

and enforcing it in another cannot commend itself to sane people.

Hon. P. Collier: I do not think you know the meaning of the word.

On motion by the Premier, debate adjourned.

### ADJOURNMENT—SPECIAL.

**THE PREMIER** (Hon. J. C. Willecock—Geraldton) [8.23]: I move—

That the House at its rising adjourn till 7.30 p.m. to-morrow.

Question put and passed.

*House adjourned at 8.21 p.m.*

## Legislative Council,

*Wednesday, 11th August, 1937.*

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The PRESIDENT took the Chair at 7.30 p.m. and read prayers.

### QUESTIONS (3)—MINING.

#### *Goldmining Profits Tax.*

Hon. H. SEDDON asked the Chief Secretary: What was the amount received from the goldmining profits tax for the year ended 30th June, 1937?

The CHIEF SECRETARY replied: £89,090.

#### *Mine Workers' Relief Fund.*

Hon. H. SEDDON asked the Chief Secretary: What was the amount of the State contribution to the Mine Workers' Relief

Fund during the year ended 30th June, 1937?

The CHIEF SECRETARY replied: £16,330.

#### *Miners' Phthisis Compensation.*

Hon. H. SEDDON asked the Chief Secretary: 1, What was the amount paid on account of miners' phthisis compensation for the year ended 30th June, 1937? 2, What proportion of this amount was paid from the industrial diseases section of the State Insurance Office?

The CHIEF SECRETARY replied: 1, £82,479. 2, £27,342.

### QUESTION—FINANCE.

#### *Emergency Tax, Revenue, Expenditure.*

Hon. H. SEDDON asked the Chief Secretary: 1, What was the amount received from the financial emergency tax for the month of June, 1937? 2, What was the revenue; and 3, What was the expenditure for the month of June, 1937?

The CHIEF SECRETARY replied: 1, £99,903. 2, £1,039,409. 3, £1,123,022.

### COMMITTEES FOR THE SESSION.

On the motion by the Chief Secretary, Sessional Committees were appointed as follows:—

*Standing Orders.*—The President, the Chief Secretary, Hon. J. Cornell, Hon. C. F. Baxter, and Hon. J. Nicholson.

*Library.*—The President, Hon. C. F. Baxter, and Hon. G. Fraser.

*Printing.*—The President, Hon. E. H. Gray, and Hon. W. J. Mann.

*Joint House.*—The President, Hon. J. Cornell, Hon. E. H. Gray, Hon. V. Hamersley, and Hon. G. W. Miles.

### BILL—SUPPLY (No. 1) £2,500,000.

#### *First Reading.*

Received from the Assembly and read a first time.

#### *Standing Orders Suspension.*

**THE CHIEF SECRETARY** (Hon. W. H. Kitson—West): I move—

That so much of the Standing Orders be suspended as is necessary to enable a Supply Bill to pass through all stages at one sitting.

Question put and passed.

*Second Reading.*

**THE CHIEF SECRETARY** (Hon. W. H. Kitson—West) [7.40] in moving the second reading said: The purpose of this Bill is to provide Supply to finance operations until the Estimates are passed. These are in course of preparation, and will be presented to the House as early as possible. The amount asked for is as follows:

	£
Consolidated Revenue Fund ..	1,600,000
General Loan Fund ..	600,000
Treasurer's Advance ..	300,000
	<hr/>
	£2,500,000

The Bill is to provide Supply for a period of three months, and the amount requested is £300,000 greater than that of last year. The increase is required for expenditure from Consolidated Revenue, which is expected to be approximately the same as for the first three months of last year, namely £1,607,684. It is expected that the expenditure from General Loan Fund will average £200,000 a month. The amount of £300,000 required for Treasurer's Advance is to cover expenditure which, for the time being, cannot be charged against either Consolidated Revenue Fund or General Loan Fund, or otherwise cleared. The operations for last year on the Consolidated Revenue Fund resulted in a deficit of £371,205, compared with the Budget estimate of a surplus of £5,674. The chief factors responsible were the reduction of £300,000 in the Commonwealth grant, and the provision of unexpected expenditure arising from drought conditions in this State. I move—

That the Bill be now read a second time.

**HON. H. SEDDON** (North-East) [7.43]: In making a few remarks concerning last year's finances, one cannot help but regret that the Government have not continued the good results they achieved at the end of June, 1936. On that occasion they showed a surplus of £88,000, but, as the Chief Secretary has pointed out, the present year closed with a deficit of £371,000. I notice that when the statement with regard to the finances was made at the end of the financial year, there were references to two factors which were held responsible for causing the difference. It is with those arguments, or those explanations, that I would like to deal to-night, because

I cannot see, from the figures presented to us, how one of those factors, at any rate, can be held responsible for the results the Government have attained. If hon. members will refer to the figures for the end of June, 1937, they will see, with regard to revenue, that the estimate was £10,159,599. That estimate included the sum of £800,000 which was expected from the Federal Government. That was one of the amounts on which the estimated surplus of £5,000 was based. Although the estimate of actual revenue for the year was £10,159,000, the actual amount received was £10,187,254. Thus the actual revenue was considerably more than the amount estimated. That figure was achieved after receiving from the Commonwealth Government £500,000 instead of £800,000. In view of the increased actual revenue over expected revenue, and considering that the £800,000 has been taken into account, how the Government can contend that the reduction of the grant from £800,000 to £500,000 was responsible, or partly responsible, for the position of the finances, I cannot understand. Here we have figures showing that, including £800,000 expected from the Commonwealth, the revenue was estimated at £10,159,000, while the actual receipts, which included only £500,000 from the Commonwealth Government, amounted to £10,187,000. This shows that the reduction in the Commonwealth grant had nothing to do with the creation of the deficit. Whatever reason may be assigned for the deficit, clearly the Commonwealth grant had nothing to do with it. When we examine the detailed figures presented to us, we find that the increased receipts from taxation alone amounted to £217,775. If the Government had not insisted on its policy of extending the emergency tax exemptions, the probability is that the receipts from taxation would have been very much greater, and it is likely that the proceeds from the emergency tax would have gone a long way towards making good the loss on the Commonwealth grant. Departmental revenue returned £32,000 more than in the previous year, and public utilities £153,000 more. The enormous amount that is extracted every year in the form of taxation should, I think, cause very serious concern to the taxpayers of the State. I have figures indicating the effect of that taxation. First of all we have to recognise that the

Government's policy is resulting in a diminishing number of people paying taxation each year. According to the Statistician, in 1933, out of a population of 438,852, the number of bread-winners was 186,929, and only about 146,300 could be regarded as taxpayers. In arriving at that total the following classifications were included:—Employers, people working on their own account, wage and salary earners, and persons of independent means. Those figures show that, on the basis of 1933, about one-third of the population pay taxation. Applying that proportion to the present population, and realising that last year no less than £2,400,000 was obtained in the form of taxation, the amount per taxpayer works out at £16. A sum of £16 per taxpayer is a pretty hefty sum to extract from a section of the people. Quite apart from the unfairness of perpetuating the principle of representation without taxation, there is an economic effect to be taken into consideration. The formula on which the basic wage is fixed is built up on certain factors, and amongst them food and clothing comprise 58 per cent. of the whole. The main difference in the expenditure of people on the higher grades of income and those on the basic wage is reflected in higher rentals, in the provision of greater comfort, and in the provision of savings for utilisation in the form of investments. It is savings utilised in this way that affect employment most. If we are going to appropriate from those people, and those people alone, large sums of money in the form of taxation, we are going to interfere with the investment of those sums in the ordinary avenues that would provide employment. Employees who through increased efficiency in production are thrown out of work can find their best opportunities to obtain permanent employment in those industries and those services that increase the standard of living of the community. A very interesting article appeared recently in an English paper dealing with the relationship between savings and investments in Great Britain. It showed a very significant relationship between employment and the direction of investment and expenditure. According to the article, investment in processes and inventions that increased the standard of living in the community had a more beneficial effect than any other factor in providing increased and permanent employment. If we apply that conclusion to taxation, we shall realise the existence of an

avenue of providing permanent employment through private enterprise, conditionally upon our bringing down this enormous amount of taxation which, year by year, Governments are extracting from a section of the people. Coming now to the expenditure side of the Government's record for last year, we find the real explanation of the retrogression. The total expenditure last year exceeded that of the previous year by £611,295 and exceeded the estimate by £402,713. Thus it was on the expenditure side that the trouble arose and resulted in the Government's showing such a large deficit on the year's transactions. The principal departments responsible for increased expenditure were the Treasury and Public Utilities. The Treasury exceeded the estimate by roughly £205,000, and Public Utilities exceeded the estimate by £192,000. Comparing the expenditure of those departments with that of the previous year, the Treasury showed an increase of £195,000 and Public Utilities an increase of £245,000. It may be contended by a certain section of the people that possibly the system of accounting this year has taken into consideration expenditure factors that previously were dealt with differently. For instance, it has been the policy on occasions in the past for heavy expenditure for replacements and renewals in the Railway Department to be spread over a series of years. I notice that this year the whole of that item has been taken into account. There is also the fact that the Government might have had in view the relationship of the State with the Federal Government and the matter of future grants. They might have reasoned that as the grant was reduced from £800,000 to £500,000 last year, if they showed too close a balance, possibly the Federal grant might be further reduced, and for that reason they would not exercise the close supervision over expenditure that in other circumstances might have been exercised. Whatever their reasoning was, and whatever led to this over-expenditure, the fact remains that it was on the expenditure side where the trouble arose. Reference was made by the Minister to unforeseen expenditure for drought relief. The figures quoted by Mr. Baxter last night seemed to indicate that the amount spent by the Government on unemployed relief, together with the amount received from the Federal Government for the assistance of farmers, was less last year than in the previous year. Thus the Government last year were not involved in expenditure

as heavy as that for the previous year for the purpose of drought relief. Why, therefore, drought relief should be advanced as the explanation for over-expenditure is difficult to reconcile. Members from time to time have stressed the seriousness of our financial policy and have pointed out how year after year we have been constantly accumulating deficits. A deficit has occurred again and has increased the total to the vicinity of the six million pound mark. There has already been funded a sum of £5,000,000 odd. Thus, when we consider that £11,000,000 of our debt is represented by no asset, the seriousness of the position for a State having such a small population as has Western Australia will be realised. For many years there has been a race between revenue on the one hand and expenditure on the other hand, in spite of the Government's increasing taxation. The figures for July of the current financial year are not by any means reassuring. In this instance, as the Government pointed out, there was a considerable reduction in revenue on account of no portion of the disabilities grant having been received for that month. Allowing for that, there was a slight increase of revenue in July of this year as compared with July of last year. But again, when we come to the expenditure side, we find that the figures are rising. Last year I pointed out that the figures for the month of July in 1935 and 1936 were far higher than those for the corresponding month in any previous year. I pointed out last year that the figures for July were £100,000 higher than the figures for July of 1931, which was in the depth of the depression. The figures for July of this year are £29,000 above the expenditure for July of 1936. It will be seen that the progress—if progress it can be called, rather than retrogression—is still in the wrong direction. The matter calls for serious thought by every person who is concerned with the welfare of Western Australia. When speaking on the Address-in-reply last night, Mr. Baxter drew some interesting comparisons between the amounts spent in the rural areas as compared with those spent in the metropolitan area. The Government might seriously review the direction of the loan expenditure for the current year, with the object of effecting a change as to expenditure of loan funds in the country districts. It must not be forgotten that expenditure in the country is reflected

in railway revenue and in many other governmental directions. The returns from the departments concerned would benefit materially if the direction of expenditure were altered as suggested. It is contended, and rightly so, that moneys spent on water supplies and sewerage in the metropolitan and Fremantle areas are moneys which return interest and sinking fund. On the other hand, if a little more consideration were extended to the conditions of living in rural and goldfields areas, the result would be far more beneficial to the State as a whole, and certainly would do something to meet the feeling, pretty widely spread in the rural areas, that living conditions in the metropolitan area are in many respects enormously better than those in the country. Consequently I urge the Government to give consideration to that aspect when revising their loan programme. There is scope for alleviating conditions in the rural districts. We see enormous sums spent for beautification of the metropolitan area, especially during recent years. The State Gardens Board apply considerable amounts annually towards providing pleasure resorts in the city and beautifying its surroundings. It seems to me that there is an opportunity for the Government to revise their policy in this respect and do something to assist outback authorities to provide better surroundings. Anyone who travels the rural districts cannot fail to be impressed with the difference existing as regards gardens and recreation facilities between the country and the cities. As regards goldfields towns, with the exception of Kalgoorlie and Boulder, the drab conditions, as I may term them, existing there explain why goldfields residents use every effort to get down to the metropolitan area and find work and establish their homes here. A few beauty spots in Kalgoorlie have been provided by the enterprise of the local authorities. In other districts outback the state of affairs in this respect is very bad indeed. Further, the Government might well explore the possibilities of establishing in rural districts water schemes similar to the goldfields water supply scheme. Adequate and permanent supplies of water should be given to the country towns. If we can run a pipe line of 350 miles to Kalgoorlie and supply water all the way along the track to the various towns, in addition to supplying it to Kalgoorlie itself, from Mundaring Weir, surely it is not beyond

the capacity of our engineers to find similar catchment areas in the Darling Range and establish similar schemes for towns in the Great Southern district, providing them with something like the quantity of water received on the goldfields.

Hon. C. F. Baxter: The water required can be supplied from the Collie River, in which there is an abundant supply.

Hon. H. SEDDON: There must be any number of places where catchments could be laid down and where a scheme similar to the goldfields water scheme could be established, thus improving conditions in country towns and also increasing the returns from rural districts through extension of industries there. I commend that line of action to the Government. The question is not so much one of increasing expenditure as of changing its direction. Instead of concentrating so much on the metropolitan area, the Government should give more consideration to country districts which at present are suffering. There is one activity of the Government on which I must congratulate them, and that is the energy they have put into the campaign for encouraging local industries and for bringing under the notice of our people the many articles now manufactured in Western Australia. That is entirely a step in the right direction, and I think everyone recognises the thorough and careful organisation the Government have applied to the matter during the last 12 months and previously. I do, however, wish to stress again the trend of finance as disclosed. I would like the Chief Secretary, at some suitable time, to go into the question how the Government reconcile their comments on finance with the facts disclosed by the figures, because it appears to me that there is a discrepancy, so far as revenue is concerned, between the statements made and the absolute figures received. I support the second reading of the Bill.

**THE CHIEF SECRETARY** (Hon. W. H. Kitson—West—in reply) [8.8]: I have listened with a great deal of interest to Mr. Seddon's review of the financial position. The hon. member usually submits some interesting comments on this particular question, but I must say I cannot agree with some of the conclusions at which he has arrived. In the first place let me point out that if the Government had received £300,000 less from a particular source than

they anticipated receiving when their Estimates were framed, naturally that deficiency of £300,000 must be reflected in the financial position at the close of the year. We must bear in mind that estimates, after all, are only estimates, though based on the best information available to the Government at the time. But during the 12 months of a financial year many things happen which cause variations either in revenue or in expenditure, particularly the latter. Last year the Government were faced with the necessity for providing much larger sums of money in several directions than they had anticipated when the Estimates were framed. Some of the remarks made by Mr. Seddon I shall deal with at a later stage of the session. I acknowledge that they are worthy of consideration on my part. The hon. member's complaints are based on figures quoted by Mr. Baxter, with which also I propose to deal at a later date, when I hope to show that they are not as exact as they might be, and certainly not as exact as I would have expected them to be, coming from Mr. Baxter in the circumstances in which he quoted them. Mr. Seddon's remarks on the expenditure of Government money in country districts rather than in the metropolitan area will, I suppose, have the support of every country member. I think that what Mr. Seddon suggests could be done.

Hon. C. F. Baxter: It should be done.

**THE CHIEF SECRETARY:** The present Government have given just as much financial consideration to the country districts as has any previous Administration, if not more. When a proper survey is made and all factors taken into account, that statement will be found thoroughly justified. Mr. Seddon will admit that the large expenditure in the metropolitan area on water supply, drainage and sewerage does produce interest and sinking fund; and that is an aspect to which we must have regard in the expenditure of public funds. However, large sums have also been found for country districts, and in respect of some of that expenditure the State has received no interest whatever. That fact does not imply that the Government should not spend money in the rural areas, and in all sincerity I say that the present Government have given every consideration to those areas. The probabilities are that I shall have an opportunity later of referring to other comments made by Mr. Seddon, and I shall be only too

pleased to state the facts as I know them, facts which, I believe, will put an altogether different complexion on the arguments advanced by the hon. member.

Question put and passed.

Bill read a second time.

*In Committee, etc.*

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

Read a third time and passed.

### ADDRESS-IN-REPLY.

*Third Day.*

Debate resumed from the previous day.

**HON. G. W. MILES** (North) [8.17]: I wish to say a few words on the Address-in-reply and I desire first to apologise to the House for not having prepared some matter for the occasion. I feel, however, it is necessary for me to say something with regard to the propaganda that is taking place in connection with the development of the Yampi Sound iron ore deposits. The Prime Minister and the Minister for Defence have just returned from a visit to the Old Country where they attended a conference on the defence of the Empire. In to-day's issue of the "West Australian" Mr. Lyons states—

Australia, by her representation at the Imperial Conference, had been able to do something to indicate to the nations of the world that the policy of maintaining peace was not only the policy of Great Britain but was also that of the whole Empire. Britain was making herself safe for defence purposes and Australia had to do the same. It was very gratifying to find that everything that was being done in Australia had the commendation of those experts who were advisers to Great Britain.

I agree with every word of that, but I say that the action or inaction of the Commonwealth Government with regard to the propaganda that is going on over the development of the iron ore deposits at Yampi is against the interests of the Empire. I have previously stated that the most vulnerable spot, not only on the coast of Australia, but of the Empire itself, is the North-Western part of Australia. Our Northern Province, which has a territory as big as Queensland, contains only 6,000 people. The development of the Yampi Sound iron ore deposits means that for the first time we shall have opened up a deep water port in West Kimberley, and the work

that is being carried on will mean that the locality will in the near future carry some hundreds, if not a thousand people. We have no right to hold Australia unless we are prepared to people it, and the best way to defend our territory is to populate it. Population can be got into the North-West area at this stage, but the inaction of the Commonwealth Government and the propaganda being carried on are threatening to hold up that development. The company operating there have already spent £100,000 and they are spending at the rate of £12,000 a month at the present time. The only way by which the iron ore deposit there can be worked is to find a market for it. One of the causes of the trouble in the world to-day is the nationalism that is taking place, and some countries are not being allowed to obtain the raw material they are seeking. That is chiefly the cause of wars and rumours of wars, and the sooner we can begin to interchange our commodities with those of other countries, the sooner shall we be able to establish peace. The propaganda that is going on has had its origin in the Eastern States. Telegrams have come from Canberra telling us it is rumoured that the Federal Government are not going to assist by the remission of Customs duties on machinery. The Commonwealth should do everything in its power to assist the company that is operating at Yampi Sound to open up the deposits there as soon as possible.

**Hon. J. Cornell:** What is the capital of the company?

**Hon. G. W. MILES:** No less than half a million is being spent there.

**Hon. J. Cornell:** Who is finding it?

**Hon. G. W. MILES:** It does not matter.

**Hon. J. Cornell:** It does as far as I am concerned.

**Hon. G. W. MILES:** I have no personal interest in Yampi Sound, but the attorney informs me that the money for the development work is being advanced by Japan, that that country is taking the equivalent in ore and that the English company has the right to redeem the debentures at any time. I was personally connected with the development of Yampi Sound some years ago and I was instrumental in inducing British firms like Armstrong-Whitworths and Vickers to investigate the proposition. At that time Britain was importing 6,000,000 tons of iron ore per annum from Spain and Bell Island across the Atlantic where mining was being

carried out two miles under the sea. The propaganda that is now going on will do us infinite harm. The late Mr. Montgomery who was recognised throughout the Empire as a man who knew his job, reported on the Yampi Sound deposits when he occupied the position of State Mining Engineer in Western Australia, and he stated that there were 97,000,000 tons of ore above sea level at Yampi. So that if we were turning out a million tons of ore per year we would have 97 years of work in sight above sea level, to say nothing of what was below the water. We are aware that the British Government are allowing ore to be sent to Japan from the Malay States.

Hon. A. Thomson: And we are sending it from other parts of Australia.

Hon. G. W. MILES: That is so. Already 200,000 tons of ore are going from Australia to Japan per annum and now that we are trying to create a trade between the North-West and our neighbours we meet with interference. All that is happening as far as Japan is concerned is that there will be three or four Japanese experts at Yampi assaying the ore, really doing nothing more than Japanese wool experts do when they sample our fleeces before making a purchase. This narrow-minded parochialism that is going on is doing us a great deal of harm. I have a circular, and I suppose other members have also received one, from the secession organisation. I suppose the Chairman of Committees wants to start the secessionists going again and keep the iron ore deposits for Western Australia. Years ago I spent thousands of pounds in urging the necessity for peopling and developing the north of Australia. At that time, too, party politics and parochialism held up the project. It looks as if parochial interests were again taking a hand to prevent the development at Yampi. If the work that is going on there is stopped, we shall never again be able to get British capital into the north of Australia. In 1923 the position was that the British Government, the Press and numbers of financial people were prepared to assist in the development of the North, but party politics and the little South-West Australians held up the scheme for development. On my return from England in that year I approached Mr. Bruce who as Prime Minister was about to make his first trip to England, and he said that he was prepared to sub-

mit the project to the British Government if the Governments of the States interested would put it up to him. We wired to Mr. Theodore, the then Premier of Queensland, but he turned it down. The Western Australian Government at the time were shamed into forming a North-West department, and what was the result? Merely the appointment of a Minister for the North-West and a tropical adviser. Mr. Hobler, Commonwealth railway engineer had prepared a report on the Kimberleys and we sent that to Mr. Theodore, but he still turned us down. A deputation waited on Sir James Mitchell, and like all other secessionists, when it was proposed that the British and Commonwealth Governments were prepared to assist in the development of the North, he replied, "We cannot allow the Commonwealth to come in." I said that the Commonwealth had already built the East-West line and that if the Commonwealth and Imperial Governments were prepared to assist to people and develop the North, they could not alter the geographical position and Western Australia would get the whole of the benefit without the liability. Sir James Mitchell then said: "We will develop the North when the South is developed." My reply to that was: "In that case you will never develop the North because it will take you one or two centuries to develop the South, and before then you will have lost the North; and if you lose the North you will lose the South too."

Hon. A. Thomson: Are you protesting against the Commonwealth?

Hon. G. W. MILES: I am trying to show the parochial spirit that existed, and that party politics, and the parochial spirit, are again responsible for the propaganda that threatens to hold up the development of the Yampi iron deposits. I blame the State Government and Mr. Theodore for having prevented the development of the North and the North-West as far back as 1923. Soon after that time Mr. Theodore went to England and while there became acquainted with the statistics which we had left at the Colonial Office in London. On his return he put up a proposal for creating another State from ocean to ocean, north of the 20th degree of latitude, with a railway connecting Broome and Camooweal. I wired congratulating him on being the first Premier of an Australian State to advance a practical scheme for the development of

North Australia, and asked him to send me a copy of his proposal. This is in the office of the North Australia Development League in Perth and will no doubt be history at some future time. A little later, in 1924, the then Premier of this State, Mr. Collier, was about to visit England and at the town hall where he was being given a send-off I handed him a copy of a wire I had despatched to Mr. Theodore and asked him to read it, and expressed the hope that he would refer to it in his speech. He replied that he had intended to do so. Mr. Collier made a rousing speech in support of the project, but the parochial Press, the "West Australian" in commenting on that speech, said it was an ill-considered statement. I said to them that they were getting more parochial and narrower than ever, and that just because the project had been put up by the Labour Party, it was declared to be ill-considered, and that notwithstanding that, four years before when I fought the Melbourne "Age" on the question they had written an article and said it was a national work upon which I was engaged. Nothing but party politics and the parochial attitude of the Press have prevented the development of this country. Unless we do something to develop the northern part of Australia we are not entitled to hold it. It is only the little Australians who are now trying to block us from developing the deposits at Yampi. The work that has been carried out there so far will mean that in the not distant future at least 300 men will be employed at Yampi and in the adjacent township there will probably be another 300 or more people, in addition to which we shall have opened up a deep-water port at West Kimberley. The iron ore ships, will be able to provide in a portion of their 'tween deck space, cheap freight for cattle, and in that way open up a new market in the far East for our beef industry. This will be of benefit not only to the Kimberleys but to the whole of Australia. I have just had the pleasure of going through the State of Queensland and if I may digress for a moment, I should like to express regret at the mishap that has befallen the Minister for Agriculture, Mr. Wise. I am sure all members will agree with me in that expression of regret and will hope that soon Mr. Wise will recover from the effects of the accident. I have to thank the Minister for Agriculture for a letter of in-

roduction that he gave me to the Minister for Agriculture in Queensland, Mr. Bullock, and I am grateful too to that gentleman and the officers of his department for enabling me to see more of their industries in the month that I was there than I could have seen under other conditions in perhaps a year or two. What did I find? I learnt that north of the 20th parallel Queensland has doubled its population during the last 20 years, whereas the population of our North province has decreased. When I first stated in this House that one could grow pigs and dairy cattle and other stock in our North, I was laughed at. But at Daintree, a hundred miles north of Cairns, in the same latitude as Wyndham, I found a dairy industry. Then, west of Cairns they have maize growing and the tobacco industry and more dairying, and, of course, on the coast the sugar industry. But the little Australians say that that is a Queensland industry. Actually it is an Australian industry, and an Empire industry. In the manufacture of that sugar, at the first boiling down they get 60 per cent., whereas the saving of the remaining 40 per cent. involves two or three boilings. If a distillery could be put in after the first boiling down, power alcohol could be obtained. However, some influence affecting Federal members is holding that back. Instead of our exporting so much sugar at a loss, as we do to-day, it could be converted into power alcohol, and that loss avoided. If only the Federal Government would bring in legislation to compel everybody to use 15 per cent. of power alcohol, it would be of great benefit, not only for Queensland but for the whole of Australia.

Hon. H. Seddon: How much does that power alcohol cost per gallon?

Hon. G. W. MILES: It requires to be investigated, but I have been given to understand that it costs 1s. 6d. a gallon. After the first boiling down, when 60 per cent. is extracted, the cost lies in extracting the remaining 40 per cent., which means a process representing perhaps three more boilings.

Hon. J. Cornell: Would it improve our rum production?

Hon. G. W. MILES: It might, and so too it might improve the temper of the hon. member. It may be argued that £3,000,000 is required for trade balance purposes, but against that we would be importing less petrol to the extent of an almost equal



amount in value. Again, the Commonwealth might say that we would be losing the revenue on the three or four million pounds' worth of petrol that we import. But even so, the people of Australia could then afford to pay additional taxation because sugar would be reduced by at least 1d. per lb. In Queensland they are going in for fodder grasses, ploughing out the old grasses of no value and planting nutritive fodder grasses. I intend to go into this question very fully with Mr. Wise on his return, and see if we cannot plant pastures in the Kimberleys. Queensland people asked me if our land in the North was as good as theirs. I told them that in 1879, when the late Mr. Alex Forrest explored the Kimberleys, he said he could not get a mile away from water, and that it was remarkable that the development of so rich a country had been so long delayed. When the late Mr. Forrest's report was released in 1879, Queenslanders came over and inspected the Kimberleys, went back to Queensland and started droving their stock from Queensland to Kimberley, which took two years. One of those enterprising men, I am sorry to say, passed away only last week. We could grow maize in Kimberley, but unfortunately journalists go through the North in a hurry, and like Foster Fraser write a book about the trip. Foster Fraser struck the Darling in a good season. There they get a catch season once in ten years, just as is done at Southern Cross, or on the goldfields. Foster Fraser said that the whole of the Darling should be under wheat. When I discussed maize with Mr. M. P. Durack the other day, he said he remembered his father growing maize in Kimberley 50 years ago. I asked him whether his father irrigated it, but he said "No, it was not necessary." Maize-growing in Queensland brings in £10 per acre. I am going to ask the Minister for Agriculture to establish an experimental farm in the North for the growing of maize. And we could grow pigs up there very successfully. That would mean increased population and it would obviate sending up a lot of "tourists" by the "Koolinda" to man the meat works. The Wyndham Meatworks have put through some 30,000 head of cattle, and the workers have collected in wages more than the growers have received for their stock. If we could put through a hundred thousand head of pigs up there in addition to the cattle, it would bring down

overhead costs and serve to stop a big leak. No effort has been made to establish any new grasses on the area outside of Broome. I am going to ask the Minister for Agriculture to get us some varieties that could be tried at Roebuck Plains. If those grasses proved successful, we could then bring in yearling cattle, fatten them and put them through the meat works at three years instead of five years. We would thus be able to compete with the chilled meat from the Argentine. Panicum muticum and molasses grass at Tully in Queensland where experiments are being conducted by Mr. Brice Henry, smother the native grass. If these or other grasses could be introduced in the Kimberleys, it would simply revolutionise the meat industry. In Queensland they have raised pigs without any dairy feed, merely on meat meal, maize, and a preparation of cotton-seed oil. Those pigs have successfully competed with dairy-fed pigs. The work that is being done in Queensland is of benefit to the whole of Australia. They have there an animal health research station in which very good work is being done. At Longreach I met a doctor carrying out health research work to determine whether white people can live in the tropics. The Carnegie Institute is finding the money for this. The doctor told me that in the new township of Mt. Isa, where trees surround the modern buildings, there is a 40 per cent. improvement in the health of the children. I have here a few remarks that I myself made when in Queensland. What I said was reported as follows:—

In Western Australia one of their biggest problems was the centralisation of interest in and around the capital, and in the south-west corner of the State generally. In Queensland this was far less in evidence, as was shown by the flourishing towns along the coast and inland.

When you get 400 miles inland into the sheep country, you find there three towns living on the pastoral industry, with a population of 6,000 in them, as many as we have in the whole of the North province. One begins to wonder what is wrong with the management of the North of Western Australia. What is wrong is that Western Australia cannot handle the Kimberleys. It would be better to hand over that part of the State to the Commonwealth Government. For if the Commonwealth Government had the Kimberleys, they could give

a remission of duties, whereas they cannot give that to a State, or portion of a State. The report of my remarks in Queensland continues—

At the same time it was vitally necessary, if Australia was to be held by the British race, that the northern portion of the continent—the most vulnerable part, and the part most easy of access to other nations—should be populated and developed. At present there were only 6,000 people in an area as large as the whole of Queensland, while that same area contained harbours far bigger than Sydney harbour, harbours in which a whole hostile fleet could anchor with the greatest of ease and land troops whose presence would be utterly unknown until they chose to reveal it.

Between King's Sound and the Gulf of Carpentaria, there are half a dozen deep-water harbours. When I said some years ago that the Japanese laundryman knew more of Australia than did the average Australian, the late Mr. Arthur Lovekin took me to task in the "Daily News," of which he was then the owner and editor. He said that by such remarks I was likely to rouse the ire of a noble race.

Hon. A. Thomson: Well, what you said was quite correct.

Hon. G. W. MILES: I know it, because I know that there have been civil engineers doing my washing in the North-West. What do the people of the capital cities of Australia read in their newspapers beyond reports of picture shows, races, murders and divorcees?

Hon. J. Cornell: George Miles gets a paragraph now and then.

Hon. G. W. MILES: I do not get much and I do not want it. Mr. Lovekin became one of the best members this House has ever seen, and was one of the most lovable and hospitable men I have ever known. In due course he went to Japan. He had letters of introduction from the Collier Government to the Government of that country. When he returned to this State he said, "I learnt more in Japan about Australia than I ever knew before. They had every harbour marked out and knew the rainfall everywhere. They could land an army in parts of Australia and we would not know anything about it." In 1928 the Japanese Consul General was in Western Australia, and was entertained at Parliament House by Mr. Lovekin. The Collier Government were in power at that time, and Mr. Lovekin invited the whole of the Ministry, all the Consuls, and the three members of the North Province. In the lobby I got hold of the Japanese Consul General, our

host, and Mr. Collier. I said to the Japanese Consul, "Our host took me to task four years ago for saying that your laundrymen knew more of Australia than the average Australian knew of his own country. In saying that I was paying a compliment to your country. It was only an insult to Australians, and I am going to continue to insult them until they wake up to the fact that they have a huge territory awaiting development and a population."

Hon. J. Cornell: Is that why you want to keep the Japanese out of Yampi Sound?

Hon. G. W. MILES: The hon. member knows nothing about the business. Were he a secessionist, I could perhaps understand him. The article goes on to say—

Mr. Miles pleaded for a broader and more national outlook in regard to the general conduct of the country, and the general viewpoint of the individual. There was too much parochialism, too much fostering of some interests and areas at the expense of others, and too much waste of opportunities. We were allowing foreigners to reap what should be our harvest in pearl shell, trochus shell, beche-de-mer and whaling, while, though we have marine wealth equal to that of any other country in the world, we were actually importing fish. These were only a few of the instances which had come particularly under his notice, in which the development of the country was being retarded. But the naked truth of the position was that Australia's seven million people had to prove their right to hold the continent, while their neighbours were overcrowded. She could not claim that justification while vast areas remained undeveloped and practically unused.

We have all read the statements which emanated from Canberra with regard to the development of Yampi Sound. The sooner the Federal Government make up their minds on this point, the better it will be not only for the North-West but Australia as a whole and the British Empire. I congratulate the Minister for Mines upon the statement he made in the Press, when he said it was unbelievable that the Commonwealth Government should have any idea of acting as the telegrams from Canberra indicated they intended to act. I do not believe it of them. I think Federal Ministers are broader in their vision than is suggested by those telegrams, and that they can see what benefit it will be for Australia if that part of this continent is opened up and developed. I hope the Commonwealth Government will take action at once to prevent poaching in our pearling industry along the coast. We read about it every day. We have great wealth there and we should be in a posi-

tion to exploit it ourselves. If patrol boats are made available, we could probably retain that industry for the benefit of Australia. If something is not done at once, that outpost of the Empire will go, too. Our own folk will be unable to compete with the boats that are coming in from Japan and other places, especially as those concerned pay no Commonwealth duties or State taxation. The pearling industry will shift to the islands and we shall be deprived of the wealth that should belong to Australia. Australia will receive no benefit from that industry unless something is done at once to safeguard it. I am not going to talk about starting-price bookmaking or the intimidatory remarks of the junior member for the West Province. I am sure members do not take him seriously when he makes such statements. He knows that everything that passes through this Chamber is considered on its merits. I support the motion.

On motion by Hon. C. H. Wittenoom, debate adjourned.

#### ADJOURNMENT—SPECIAL.

**THE CHIEF SECRETARY** (Hon. W. H. Kitson—West) [8.50] : I move—

That the House at its rising adjourn until Tuesday next.

Question put and passed.

*House adjourned at 8.51 p.m.*

## Legislative Assembly,

*Wednesday, 11th August, 1937.*

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The SPEAKER took the Chair at 7.30 p.m., and read prayers.

#### QUESTION—PENSIONS BOARD.

Mr. NEEDHAM asked the Premier: 1, Is the Pensions Board a statutory body? 2, If so, under what statute was it created? 3, How and by whom are its members appointed? 4, Who are the present members?

The PREMIER replied: 1, No. 2, Answered by No. 1. 3, By regulation under the Public Service Act, No. 134. 4, The Public Service Commissioner, the Solicitor General and the Under Secretary for Law.

#### QUESTION—VETERINARY RESEARCH.

*Value of Dr. Bennetts' Work.*

Hon. P. D. FERGUSON asked the Minister for Agriculture: 1, In view of the magnificent achievements of Dr. H. W. Bennetts, of the Agricultural Department, as a result of his exhaustive investigations, formerly into the braxy-like disease in sheep, and recently into the disease known as "rickets," has any action been taken to suitably recognise the value of Dr. Bennetts' work in the interests of the stock-raising industry? 2, If not, will he take up with the Council for Scientific and Industrial Research and the Federal Government the question of the adequate recognition of the value of the results of this research work to the State and the Commonwealth?

The MINISTER FOR LANDS replied: 1, No special remuneration has been given to the Veterinary Pathologist, Dr. Bennetts, because of the work mentioned. 2, The suggestion will receive consideration.

#### QUESTION—STATUTE OF WESTMINSTER.

Hon. N. KEENAN asked the Premier: 1, Have the Government considered the position which will arise if and when the Com-