SECRETARY: But in no other respect. In the circumstances, the Loan Council made the shortage good. They cannot be expected to repeat this too often, and they certainly would not assist us on a big scale. It must be remembered, too, that every loan raised means an additional charge on revenue. Last year, we had advances amounting to about £2,000,000. On the top of that was the deficit. Interest and sinking fund on that money has to be found this year. We shall have to find an extra £105,000 to meet our interest and sinking fund bill. I have the totals here:—

	Interest.
	£
Loan account, £1,924,000 ..	75,655
Deficit, £865,000 ..	21,625
Sinking fund on total at $\frac{1}{4}$ per cent.	7,725
Total	£105,005

This is additional money that has to be found, that Sir James Mitchell did not have to meet last year. Some hon. members may retort that we ought either to cease borrowing or raise only small amounts. If any be tempted to say so I should like them to explain what alternative course ought to be adopted. Would it be suggested that we should close down all public works, and allow unemployment, with all its terrors, to spread in the community, paralysing business with reactions on the State in a hundred forms? That is the alternative, and if there is another that can suggest itself to hon. members, a sound alternative, I should like to hear it.

Hon. G. W. Miles: You could effect further economies.

The CHIEF SECRETARY: It will be open to the hon. member to show how it is possible to effect further economies that will produce a saving of £105,000 per annum to meet increased interest, in addition to the amount of the reduction of the deficit of last year, funds for which were supplied by the Commonwealth Government in the form of a loan. Under such a policy of closing down of public works where there is one unemployed now there would soon be four. Private enterprise would have to discharge its hands wholesale, and the financial responsibility of saving men and women from starvation would rest with the State. And how would they meet that responsibility? Lavish and extravagant loan expenditure is to be condemned, but loan expenditure, in times of stress, to relieve hunger and want, in return for work done—provided the work produces something of real benefit to the State—is a line of policy which should disarm the criticism of every thoughtful person. I move—

That the Bill be now read a second time.

On motion by Hon. C. F. Baxter debate adjourned.

Personal Explanation.

Hon. C. F. BAXTER: With your permission, Mr. President, I should like to make a brief personal explanation. It is quite true that last session more by accident than design, the Assessment Bill came before this House prior to the taxing measure. I should like to ask the Leader of the House on this occasion to deal first with the taxing Bill, for the reason that if there are any amendments requested, we shall not then be in the posi-

tion that I could easily have found myself in last session, of having to recall the assessment measure. It is my desire to assist the Government to get both Bills through as quickly as possible so that the revenue which it is proposed to raise shall be forthcoming without any delay.

BILL — FREMANTLE MUNICIPAL TRAMWAYS AND ELECTRIC LIGHTING ACT AMENDMENT.

Received from the Assembly and on motion by Hon. G. Fraser read a first time.

BILL—YUNA-DARTMOOR RAILWAY.

Second Reading.

THE CHIEF SECRETARY (Hon. J. M. Drew—Central) [5.8] in moving the second reading said: The authority given in this Bill covers the construction of a railway from Yuna to Dartmoor, a distance of about thirty miles, and thence about 20 miles on to the heart of country which has been successfully tested by the cultivation of an experimental area of 50 acres over two seasons. Apart from the necessity for opening up new country, and providing facilities for existing settlers, the Government are in need of safe avenues for the expenditure of money loaned for relief works upon which the unemployed may be engaged. Despite the financial crisis, Western Australia is, and must remain a wool and wheat country, and, if we fail to recognise that fact, we shall be blocking the path of progress. If we now spend money on justifiable railways to develop agriculture, the country will have something to show for the expenditure. In that frame of mind, and, with a knowledge of its purpose and a confidence in the results, which I feel certain it will achieve, I introduce this Bill for the serious consideration of the House. A brief review of what has been happening in the district affected by the Bill is necessary now. Since settlement commenced at Dartmoor some seven years ago, and, ever since the first crop was put in, the settlers have had unshaken confidence in the value of their land, and the progress that has been made and the results that have been achieved have fully justified their faith. In the early days the farming methods were crude, most of the crops being simply scratched in with light dressings of super. The seed wheat used was mainly

Nabawa, but, as the settlers progressed, they experimented with other varieties which did better than Nabawa, although they are still growing that variety. It was found that Merredin stood very much ahead of any other wheat growing in their area. The returns, even allowing for the crude methods of seeding, ranged from 14 and 15 to 18 bushels per acre, and, as the settlers improved their farming methods, they found they got even better yields.

In 1929, the settlers experienced the driest year the district had known for many years. In that year, some special seed wheat was obtained from the Agricultural Department for experimental purposes. Planted in unfallowed land and merely scratched in, and, with a low rainfall of 48 points in July, 87 in August, and eight in September, that experiment gave 16 bushels 31lbs. per acre. On the Wandalong Estate, which is about 30 miles along the route of the proposed line, the first crop on fallow was grown in 1930, and in that year the owners put in five 20-acre blocks. Merredin yielded 29½ bushels per acre, Gluyas Early 23¼ bushels, Geeralying 22 bushels, S.I.I.J. 20 bushels and Noongar 20½ bushels. Then there were the bulk crops. Merredin, with 200 acres, gave a return of 30.13 bushels; Nabawa, 50 acres, 25 bushels; and Waratah, 70 acres, 27½ bushels. In 1931, the Wandalong Estate reached the stage where it was possible to utilise only fallowed land. The result was that from one paddock of 130 acres of Merredin, an average yield of 30 bushels 40lbs., was obtained; from another paddock of 145 acres of Merredin an average of 24 bushels 39lbs.; from 37 acres of Noongar an average of 21 bushels 56lbs. and from four acres of Centenary an average of 18 bushels 30lbs., while 51 acres of Nabawa averaged 22 bushels 20lbs. The fallow was very rough work, and consisted of one ploughing with a disc implement. The returns quoted therefore were obtained with a minimum of work, and it is doubtful if there are many areas which would give better results at such a low working cost. In 1932, approximately 800 acres on the Wandalong Estate gave a return of 26 bushels 50lbs. to the acre. Returns are not available in regard to the yields of the Dartmoor area generally, for the period prior to 1930. But in that year returns were obtained in order to test what the district was doing. For that season there were 4,735 acres under crop, and the yield

amounted to 74,867 bushels equal to an average of 15.8 bushels per acre, and of the area sown only 636 acres was on fallowed land. In 1931 the area seeded was 3,450 acres, and the yield was 63,396 bushels, or an average of 18.37 bushels per acre. Considering that, apart from the Wandalong estate, there was practically no fallow, it speaks well for the productive capacity of the land. In 1932 the area under crop at Dartmoor was 4,534 acres and the yield was 84,623 bushels of wheat, an average of 18.6.

Hon. J. J. Holmes: There is plenty of land alongside the existing railway system which would produce equally good crops, if the owners could only be compelled to use that land.

The CHIEF SECRETARY: Yes. The Government have not the money to buy that land.

Hon. J. M. Macfarlane: What sort of roads are there in the area?

The CHIEF SECRETARY: Fair roads, good roads. In the early stages of the development of the Wandalong estate the chief difficulty was the absence of surface water. A good deal of money was spent on boring. A small hand plant was used, but without success, although a depth of 135 feet was reached. The company provided the Government with the figures relative to their boring, and Mr. Blatchford was sent to the district to investigate. He eventually made a recommendation to the Government that a bore be put down on a site previously tested by the company, with the result that the first bore struck a good supply of sub-artesian water of excellent quality, at a depth of 178 feet. I have tasted the water, and found it excellent—a near approach to rainwater. Other bores have since been put down in the district and have proved definitely the existence of sub-artesian water. The same trouble had been experienced at Yuna, but the settlers have now resorted to bores with like success. Mr. Blatchford advised the settlers to have the soils analysed. On the occasion of a visit by Dr. Teakle to the district, the farmers spoke to him on the question. He took several samples of soil typical of the country. His report on the analyses proved the soil to be rich in lime, comparing favourably with other soils in the State; and he also stated that there was no danger of its going salt. Owing to the northerly situation of the district, frosts are not experienced later than July. This means that the

wheat, in its ripening stage, is not liable to damage by such visitations.

Another important factor in connection with the request for a railway was the classification of the country beyond the rabbit-proof fence. It was contended that the good land did not terminate at the fence, and, in response to representations made to the Government, a surveyor was instructed to make a report. Later other surveyors were sent out, and the result of their work was an excellent classification. About four years ago the then Minister and present Minister for Lands, Mr. Troy, accompanied by the Agricultural Bank Trustees, visited the area. Mr. Troy expressed the wish that experiments should be made to see if the land beyond the rabbit-proof fence would grow wheat, as the classification was a good one and the Dartmoor settlers had already proved they could grow wheat successfully. It was suggested to Mr. Troy that if the Government would clear a road to any point they decided upon, arrangements would be made to carry out experiments under the direction of a Government officer. A little later it was determined that an experimental block should be cleared and that the cultivation should be carried out by the proprietors of the Wandalong estate. The block selected was 20 miles north of the rabbit-proof fence, and it was typical of that part of the area. It was cleared and, in 1931, 50 acres were planted. The return gave an average of 19 bushels 20 lbs. per acre. By arrangement the balance of the block was fallowed, and there were 50 acres of fallowed land cropped last season. The yield was an average of 20 bushels 50 lbs. to the acre. And these returns were secured from the experimental block despite the fact that galeahs abound in the locality, and naturally are often found in the crops.

The country which will be served by this railway was inspected by the ex-Premier Sir James Mitchell; the ex-Minister for Lands, Mr. Latham; and the ex-Minister for Agriculture, Mr. Ferguson. All were highly impressed with it, and towards the end of summer Mr. Latham removed about 6 inches of soil at Dartmoor and was astounded to discover moisture. In 1929, in the month of February, when I visited the experimental area which was subsequently cultivated, the then Mayor of Geraldton dug a hole about 8 inches deep and the soil at the

depth was found to be quite damp. This is accounted for by the fact that the soil—which is a deep red loam of the finest possible character—has remarkable qualities for retaining moisture.

There has been a consistent rainfall in the Dartmoor district. The average is 11.12 inches for the six years during which an official rain gauge has been in operation. At the Government experimental plot the average for the two years, while the rain gauge was there, has been 10.61; and the experience is that the rain comes at the proper time, just as it does at Dartmoor—that is, between April and October. Last year, after a visit of inspection by members of the previous Government the Railway Advisory Board were sent to report on the proposal. Hon. members will be able to peruse the report, which has been laid on the Table of the House. From the report it will be seen that the board say that the productivity of the land is indicated by the excellent returns received over a period of years, that the land is of a deep red sandy loam capable of holding and storing moisture, that the rainfall is regarded as sufficient for wheat-growing, and that it is estimated the number of farms in the district would be 500, with a wheat yield of 36,000 tons per annum and a wool product of 234 tons per annum. The board consider that the country would best be served by the construction of a railway about 50 miles in length from Yuma northwards. It is not the intention of the Government, if the Bill passes, to carry the railway right through at present; but railway facilities will probably be provided for the people of the Dartmoor area.

Hon. J. M. Macfarlane: What is the acreage under cultivation?

The CHIEF SECRETARY: Between 4,000 and 5,000 acres. However, the settlers, being 30 miles from a railway, have battled along under great difficulties. Nevertheless, they have managed to make ends meet. The board state that the route suggested will serve, within a 15-mile radius and outside a 15-mile radius of existing lines, about 840,000 acres of land, of which 225,000 acres are first class and 153,000 acres second class, the balance being third class and unclassified. A loss of £2,100 a year is anticipated until after the area is fully developed—in about 10 years—and that is after providing for interest at 5 per cent. But there was

never yet an agricultural railway which paid from the outset or for some years afterwards. If we had delayed the provision of railway facilities to the farmers until we were assured of a profit, or even an avoidance of loss, we should still be importing flour from South Australia, as we were doing 40 years ago, and we could not have built up the great export trade in wheat that we are all proud of to-day. As the Railway Advisory Board point out:—

This amount—that is, the loss of £2,100 a year—is small when compared with the loss in production to the State if the railway were not constructed.

Some years ago I investigated this subject with the assistance of the Commissioner of Railways, and he astounded me with the figures of the losses. However, agricultural lines develop the country. Can we allow this area to lie idle for the want of a railway, especially at a time like this, when the Government are searching for safe avenues for the investment of public money?

Bank managers and bank directors as a rule are very cautious gentlemen, and generally weigh their words. It will be interesting to hear what three of the leading bank managers of Geraldton had to say about the district to be opened up by this railway. I will read from a report appearing in the "Geraldton Guardian and Express" of 26th July, 1932, of speeches delivered at a public gathering when the proposed railway was under discussion—

Mr. H. W. Ramshaw, manager of the Union Bank, said he had seen a good deal of the land in Western Australia, and he was very much impressed with the Dartmoor area. It was one of the best districts he had ever seen. To open up land required money, and the value of land as security depended on its proximity to a railway. Anything over 12 or 15 miles distance was not regarded as first class security for wheat growing. The Dartmoor area was eminently suitable for wheat growing, and personally he thought so much of it that if he had a son whom he wished to put on a farm he would choose Dartmoor before any other district he had seen, and he had seen a good deal of the Great Southern district. To make farming successful and to enable lenders to place some value on the land, a railway was required. If banks could safely lend money settlers would have a better chance of pulling through. Seeing there was so much poor land under cultivation in the State it seemed regrettable that Dartmoor, which had good land, had not been provided with a railway.

Mr. T. Horswill, manager of the National Bank, stated that in his official capacity he had seen a great deal of the lands of the State,

and since he had been in Geraldton he had seen the Dartmoor lands on two or three occasions. He was not surprised at the yields mentioned, because he had seen the crops growing. In his opinion Dartmoor would develop into one of the leading wheat areas. In the Balla-Dartmoor area they had land that would produce 15 to 30 bushels to the acre, and they did not think wheat was going to always remain at the low price it was to-day. When a railway went through the area there would be plenty of money available for development.

Mr. J. W. Taylor, manager of the E. S. & A. Bank, stated that from what he had seen of the land in the Yuna and Balla areas he was quite sure it compared favourably with land for which people gave a couple of fivers in other States. Wheat growing in these areas could be made a profitable undertaking if facilities were provided to enable settlers to overcome the long distances which were now their chief obstacle.

It may be thought that, as Mr. Holmes suggests, these banks have lent money to the settlers. I am not in a position to say whether they have done so or not. But, if they have, it demonstrates what a solid faith they have in the area when they have no hesitation in making advances to wheat growers who have to cart their produce 30 miles to a railway. One disadvantage suffered by some of our agricultural areas is that insufficient late spring rains fall to top off the crops. That disadvantage has not been experienced in the Dartmoor area, because the crops ripen about the end of September and can be harvested before the end of October. Hence a fall of rain in the late spring, or its absence, makes little difference to production in the Dartmoor area. Practically all the land in the area is within 70 miles of the coast, and it is the only considerable area of land available for settlement within 100 miles of a port. We have carried our wheat areas eastward, north-eastward and south-eastward from Perth, and in some instances they are over 300 miles from a port. With the Dartmoor line, the farthest point will not be 100 miles from Geraldton. Taking the whole of our agricultural areas, the average haul for wheat is 153 miles, whereas in the Dartmoor area it will be little more than half of that. The settlers there, once given a railway, will enjoy a distinct advantage for all time, inasmuch as their railway freights will be at least 25 per cent. less than those paid on the average by farmers in other districts.

What applies to wheat applies also to super. There is a superphosphate factory

at Geraldton, and the advantage will extend to many of the commodities required on the farm. The natural advantages enjoyed by the district should make production possible on a cheaper basis than in average areas elsewhere. When the whole of the line is completed no farm will be located a farther distance from the port than 98 miles. It is not proposed to build the whole of the line immediately; as with other railways, it will be constructed in sections. The first section will be carried as far as Dartmoor, which is 25 to 30 miles from the head of the existing line. The cost of construction will be cheap, the estimate being £3,250 per mile. There are amongst the unemployed many experienced railwaymen, gangers, and ex-navvies, who are competent to undertake this work.

Hon. G. W. Miles: Are you going to call tenders?

The CHIEF SECRETARY: No, the object is to furnish reproductive work for the unemployed. The Government want to have control of the whole situation. There are no known engineering difficulties, such as creeks to be bridged or big cuttings to be made. The line will be comparatively level, the ruling grade being 1 in 80 throughout. This will make for economical working, in that the trains will be able to haul heavy loads. From the head of the line to Geraldton the load will go with the grade, except for a distance of $1\frac{1}{2}$ or two miles at a point some 20 miles from Geraldton, and there a refuge siding is provided so that the full loads may be hauled over the rest of the line. Rails are available. They will be taken from the private line which was built from Meekatharra to the manganese deposits at Horseshoe. There is there £100,000 worth of new steel rails—they were new when laid down—and it is a pity to see them unutilised.

Hon. E. H. Harris: What is the weight of those rails?

The CHIEF SECRETARY: I am not sure.

Hon. J. J. Holmes: Is the manganese railway not being used?

The CHIEF SECRETARY: No. There are three things which the people have been urged to do in recent years. The first is to increase our exports, the second is to keep down our costs of production, and the third is to put in hand works which will be wealth creating. This railway should

help in all three ways. Besides that it can be cheaply and easily formed, it will bring into production a large area of first class land within approximately 80 miles of the port, and it will provide reproductive work for the unemployed. The wheat yield of the area will also provide fresh tonnage for the new harbour at Geraldton.

Hon. G. W. Miles: Can you not get the first 25 miles from Geraldton, re-graded, so as to reduce the haulage?

The CHIEF SECRETARY: Yes, that is under consideration. It is the intention of the Government to go in fairly extensively for the re-grading of the principal railways. The building of the line will, with better times, give a fillip to settlement, and few of us are so pessimistic as to imagine that things are always going to continue as they are to-day. I move—

That the Bill be now read a second time.

On motion by Hon. J. M. Macfarlane, debate adjourned.

BILL—HEALTH ACT AMENDMENT.

Second Reading.

THE HONORARY MINISTER (Hon.

W. H. Kitson—West) [5.39] in moving the second reading said: This is a small Bill of seven clauses. Its purpose is mainly machinery, although its passing is of great importance to many local authorities. The first amendment relates to the question of septic tanks. Under the principal Act, a sanitary rate, when struck by a local authority, must apply to all houses in the district, except such as are connected with a sewer. The object of the amendment in the Bill is to empower the local authority to exempt an owner or occupier who has installed a septic tank approved by the local health authority from the double rating—sanitary rate in addition to health rate—the property in such a case to be treated in the same way as a sewerage property. In order to do this it is necessary to make provision in two separate clauses, because one section of the Act deals with road boards and municipalities, and another section with local health boards, which also have power to strike rates. Clause 4 has reference to the section empowering local authorities to obtain overdrafts from banks or other financial institutions for the purpose of carrying out

health obligations. Under that section the amount of the overdraft has to be limited to one-third of the health rate of the health authority. It should be, not the health rate, but the actual revenue of the health authority. Under the existing Act, they are limited to the extent of one-third of the health rates. Members know that in some instances those health rates amount to only one farthing in the pound, and so in many cases the amount available would be of no use whatever for the purpose. Last session, when the amending Bill was being discussed, the Minister stressed the intention to make this alteration, that is to say, to alter the words from "health rate" to "the revenue." The words were to have been "revenue of the local authority concerned." However, when the Bill was printed it was found that by some means those words had been omitted, and the words "health rate" retained. The amendment in the Bill before us is intended to put that right.

Hon. A. Thomson: In abstracting the sanitary rate as well as the health rate, they are to combine the two and take that as revenue.

The HONORARY MINISTER: Not necessarily so.

Hon. A. Thomson: It means the revenue of the municipality.

The HONORARY MINISTER: No, the revenue of the health authority.

Hon. A. Thomson: Raised by the health rate.

The HONORARY MINISTER: Raised from any sources.

Hon. G. W. Miles: It would include the sanitary rate also.

The HONORARY MINISTER: Probably so. Clauses 5 and 6 deal with cases of infectious disease. Under the provision of the principal Act, the Health Department accept liability for one-half of any fees that are considered to be uncollectable. Local authorities are expected to do their utmost to collect from the patient or the patient's guardian the amount of hospital fees incurred by any patient sent from their district to the Infectious Diseases Hospital. Often patients are not in a position to pay the cost of their treatment.

Hon. J. T. Franklin: And if they are, they will not pay.

The HONORARY MINISTER: In such cases the Act provides that the amount shall be divided between the local authority and

the Health Department. Some time ago there was quite a controversy as to who was really responsible for the payment, and I understand that in order to reach a settlement, the then Minister for Health agreed that the Health Department would accept liability for two-thirds instead of one-half the amount, thus leaving the local authority to pay one-third. That was carried into effect, but unfortunately the Auditor General has queried the arrangement on the ground that the Act provides that the Health Department should be liable for only one-half. In order to meet the position, Clause 5 provides for the insertion in Section 266 (10) of the words "or such rate or proportion as the Minister shall in every case decide." That will give the Minister the right to increase the amount for which the Health Department is liable over and above the 50 per cent. provided for in the Act. Clause 6 seeks to amend Section 269 in a similar manner. The proposed amendments have been requested in the interests of the local authorities throughout the State and are of the utmost importance to those bodies. I move—

That the Bill be now read a second time.

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

BILL—RETURNED SAILORS AND SOLDIERS' IMPERIAL LEAGUE OF AUSTRALIA, W.A. BRANCH, INCORPORATED, HEADQUARTERS BUILDING.

Second Reading.

THE CHIEF SECRETARY (Hon. J. M. Drew—Central) [5.51] in moving the second reading said: The purpose of this Bill is to enable the returned sailors and soldiers to raise money for building purposes by way of a mortgage over that piece of land recently granted to them by the previous Government as a headquarters building site. The purpose expressed in the deed is that the land shall be utilised for the erection upon it of a headquarters building for the Returned Soldiers' League, and it is at present held in trust. The league are now negotiating with one of the Associated Banks for the loan of sufficient money to erect the building. Before making any advance, the bank naturally desires that the security shall be free and absolutely dis-

charged from any trust or other restrictions, so that if at any time it should be forced to foreclose under the powers of the mortgage, the land together with improvements could be sold with a clear and unrestricted title. The league submitted the matter to the Government and, after due consideration of all the circumstances, it was decided to bring down legislation to enable them to secure the advance. It is most desirable that every facility should be given the league to proceed with their building programme, as it will mean the employment of a large number of men at a time when it is necessary to exploit every avenue of employment. The request of the bank, that in the event of a sale the restrictions imposed by the deed should be lifted, is a reasonable one and in keeping with business methods. The league would be unable to erect the building desired unless they were in a position to mortgage, and they cannot mortgage without being able to give a good security. As the land is held in trust, it is impossible to do that without legislation to make the position secure from the viewpoint of the bank. I move—

That the Bill be now read a second time.

HON. SIR EDWARD WITTENOOM

(North) [5.54]: While I do not intend to oppose the Bill, I wish to voice my regret that the land in question was not acquired for the purpose of Government buildings. I think it was in 1887, during the regime of the Forrest Government, that the whole block in Barraek-street from the corner of St. George's-terrace to Hay-street was submitted for sale by auction, and a reserve of £35,000 was placed upon it by the owners, Messrs. Sampson and Sons, of Fremantle. Mr. Septimus Burt, Mr. Richardson and I did our best to persuade Lord Forrest to purchase the land, so that a continuous block of Government buildings might be provided, but we were unsuccessful. The price of £35,000 seemed cheap enough, but members will be surprised to hear that a purchaser could not be found at the price. Later the land was submitted in lots conditionally upon the whole of them realising £35,000. Mr. Alex. Forrest desired to purchase the block on the corner of St. George's-terrace, and I lent him the money to finance it. He was going to pay £11,000 for it, but ultimately he bought it for £6,000. To make sure that the £35,000 was realised, he ran up the price of all the other lots until they totalled

over £35,000, and so he got his block. We could not understand why Lord Forrest would not agree to the purchase. Members can realise how advantageous it would have been to have had all the Government departments concentrated on that block. His argument was that he thought it a pity to utilise both sides of the street for Government offices instead of having some flourishing shops on one side. There are not many flourishing shops there now, except perhaps a fruit shop. When the Government began to rent buildings all over the city to accommodate the Mines Department and other departments, I had an opportunity to buy the piece of land that is the subject of the Bill before us. I bought it for £14,000, with the idea that Government offices might be built on it. Members will appreciate how advantageous that would have been because the block has three frontages and a tram on one side. Unfortunately, no Government ever took the matter in hand. Had the Government acquired that land, during the present period of unemployment, they could have utilised unemployed to erect a suite of offices. The interest on the money so expended would have been less than the rents paid and the expense of having departments scattered all over the place. At present we have Government departments on the Terrace, in Murray-street, on the Esplanade, and in fact all over the place, and if a member has to go to more than one department, the whole of the morning is occupied. In the circumstances members can appreciate my regret at having purchased land for a specific purpose for which it has never been used. I am not offering any opposition whatever to the returned soldiers. If the block had been built upon, I would have been only too glad to assist them to get another block equally convenient. I support the second reading.

HON. SIR CHARLES NATHAN (Metropolitan-Suburban) [5.58]: I have pleasure in supporting the second reading. The Bill is intended to enable the returned soldiers partially to finance the building of headquarters on the land in question. In order that there may be no false impression in the minds of members, let me explain that the portion which has been granted to the returned soldiers is something less than one-quarter of the block.

Hon. Sir Edward Wittenoom: Have not they got the whole of it?

Hon. Sir CHARLES NATHAN: No, it does not include the Hay-street frontage, or the frontage to the side street. It is portion of the frontage on the south side. This matter was brought before the Attorney General in the previous Government. It was his intention to suggest the amendment which has been brought down to correct what was an oversight when the grant was issued. The land was set apart for the purpose of a Returned Soldiers' and Sailors' Institute. The deed was in such form that the land could not be made use of for financial purposes, as, in the event of the mortgagee having to exercise his rights, he would be unable to do so. The returned soldiers intend to erect a building that will cost £22,000. A certain amount of money is in hand, and it will be necessary for the organisation to finance the rest. Members of the league are just as jealous of preserving their rights to this block as is anyone else. The Bill has a distinct precedent, inasmuch as the clauses are really extracts from the Geraldton Soldiers and Sailors' Memorial Institute Act 1929, Section 6, and paragraphs (b) and (c), which give to the Returned Soldiers and Sailors' Institute in Geraldton the rights now asked for by the Returned Soldiers' League under this Bill. Every endeavour will be made to safeguard the security for the purpose for which it is intended. Trustees have been appointed for what is called a mortgagees' redemption fund. I understand the intention is to endeavour to liquidate the mortgage as early as possible. I make these few remarks in amplification of what the Chief Secretary has said. I would also tender my apologies to Mr. Cornell who was not in the House at the moment, and probably would have preferred to make the position clear.

Question put and passed.

Bill read a second time.

In Committee.

Bill passed through Committee without debate, reported without amendment, and the report adopted.

House adjourned at 6.5 p.m.