

Hon. Sir JAMES MITCHELL: I remember now that the amendment provided that the maximum amount would be 250 guineas a year. The responsibilities carried out by these officials is indeed considerable and, taking into account all the different activities covered by them, the amount involved must be not less than £12,000,000.

MR. E. B. JOHNSTON (Williams-Narrogin) [10.25]: It was the late Sir John Forrest who established the Agricultural Bank in, I think, 1894, a few years after he had become Premier. He also initiated the scheme for providing homestead blocks and for the advancing of money to enable settlers to improve their farms. When he decided to establish an Agricultural Bank he chose as manager the late Mr. William Paterson, who at that time represented the Murray constituency in the Legislative Assembly. Among the first to join the Bank was Mr. McLarty. I think Mr. J. B. Stevenson was the accountant and Mr. McLarty was next in seniority. There was a staff of four. Mr. McLarty has been associated with the Bank ever since. Following upon the banking activities, there were established the Industries Assistance Board, the Soldier Settlement Scheme and the Group Settlement Scheme. Respecting these different institutions, the responsibility attached to Mr. McLarty and the trustees. They have carried out a most important work and when we realise that the salaries of managers of private concerns range from £1,500 to £2,500 a year, and that those concerns do not control anything like such large advances as are made by Agricultural Bank trustees, no hon. member will object to the increases proposed. I have had many opportunities of appreciating Mr. McLarty's work since 1902 and I am glad to see that the Government recognise the good work he has done, with the assistance of the trustees of the Agricultural Bank.

MR. THOMSON (Katanning) [10.28]: It seems to me that the remuneration given to the trustees does not represent very liberal payment in view of the responsibilities they have to carry. What about the trustee who has to go round the districts making valuations?

The Minister for Lands: He is paid extra for that.

MR. THOMSON: If payment is made for that separately, that is all right.

THE MINISTER FOR LANDS (Hon. W. C. Angwin—North-East Fremantle—in reply) [10.29]: In reply to the Leader of the Opposition, I would point out that the Act was amended in 1909 by including the word "guineas" and that accounts for the alteration I indicated by way of interjection. I would like to make it clear to hon. members that it is the intention of the Government to pay the managing trustee the amount mentioned, namely £1,500, from the time the classification was made. It was pointed out by the Public Service Commissioner that he had no power to increase the salary of the managing trustee but he provided allowances for other work. In the opinion of the Government those allowances were not sufficient.

The Premier: And it was not the proper way to do it.

THE MINISTER FOR LANDS: That is so.

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.

House adjourned at 10.31 p.m.

Legislative Council,

Wednesday, 25th August, 1926.

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

PAPERS—WAGIN WATER SUPPLY.

HON. H. STEWART (South-East): I move—

That the files relating to the Wagin water supply be laid on the Table of the House.

THE HONORARY MINISTER (Hon. J. W. Hickey): There is no objection to the papers being laid on the Table—indeed I have them here—but I should like to remind the hon. member and others that just so long as the papers remain here, so long will the work be held up.

Question put and passed.

PAPERS—STATE LAND TAX.

HON. H. STEWART (South-East): I move—

That an analysis of the State land tax assessments for the years subsequent to the 30th June, 1922, be laid on the Table of the House.

The only reason for moving the motion is that in the last report of the Commissioner of Taxation there is an analysis of the land tax assessments for 1921-22 as at the 30th June, 1925. It seems to me the Minister might be able to arrange that as soon as possible we should have a similar analysis for subsequent years laid on the Table of the House. We could then see what has been the effect on the land tax of the amendments to the Act that we passed two sessions ago. I am not asking that any new returns be compiled, but merely that as soon as possible information in possession of the Taxation Department should be made available to the House.

THE HONORARY MINISTER (Hon. J. W. Hickey): I very reluctantly oppose the motion.

THE PRESIDENT: If the Minister opposes the motion, then under Standing Order 15 it cannot be proceeded with. The notice will be placed on the agenda paper for a future day.

RESOLUTION—FINANCIAL RELATIONS. COMMONWEALTH AND STATES.

Debate resumed from the previous day on the motion by the Chief Secretary that the Council concur in the following resolution of the Assembly:—

That this House is of the opinion that there should be no departure from the basis upon which the financial relations of the Commonwealth and States have rested, without the fullest consideration at a constitutional session of the Federal Parliament and the approval of the people by referendum:

and that no financial scheme should be assented to by the States that does not provide for their receiving from the Commonwealth Government an annual payment of not less than 25s. per head of population.

HON. E. H. HARRIS (North-East) [4.50]: I must confess I am not enthusiastic about the resolution before us. The first part of it meets with my approval, but that part relating to the taking of a referendum does not appeal to me; for on the 4th September we shall have to decide by referendum another important matter and, judging by the feelings expressed, there has never been an occasion on which opinion was so widely divergent. Representatives of both parties are issuing conflicting statements as to the real meaning of the amendments to be placed before us. If we were to have a referendum as to whether certain financial proposals should be accepted, and if the various figures used by the opposing parties were to be submitted to the electors, those electors would be completely fogged as to the nature of the case put up by either side, and so we should not get an intelligent vote. When we see Mr. Gregory and Mr. Gray on one platform pleading the same cause, it is, to say the least of it, very perplexing. The Chief Secretary, in moving his motion, pointed out that the Premiers of the several States were in accord in protesting against the abolition of the per capita payment, and we find also that the Premier and the Leader of the Opposition are in accord in opposing the proposal. That is quite easily understandable, for the reason that while the man in the street, being asked to contribute certain revenue, does not care much whether it is contributed to the Commonwealth or to the State, the State Premiers realise that they will have to make good by taxation that which they are now receiving from the Commonwealth Government, and so the odium of taxing people will fall upon them. Although the Leader of the House said this motion should be discussed apart from party politics, I cannot help thinking that a good deal of party politics entered into the inner feelings of those who discussed the subject when the State Premiers met in conference. The Chief Secretary stressed the obligations on the State to find revenue, but he did not point out that the old age and invalid pensions paid by the Commonwealth had considerably relieved the States. There are in Western Australia 8,349 persons in receipt of either the invalid or the old age pension. Were the Federal Government not taking the responsi-

bility of looking after those people, the responsibility in respect of at least a number of them would fall upon the State. In addition, there is the maternity grant, which costs the Federal Government something like £40,000 per annum.

Hon. A. J. H. Saw: Money almost entirely wasted.

Hon. E. H. HARRIS: Whether or not that be so, if the Commonwealth were not paying the £5 bonus the State Government would be called upon to make up the omission in many instances. Men's thoughts are changed by dint of ceaseless propaganda. Here we have a proposal to alter the existing condition of affairs and, naturally, we have from the States a good deal of opposition to it. The question is whether we realise that the Federal Government could dispose of the per capita payments but, aware of the protests that have been lodged by the States, they have allowed the matter to be deferred. Therefore, I say there is really no urgency for our dealing with the matter, other than to get an expression of opinion from Parliament, and in order that we might endeavour to arrive at a better basis for the allocation of any grants made by the Commonwealth to the State. If we had a convention of the State Premiers and of representatives elected by the joint Houses of the several States Parliaments, we might perhaps secure a better method of representation. I move an amendment as follows:—

That the message from the Legislative Assembly be amended by striking out all the words after "rested" in line 5.

A referendum on the financial proposals would lead to more chaos than will occur through the referendum that will come before us on the 4th September. The amendment would leave the way open for a discussion, during which something even better than the contribution amounting to 25s. per head of the population might be evolved. No doubt members have read in this morning's paper the statements made by Major Giblin, of the Statistical Department of Tasmania. He set out a number of arguments that may not have been in the minds of members as to the points that should be discussed to the end that a fair proposal might be put forward. If the House agrees to my amendment I suggest that the following words be added after the word "rested":—

Unless and until a convention has been summoned by the Prime Minister and held, at which an equal number of representatives

of the five States, elected at joint sittings of both Houses, and a like number at a sitting of the Legislative Assembly of Queensland, shall so resolve.

This would mean that the Prime Minister would call a conference representative of all the States, for the purpose of discussing this matter. My suggestion will give members an opportunity of expressing their opinions. I know that many are not in favour of the latter portion of the resolution as it has reached us.

HON. V. HAMERSLEY (East) [4.47]: I second the amendment. Probably there would not have been a Federation of the States had the conventions that met not been able to come to some decision, by which the revenues of the States were apportioned amongst them. One great stumbling-block for a long time was the financial question. It was only when the clause known as the Braddon clause, and sometimes referred to as the Braddon blot, was accepted, that a definite basis was forthcoming upon which the Commonwealth could be financed, and it was recognised as the means of conserving to the States the revenue it was anticipated they would share. When the Commonwealth Parliament decided to alter the system, under which the States were to receive their share of the revenue from Customs and Excise, and the 25s. per capita basis was substituted, many of us were surprised and disappointed. Western Australia was spending a lot of money in bringing in new settlers. We wanted to reap the benefit of the increased population, knowing that for many years the State would derive no revenue from the newcomers in the shape of direct taxation. It was anticipated under the original Braddon clause that the newcomers would considerably help our finances, seeing that we were to get three-fourths of the revenue from Customs and Excise. When the 25s. per capita basis was substituted, we thought that would stand for all time. The recent proposals put before the Premiers that this should be taken away from us came as a startling announcement. It seemed like breaking faith with the States over the return of the three-fourths of the Customs and Excise revenue. Until some definite revenue is allotted to us from that source, the State would be in a very dangerous position in the event of a drop in the world's market prices, and of our being unable to raise anything by direct taxation.

as we are doing to-day. The Commonwealth propose to recede from land and income taxation. In that proposal they have never considered the rights of the States. Their taxation has handicapped the development of the States because of the increased cost thrown upon the community by the inauguration of a dual system of tax collection. This became very expensive. In this State one department now collects both State and Commonwealth taxation. Although the Commonwealth entered into that arrangement to obviate the great expense I understand a larger allowance towards the cost is now being clamoured for, because it is found that it is an expensive system to run. It was ever the intention of the framers of the Constitution that the States should share in the Customs and Excise revenue. Nothing will persuade me to the contrary. When the people were asked to vote on the question of the 25s. per head payment, probably they did not fully understand the effect of this. Those who voted against it did so because they felt this sum was insufficient for the requirements of the State. They believed that if they voted against it they might draw nearer the original intention with regard to the share in the Customs and Excise revenues. I agree with the resolution in the main. There should be no departure from the present basis of the financial relations between the States and the Commonwealth. I am opposed to leaving the question to a special session of the Federal Parliament. I am doubtful if it would be constitutional for a special session to decide this question. I support the amendment because we should avoid the risk of the Federal Parliament dealing with the matter, and also avoid its submission to a referendum.

Hon. J. Cornell: The Federal Parliament must have the final say, whatever is done with the referendum.

Hon. V. HAMERSLEY: Yes. This is essentially a question for—

Hon. H. Stewart: A conference.

Hon. V. HAMERSLEY: A conference of those who would be chosen because of their knowledge of the financial relations between the Commonwealth and the States. The question is too vast and complicated for ordinary members of any of the Parliaments to understand. The Premier of this State, acting on the advice of his financial authorities, claims that the figures put up by the Commonwealth advisers are seriously at

variance with the exact position. It would be wiser for us to have this question dealt with by men who are trained in these matters, and who would represent all the different States. In that way definite conclusions could be arrived at, under which we would feel safer than if we were left to the Federal Parliament, in which there are so many more members representing the other States than there are representatives of the smaller States. It is very easy for a blunder to creep into the Constitution, under which we might suffer for many years. In that way we would run the risk of leaving ourselves open to a greater disability than would be the case if the amendment were adopted. We know the difficulties associated with financing an enormous State such as ours. Our people are not in a position to pay tribute to any great extent, and if we were to lose revenue from Customs and Excise we would be in a parlous condition, unless by any chance we had a government in power that would say, "We will grant you much more than you are getting under the per capita payments." There is no doubt that the intention of Mr. Bruce is to give us a bigger proportion of money, but we should like to know that that was declared in some document. Otherwise we would be entirely at the mercy of the Federal Government. Perhaps that was the feeling the Premiers had when they did not continue the recent conference in Melbourne, and when Mr. Bruce laid it down definitely that he would not consider anything but the abolition of the per capita payment.

Hon. J. Cornell: The Premiers did not deal with Mr. Bruce; they dealt with Dr. Page.

Hon. V. HAMERSLEY: There was a definite announcement from Mr. Bruce that he would not consider any other proposal. I can quite understand the Premiers withdrawing from any further consideration of the matter. The proposal was not in keeping with the understanding of the people of the Commonwealth. It was intended by the framers of the Constitution that a portion of the money derived from Customs and Excise should go to the States for all time. I realise that alterations have to be made every 10 years because the population moves from place to place, and because one State might forge ahead through works being started, or new goldfields being discovered, or a sudden advance in some other direction.

In such circumstances the 25s. basis might not be the best under which to make the division of the revenue. I do not consider there is anything to prevent what Dr. Page said would happen, that this State, under the proposal of the Federal Government would receive very much more than it was getting on the per capita basis. I am satisfied that if the Federal Government wish to give this State more they should show greater earnestness and readily agree to the suggestions advanced by the Disabilities Commission and the Tariff Board. If the intention of the Federal Government was to do more for this State they had every opportunity to prove their earnestness.

Hon. E. H. Harris: Which recommendation of the Disabilities Commission do you approve?

Hon. V. HAMERSLEY: The payment of £450,000 a year.

Hon. E. H. Harris: You do not approve of the other two?

Hon. V. HAMERSLEY: I am not anxious that we should take over the Customs, which is one of the suggestions. The payment of £450,000 was in my opinion, the best of the three recommendations. But I am not competent to say which should be agreed to; we should take all we can get, so that we might properly develop the vast spaces that we have. The Federal suggestion that they should withdraw from the field of land and income taxation was very quickly altered, and their next proposal was that they should retire from that field of taxation only to a certain extent, and that they would still retain the right to impose income tax on companies. That would be most readily and cheaply collected. It is the small accounts that take a good deal of collecting. It seems to me that the Federal Government wish to withdraw only from those proposals which put them to considerable expense, and also put them in the position of having to come directly into contact with the electors from time to time, those electors whose views would not be so rampant whenever there was a general election. I do not wish to go into details respecting the various amounts of revenue we have received for several years past by means of taxation, but I recognise that those men who were instrumental in the early days in inducing the people to enter into the Federal bond, viewed the matter in a big-minded

way. I cannot say that recent Governments have retained that big-mindedness of the framers of the Constitution. I firmly believe although we have been told to the contrary that as far as Western Australia is concerned, we are hardly on the map, and that the Eastern States do not realise the possibilities that exist here. If we only had a greater share of the revenue collected by the Commonwealth, we would be able to develop our resources and show to the rest of the Commonwealth that we were of some importance. I am of the opinion that we are paying in this State of primary production—we have to rely almost entirely upon primary production—an enormous sum by way of taxation, through the Customs, sum for which we do not get credit. It is necessary for us in our developmental stage to purchase all those articles that are necessary for primary production and on which higher and higher duties are always being heaped. What chance can we have with our primary industries when we know that their products have to compete in the market of the world? I hope that the House will agree to the amendment moved by Mr. Harris, but whichever resolution is agreed to it will have the same bearing on these questions, though the resolution sent to us by another place is not what we altogether desire. We shall do much better by agreeing to the amendment. It is not by way of carping criticism that I am supporting it but with the full knowledge that it will be better for us than the original motion.

HON. J. EWING (South-West) [5.15] The amendment, I consider, does not lift the bill at all. I have a vivid recollection of what happened during the Prime Ministership of Mr. W. M. Hughes a good many years ago, when he desired to have a convention of the smaller States and, by that convention, arrive at something definite on the lines of the understanding when Federation was inaugurated. Another place appointed a committee to act in conjunction with a committee from this House. We held many meetings, received valuable advice from Mr. Owen, then Under Treasurer, examined many witnesses and took a lot of evidence, but the whole of our proposals fell to the ground like a house of cards.

Hon. J. Cornell: That aimed at amending the Constitution; this does not.

Hon. J. EWING: Mr. Harris's amendment covers practically the same ground.

It would mean the Prime Minister's calling a convention, attended by a certain number of members from each State, and they would go into the whole matter.

Hon. V. Hamersley: Where do you get that?

Hon. J. EWING: The object of the Assembly's resolution, on the other hand, is to affirm that no financial scheme should be assented to by the States that does not provide for their receiving from the Commonwealth an annual payment of not less than 25s. per head of population.

Hon. J. Cornell: That is a tale.

Hon. J. EWING: It is a point of paramount importance to the State at present. It is the fundamental principle of our financial relations with the Commonwealth. If the amendment be carried, that principle will be shelved, and we shall have failed to carry a resolution, in conjunction with another place, insisting upon the States receiving a certain rate of income from Customs and Excise revenue. The Chief Secretary stated the case excellently from the point of view of Western Australia, and I intend to support him.

Hon. G. W. Miles: How do you account for Sir James Mitchell having agreed to the wiping out of the per capita payments when he was Treasurer?

Hon. J. EWING: Sir James Mitchell knows what is best for this State.

Hon. G. W. Miles: If it was good at that time, why not now?

Hon. J. EWING: Sir James Mitchell sees fit to support the Premier in affirming the system at present in vogue. The Premier has adopted a very sound attitude, one that should receive the support of this House. I should like to understand from you, Mr. President, whether I shall be in order in speaking to the question generally, seeing that the amendment covers practically the whole of the question.

The PRESIDENT: I have refrained from stating the amendment from the Chair in order that members might speak on the question generally.

Hon. J. EWING: I hope that every member will take advantage of this opportunity to express his opinion on a question so important as that involving our financial relations with the Commonwealth. I realise that most of the Premiers who attended the Conference in Melbourne belong to the Labour Party; in fact, only one—the Premier of Victoria—belonged to the opposite political

camp, the Country Party. The question of abolishing the per capita payments, however, is a non-party one. We should all be imbued with a desire to do what is best in the interests of the State as well as of the Commonwealth. Some members have been told that they have been parochial in the views they have expressed regarding federation. Perhaps I would not adopt the Chief Secretary's reference to the Federal vulture swooping down upon the State chickens, but the Minister was certainly justified in speaking strongly about our experience at the hands of the Federal authorities. I have not been able to determine what Mr. Cornell intends to do.

Hon. J. Cornell: In that you do not stand alone.

Hon. J. EWING: He did not say whether he was in favour of a continuation of the per capita payments, or what should be done though he did enlodge Mr. Bruce and members of the Federal Government. I, too, can honestly appreciate their work during the few years they have presided over the destinies of the Commonwealth, but it is not necessary to do so at this stage. Mr. Seddon submitted a somewhat peculiar proposal. He suggested that the question should be determined on an area basis, and in support of his proposal quoted the Federal aid roads grant that has been approved by the Federal Parliament. The anomalies that would arise if an area basis were adopted make the hon. member's proposal too ridiculous for words. He told us that under an area allocation New South Wales would receive from the Commonwealth a revenue of one million pounds, while Western Australia would get two million pounds.

Hon. H. Seddon: What is wrong with that?

Hon. J. EWING: It would be all right if it were practicable or reasonable, but it is not. I applaud the hon. member for trying to get as much as possible for Western Australia.

Hon. H. Seddon: Have not the Federal authorities recognised the area principle?

Hon. J. EWING: That is all right in its application to main roads, but it could not be applied generally. The hon. member must surely realise that if such a proposition were submitted to the Federal Parliament, it would be laughed out of the House.

Hon. H. Seddon: Although they have already admitted the principle?

Hon. J. EWING: That is a different thing. It certainly would not apply in the same way

here. Tasmania, under the hon. member's proposal, would receive £400,000 or £500,000. Such a proposition cannot be considered for a moment. If we wish to have our proposals considered, we must submit something practicable. I was pleased to hear that Mr. Seddon appreciates the great balance of trade in favour of the Eastern States and against Western Australia.

Hon. J. Cornell: Group settlement will alter all that.

Hon. J. EWING: I hope so. I would support any member who could devise a practical scheme that would obtain for this State a couple of million pounds. Dr. Saw pointed out how serious it would be for this State to undertake to raise by taxation the money that would be necessary if the per capita grant were withdrawn. He made an excellent speech and one that was good for Western Australians to hear. I am heartily in accord with him in saying that we should do nothing, directly or indirectly, to sever the Federal bond. All our difficulties and troubles can be overcome without secession.

Hon. H. Seddon: Are you in favour of a separate tariff?

Hon. J. EWING: Yes, but the hon. member knows that that is not practicable, either. If we could get control of the tariff for 25 years, it would undoubtedly be a fine thing for Western Australia, but members know it is impossible. Every authority is agreed upon that, and it is therefore unnecessary to discuss that phase of the question. I was rather disappointed with Sir William Lathlain, especially after the excellence of his initial speech in this House. He seemed to take an absolutely conservative and Federal view. He argued that, although desiring to do everything possible to uphold federation, we must leave to the Federal Government the right to decide what we shall live upon.

Hon. J. R. Brown: Rot!

Hon. J. EWING: The hon. member seemed to get quite astray in his arguments. I understood him to say that the evils from which Western Australia was suffering were of our own creation.

Hon. Sir William Lathlain: I said some of them.

Hon. J. Cornell: And a lot of them are imaginary.

Hon. J. EWING: I do not know of any evils that are traceable to the people of this State.

Hon. Sir William Lathlain: What about the State trading concerns?

Hon. J. EWING: There is the agitation for secession, but it has a very small following. We as a people are endeavouring to do what is right towards federation. At the same time the people are justified in maintaining the rights of the State. When the Federal Constitution was framed, provision was made for a Senate to guard State rights, but I do not think that members of the Senate have guarded the rights of the States to any extent. It is a fact that a Bill was introduced into the Federal Parliament having for its object the abolition of the per capita payments. That Bill was withdrawn only because of the outcry against it from every State of the Commonwealth. Still, I am of opinion that had that Bill been presented to the House of Representatives and to the Senate, it would have been passed.

Hon. J. Cornell: That is a bold assertion to make.

Hon. J. EWING: I am merely expressing my opinion. The Federal Government are so strong that they could have forced through anything they desired. I do not like to see particularly strong Governments, because it is possible for them to do something that is not in the interests of the States or the Commonwealth. There would be so much influence, as it were, brought to bear on members that they would vote in favour of the Bill in the House of Representatives and also, I regret to say, in the Senate. Parliaments are elected for three years, and many things are done by Governments in power, some of them possibly against the pledges given at the elections. Yet Ministers cannot be dealt with until another election comes along. Therefore such a matter as this should be considered most carefully by the electors before they arrive at any conclusion.

Hon. E. H. Harris: Are you advocating the right of recall?

Hon. J. EWING: No, I have never done that, and will never do it. Sir William Lathlain criticised the Premiers who attended the conference. This is a non-party question, but I may point out that five of the Premiers were Labour Premiers and that the sixth, the Victorian, was a Country Party man. In my humble opinion, having regard to the manner in which the matter was put up to them by the Prime Minister of Australia and Dr. Earle Page, the Premiers were quite right to get away from the position in which they found themselves.

Some members appear to think the Premiers should have discussed all the pros and cons of the matter. While no man has a higher appreciation of the present Federal Ministry than I have, I must say that if the Premiers had gone into the conference and wrangled over the Constitution and over what this or that meant, the question itself would never have been touched. The best course was to arouse the people to the seriousness of the position, and thereafter go into conference. That has been suggested by Mr. Harris. Yesterday Sir William Lathlain slightly misled me.

Hon. E. H. Harris: You are not easily misled.

Hon. J. EWING: Sir William Lathlain said that the revenue of the Commonwealth was 39 millions.

Hon. Sir William Lathlain: I said that Customs and Excise revenue amounted to 39 millions.

Hon. J. EWING: The hon. member might have mentioned, in addition, that the revenue totalled 66 millions. Further, Sir William said that the Commonwealth debt was over 400 millions and that the war had been financed by the Federal Government. For all that, there is no occasion for them to take up the position they are taking up now. The hon. member said the Federal Government were sacrificing as much as the States were asked to sacrifice.

Hon. Sir William Lathlain: That is so.

Hon. J. EWING: One has only to go into the case in a small way to find out that that is not so. Not many members have spoken in favour of the Assembly's resolution; they seem rather to be in favour of some form of conference. I hope the House will make up its mind what it wants to recommend. Twenty-five years have elapsed since the inauguration of Federation, and most of us can cast back our memories over that period. We can call to mind what originated Federation. The very first move was made in Victoria by a select committee appointed at the instance of Sir Charles Gavan Duffy. That select committee fully approved of Federation being consummated as speedily as possible. New South Wales in 1857 also appointed a select committee, which backed up the Victorian committee's recommendation.

Member: In what year was the Victorian committee appointed?

Hon. J. EWING: Sir Charles Gavan Duffy again moved in 1860, but again failed. It was not until Sir Henry Parkes took up the matter and called a conference of Premiers that anything of a practical nature was done. I am a New South Welshman, and I knew Sir Henry Parkes well. He was a great patriot and a great statesman. His point of view in advocating Federation was largely sentimental. It was about his period that he used in Melbourne the phrase, "The crimson thread of kinship runs through us all." Sir Henry Parkes believed that the people of Australia were part of the people of the British Empire and that through the medium of Federation they should be joined to the Empire more closely. Hence his sentiment regarding "the crimson thread of kinship."

Hon. J. E. Dodd: There was not much of that sentiment on the question of the Federal capital being in New South Wales.

Hon. J. EWING: I shall come to that. However, it was not through Sir Henry Parkes that the Federal capital went to New South Wales. The sentiment of kinship permeates the people of the whole Commonwealth to-day. I do not believe that in any State of the Commonwealth, and especially not in Western Australia, is there any wish to secede. Australians have the history of the world before them, and know all about the civil wars of the past. Still, there are in this State people positively crying out for secession. Although I am about to criticise some of the actions of the Federal Government and of those who have represented us in the Commonwealth Parliament without fully safeguarding our interests, it cannot be said I am adopting an attitude favourable to secession. The powers granted under the Federal Constitution are great. It contains 39 articles, each of which is of material importance to the nation. In my younger days, when the Federal referendums were being taken, it was clearly borne in on my mind that the object of Federation was to create a nation, and that the members of the Federal Parliament would do only national work. That national work it was understood, was to comprise principally the enactment of a uniform tariff, military and naval affairs, the management of the post office, lighthouses, and quarantine.

Hon. Sir Edward Wittenoom: You are wrong. The chief object was to get the goldfields market of Western Australia.

Hon. J. EWING: The hon. member interjecting knows much more about the matter than I do. At all events, we foresaw the making of a great Australian nation, but in the making of that nation we did not desire the disintegration of the integral parts of the Australian community as then existing. About 1910 the Federal Government began to interfere with the States by imposing a land tax.

Hon. J. Cornell: They were given absolute power to tax land.

Hon. J. EWING: They would have been perfectly right in imposing a land tax if they did not interfere with the States in doing so. But they did interfere with the States. The main item of Commonwealth interference, however, has been with the State Savings Bank. Western Australia had a savings bank of its own, and the funds of that institution were always understood to be cheap money available for the development of the State. Then the Federal Government established a savings bank of their own which took away about half the finance from the State institution. For what purposes the Federal Government used the money so obtained, I do not know. Certainly their action in this respect was not marked by a Federal spirit. Under Section 87 of the Federal Constitution it was provided that for the first 10 years three-fourths of the Customs and Excise revenue of the Commonwealth should be returned to the State, with any surplus. It is a crying shame that the Federal Government have practically abolished, through the High Court, the Surplus Revenue Act. No doubt surplus Federal revenue is being used for good purposes; but still the retention of that money is an absolute contradiction of the Federal Constitution. It arose simply because in that Constitution the word "may" was used, and not "must." If the surplus revenue had been handed over to the States in the proper way, that would have been far better. At present the accumulation of surplus revenue amounts to about ten millions sterling. No doubt the money is being used for the payment of military pensions, old-age pensions, and other liabilities; but we could easily manage those things ourselves, and manage them quite as well as the Commonwealth does. The magnitude of the progress which the Commonwealth has made is evident from the fact that in 1901 the revenue was about 11 millions, while to-day it is 66 millions. Progress at the rate of two millions a year is indeed progress. Practically all the in-

crease of revenue has come through the Customs. Now I come to the proposal that is so much in the minds of the people not only of Western Australia, but of the whole of Australia, at the present moment. I refer to the proposal regarding the per capita payment. I have heard members say that the provision as to return of Customs and Excise revenue ought to have been in the Constitution. However, I have not yet heard any member say that that was urged when the first referendum on the subject of Federation was taken, in 1898. The States that participated in that referendum were New South Wales, Victoria, South Australia, and Tasmania. Neither Queensland nor Western Australia had become partners in the Federation at that time. In the Constitution when that referendum was taken, the provision was that three-fourths of the revenue from Customs and Excise should be paid to the States for all time. That was what was in the minds of the framers of the Constitution. There can be no question about that.

Hon. J. Cornell: What was in the minds of the people? They voted it out!

Hon. J. EWING: The hon. member is wrong. They did not vote it out. It was carried by a majority of almost two to one.

Hon. G. W. Miles: What about the later vote?

Hon. J. EWING: On the occasion I refer to the voting was: For, 219,712; against, 108,363, or a majority for of 111,349. That gave an indication of what the people of Australia thought of the question.

Hon. J. Cornell: The vote showed what some of the people in some parts of Australia decided.

Hon. J. EWING: Does the hon. member say that the people of Western Australia and Queensland would not have voted in the same way had those States joined Federation then?

Hon. J. Cornell: I am not a prophet.

Hon. V. Hamersley: Until they got that, there was no hope of federating.

Hon. G. W. Miles: What happened in 1900?

Hon. J. Cornell: Yes, tell us what happened then.

Hon. J. EWING: I am letting the people know what was in the minds of the framers of the Constitution and what the people of the Commonwealth in those days thought was the position. At that stage, four of the States of the Commonwealth affirmed the principle of three-fourths of the cus-

toms and Excise duties being handed over to the States for all time.

Hon. J. Nicholson: That was before Federation was accomplished.

Hon. J. EWING: That was at the referendum in 1898.

Hon. G. W. Miles: Now tell us what happened at the other referendum.

Hon. J. EWING: The hon. member must not get excited! We should discuss this question in a calm, dispassionate manner. It should be our endeavour to effect some good in the interests of the people of Western Australia. Surely it is a fair thing to say that what was in the minds of the people and of the framers of the original Constitution was indicated by the result of the vote I have referred to. We all know that when an Act of Parliament comes before a judge for consideration, he endeavours to find out what was in the minds of members of Parliament who passed the Act. Often judges read the pages of "Hansard" from beginning to end in order to ascertain what was in the minds of hon. members when they framed a certain law.

Hon. J. Cornell: That is news to me.

Hon. J. EWING: Does not the hon. member know that?

Hon. J. Nicholson: They do nothing of the sort.

Hon. J. EWING: I say they do, even if it means contradicting the hon. member, who is a lawyer. If a judge is tied up on a particular question and does not know exactly what an Act means, he turns, as any decent sort of man who wanted to know the truth would do, to the pages of "Hansard" to ascertain what hon. members had in mind.

Hon. J. Cornell: God help them if they do!

Hon. J. Nicholson: Judges would read the statute and try to interpret it.

Hon. J. EWING: They could do that only by reading "Hansard" and ascertaining what members of Parliament meant when dealing with that Act.

Hon. J. E. Dodd: The hon. member will admit it was a good job that the provision he has been discussing was not in the Constitution.

Hon. J. EWING: I have not said that. I have tried to point out what was in the minds of the framers of the original Constitution. In order to do that I have done just what a judge would do, if he were placed in the position I have suggested.

Hon. G. W. Miles: Under your contention the Commonwealth Parliament would have had to come to the States to finance them during the war! Is that a proper position for a national Parliament to be in?

Hon. J. EWING: I have not said anything about the war.

Hon. G. W. Miles: It is just as well, as Mr. Dodd interjected, that the provision was not included in the Constitution.

The PRESIDENT: Order! I must ask hon. members to allow Mr. Ewing to proceed.

Hon. J. EWING: If hon. members will take the trouble to inquire, they will ascertain that the position is as I have suggested. If any hon. member can show me that I am wrong, I will withdraw my statement. Although a majority of the people voting endorsed the referendum proposals, the vote in New South Wales was not large enough to enable it to be legally enacted. If the people of New South Wales had voted on that occasion as they did when the second referendum was held, the proposal for the return to the States of three-fourths of the Customs and Excise duties, would be in the Constitution to-day. Great difficulty was experienced in getting New South Wales into line. When the referendum was taken, the then Premier of New South Wales, the late Sir George Reid, than whom no more astute man has participated in the public life of the Commonwealth, availed himself of the opportunity to do something for New South Wales.

Hon. J. Cornell: If you really understand the position, you wrongly charge him.

Hon. J. EWING: I understand it. I know the hon. member cannot argue with me, but nevertheless I would like to hear his explanation. I trust I am dealing with it truthfully. Sir George Reid wanted something for New South Wales that would represent an inducement to the people and influence their votes in favour of Federation. Accordingly he took steps to have a conference convened and it was held in Melbourne towards the end of 1898. At that gathering Sir George Reid succeeded in having the site for the future Federal capital fixed within the borders of New South Wales. To-day we know that the Federal Government are spending huge sums of money in building the capital city.

Hon. G. W. Miles: It is a pity that was not done 25 years ago. Had it been done, we would have had a different policy for Australia.

Hon. J. EWING: It was also agreed to alter the proposals regarding the Customs and Excise duties. The people were prepared to do almost anything in order to get New South Wales into the Federation. At the second referendum the increase in favour in the States was most pronounced, although it was not so marked in New South Wales. An amendment was made to the Constitution that had previously been affirmed by a majority in four of the States, with the result that the ten-year period, over which the payments were to be made, was fixed.

Hon. J. Cornell: And the people approved of it.

Hon. J. EWING: It was the only way they could get New South Wales to join the Commonwealth! That is the only reason why that provision finds a place in the Constitution. In these circumstances, can hon. members say that it was not in the minds of the people and of the framers of the Constitution to have the original proposal included in the Constitution? At the second referendum the voting was: For, 377,988; against, 140,386, or a majority in favour of 237,602. Thus the increased vote in favour of the proposals was practically double that of the earlier vote. New South Wales got what her people desired, and secured the elimination of a provision from the Constitution that would have represented a great advantage to the people of Western Australia had it been retained.

Hon. V. Hamersley: Well, we must get it back.

Hon. J. EWING: I have already referred to the statement made by Sir William Lathlain that the Federal Government were making a sacrifice in order to grant a concession to Western Australia. Their offer really means a loss to the State of £180,000. From one standpoint, the money we are offered amounts to only £375,000, and thus we lose on the original amount it was suggested Western Australia should receive.

Hon. Sir William Lathlain: I admitted that.

Hon. J. EWING: The Federal Government offered £450,000 for the year, of which amount £152,000 is contingent upon Western Australia agreeing to hand over the North-West to the Federal Government.

Hon. V. Hamersley: They want to buy it!

Hon. J. EWING: In view of the obligations cast upon the people of this State, from the standpoint of taxation alone, it is up to the Federal Government to relieve the people of much of that burden, particularly in view of the fact that each year the surplus revenue received by the Commonwealth Government has represented £2,500,000. They have done something along those lines but I do not see any necessity whatever for the proposal that Western Australia should give up its valuable heritage at the suggestion of the Federal authorities. The North is a valuable asset and represents something tangible. I agree with the contention of Sir Edward Wittenoom when he dealt with this point, and I will give him every support. I appreciate the fact that the issue regarding the tariff cannot be settled in this House, but we can use our influence outside the Chamber. Our Federal members have fought to get a reduction, but have not succeeded, because Australia is a protectionist country. Western Australia, therefore, is adversely affected because we have to buy our manufactured goods from the Eastern States. There is much talk about the development of our natural resources. Mr. Cornell interjected with reference to the group settlement scheme, and I am glad to know that he and other hon. members are becoming impressed with the idea that the scheme will succeed, and that the interests of the State will be advanced accordingly. That result is being achieved and I hope it will proceed at a more rapid pace than is evidenced at present. All our industries require development, and in the course of time Western Australia will gradually overcome the difficulties and will become the most important part of the Commonwealth. When that day arrives Western Australia will receive greater consideration than she gets to-day. Hon. members have often said that land settlement and primary production will bring in their wake the establishment of secondary industries. It is realised that in Victoria and New South Wales, and to a certain extent in South Australia, large populations have been built up with the result that they benefit considerably from the per capita payments. On the other hand we are told that Western Australia does not get a fair deal because of its small population. What will happen, however, in ten or 20 years' time when our land has become more fully developed and our secondary industries firmly established. In

these days will our position not be correspondingly improved by virtue of the increased per capita payments? We are getting some £560,000 in per capita payments, and that will be added to materially if in the course of the next few years we can increase our population by 40,000 per annum. If we cannot do that, we are going to do very little for Western Australia. As we develop our industries, we shall have our population increasing by at least 40,000 per annum.

Hon. C. F. Baxter: I hope you are right.

Hon. J. EWING: I am sure I am right. This State is going to make the greatest development of all the States.

Hon. V. Hamersley: When you say 40,000, are you referring to sheep or to people?

Hon. J. EWING: To people, of course. If we get an increase of 40,000 per annum over a period of 10 years we shall have an increase in the per capita payments of well over half a million, which means that we shall then be getting £1,000,000 per annum instead of the present half a million. The Chief Secretary is laughing, perhaps at my suggestion of an increase of 40,000 people per annum; but let him just consider the room there is for development in his own district. I am not indulging in any exaggeration.

Hon. H. Seddon: Our population has not increased by 40,000 since 1900.

Hon. J. EWING: Well, let us see about increasing it by 40,000 each year. It will be a strange thing to me if we do not achieve that increase within the next few years.

Hon. H. Seddon: I think you are in the clouds.

Hon. J. EWING: No, I am not. I cannot believe that this country is going to stagnate for the next 10 years. Every person coming into the State means an increase in the per capita payments to us. I say we are bound to get our population in course of time, and that whatever our increase may be it is certain to be a big increase. Sir William Lathlain said we did not do ourselves justice.

Hon. Sir William Lathlain: I said nothing of the sort. I said we blamed Federation for the whole of our evils, and that we said nothing about the evils we had created ourselves.

Hon. J. EWING: I do not think we have created many. At all events, these proposals are going to hurt us materially.

Hon. E. H. Gray: Especially if the present Government remain in office.

Hon. J. EWING: This is a non-party question. Whatever Government may be in office, if they do not do their duty, the result will be as I have stated. Dr. Earle Page said this question had no bearing upon unification. However, I say that everything whittled away from the State leads towards unification. As we are weakened by the inroads of the Commonwealth, we shall suffer as a State, and so in a short time we shall become a mere vassal of the Commonwealth. I support the vigorous national policy that the Federal Government have carried out, but I ask them now to stay their hand and not interfere with the great Australian States. Let us become a united and prosperous people, and not lose our sovereign rights as States.

On motion by Chief Secretary, debate adjourned.

BILLS (2)—FIRST READINGS.

- 1, Federal Aid Roads Agreement.
- 2, Agricultural Bank Act Amendment.

Received from the Assembly and read a first time.

ADDRESS-IN-REPLY.

Tenth Day.

Debate resumed from the previous day.

HON. W. J. MANN (South-West) [6.10]: Let me at the outset express my appreciation of the kindly words that have fallen from all the previous speakers and from others within the precincts of the House. It is only natural that one entering an august body such as this for the first time, should feel a little strange. I can assure members that the welcome they have extended to me and to the other new members has tended to remove one's embarrassment and set up in its place a sense of easiness. Then, Sir, I should like to congratulate you on your elevation to the President's Chair. As one who has known you in other walks of life for a good many years, I feel that the office is one you have justly earned, and one in the possession of which you are but reaping a reward for services rendered to the House and to the State over a long period of years, services rendered disinter-

estedly and for the betterment of all classes and sections of the people. In this relation I wish to extend to you a message I received in a letter this afternoon from the executive and members in Sydney of the Australasian Provincial Press Association, conveying the congratulations of 900 newspaper friends in the Commonwealth and in New Zealand. Previous speakers have dealt exhaustively with the question of finance, and it would hardly become me as a new member to attempt to cover any of the ground they have gone over. Consequently I propose to direct attention to other more or less important things in respect of which, perhaps, I have a little greater knowledge. I was pleased to read in the Speech the paragraph relating to migration. I believe the future of the State is bound up in the efforts being made or about to be made to populate the State as quickly as possible. It was suggested by, I think, Mr. Potter, that I should deal with the subject of group settlement. It is but fair that as a preliminary I should congratulate the Minister for Lands upon his recent speech on this subject. It was perhaps the best speech the Minister has made on group settlement, and it covered almost the whole of the ramifications of the scheme.

Sitting suspended from 6.15 to 7.30 p.m.

Hon. W. J. MANN: Before tea I was referring to the able speech delivered by the Minister for Lands on group settlement. I read it most carefully, because I believed that the time was opportune when some fairly extensive statement should be made upon the subject. I often wonder how many people in the State fully visualise what the scheme means. I have also wondered how many grasp the fact that group settlement is not only a scheme designed to people the State, but that it is having the effect of bringing to our shores many persons who are mostly city bred, and have spent practically all their time in the great cities of the Old Country but are now being ruralised and turned into producers on the soil. Many of these persons have not the haziest idea of agriculture. I do not know what was in the minds of those who first launched this scheme, but the problems created by the introduction of these people have been great. For many years I have lived in the South-West, and in that portion of the

State where there are now 50 groups. I have had an opportunity of coming closely into touch with many of these new settlers. Amongst them I have met men from all callings in life. Some of them are middle-aged, and are endeavouring for the first time to take up this new industry. The radius from which they are drawn is very extensive. I have met amongst them a master of modern languages, a master of arts of Edinburgh, an ex-manager of a Bradford textile mill, ex-bank managers, bank clerks, London policemen, firemen, tram conductors, and in one case a man who had been a dress designer. Another man prided himself on having for many years earned his living as a pugilist. These are the types of men who are in the groups. I do not suggest that all these men are unsuitable for the work. Many of them have grit and determination. In the aftermath of the war they have been squeezed out of employment, or suffered adversity. Because they have had a little pluck and determination they have come to Australia to go on the land. Not many people realise that in the 2,246 new farms established under the scheme there is almost an equal number of problems, most of which are minor but some very big. It is impossible to create farms on the principle of mass production in the motoring industry. Each vehicle in that industry is a replica of its predecessor, and all the cars are carefully designed and produced by machinery, which cannot err to the thousandth part of an inch. In group settlement I am afraid that there has been a tendency on the part of those in control, perhaps unconsciously, to endeavour to apply the principle of mass production to the settlers. While this is a very desirable thing in respect of motor cars, in the matter of group settlement, where flesh and blood and the personal equation enter very largely, the proposition is entirely different. Mr. Potter referred to the psychology of the groups. That is a good term, and expresses what I have been endeavouring to convey, namely, that this side of the personal equation must be taken into consideration if the scheme is to prove a success. Those who are inclined to criticise group settlement hardly realise how great are the problems. On scores of occasions men have expressed a desire that I should take them over the groups for a couple of days. Most people think the groups are so many farms seat-

tered over a small portion of the South-West. As a fact the groups are scattered over an area half the size of Victoria. Because of this they embrace different classes of country and require different management. Members may gather an idea of the extensiveness of the area comprised by the scheme from the fact that if they started to go round the groups on the 1st January, and devoted each of the 365 days until December 31st to interviewing six settlers on their holdings, on the last day of the year there would still be some they had not seen.

Hon. J. M. Macfarlane: That is, assuming they were all accessible?

Hon. W. J. MANN: Yes. There would still be 30 or 40 settlers to be seen. This statement should create a group atmosphere in the Chamber, and enable members to visualise the magnitude of the undertaking. Despite the many mistakes and disabilities that were to be expected, group settlement has made steady progress. There have been no precedents on which the work could be founded, and by which the pitfalls that were encountered could have been avoided. I believe with all my heart that group settlement will succeed. The length of time that will elapse before their effectiveness can be seen in its fullest sense will depend upon the policy that is followed in the future. Group settlement has always appeared to me as being made up of three phases. The first phase is that of clearing, or the preparatory stage; the second is that of cropping and production; and the third is the marketing stage. The first stage, with respect to most of the groups, is practically completed. The second, and most important, stage is now being entered upon. It demands the very greatest care and attention because production is going to be the key to the whole position.

Hon. J. M. Macfarlane: And the personal equation will come into it more than anything else.

Hon. W. J. MANN: I quite agree. The marketing stage, we need not worry about very much just now because we shall be fully occupied in overtaking our own requirements. That in itself will occupy several years. Therefore I hope the Government will do what is necessary to concentrate on the question of production along right lines. In the past, group settlement has been controlled by an advisory board headed, in the first place, by Sir James Mitchell and later by Mr. Angwin. I was pleased to hear Mr. Glasheen refer to Sir James Mitchell as a

statesman and I fully concur. In regard to group settlement I place Mr. Angwin in the same category. Both those gentlemen have been and are still imbued with the ambition to make land settlement a distinct success, and in their efforts have accomplished wonderful work. I wish it to be clearly understood that any criticism I may have to offer regarding the Advisory Board is offered merely as my own opinion. I have the greatest regard for the gentlemen comprising that board. Each is an expert in his own line. With the Minister, they have fashioned the machinery that has been created to carry on group settlements. I am not, however, of the opinion held by the Minister for Lands that in the stage upon which we are now entering the Advisory Board as a board is the best method we can have to control the groups. I know that the Minister is very proud of the Advisory Board and that he will not listen to a word against it. I honour him for that. One of my chief objections to the board is that it is out of touch with the group settler. It is quite impossible for the members of it who reside in Perth and who devote only a small portion of their time to group work, to be thoroughly conversant with what is being done. Each of these officers is connected with other phases of departmental work and it cannot be expected of them in the brief time that they are able to give to the work of the groups, that they can be familiar with everything that is taking place. They may take the problems that arise and arrive at a decision as to the best means of overcoming them, but they are so far away that they are unable to see for themselves the actual effect of their decisions. I believe that the whole of the energies of the Group Settlement Department from now on must be concentrated in assisting the new settlers to produce crops. That is what the land was taken up for. A man on a block must become a journeyman farmer. His term of apprenticeship should be as brief as possible and he should receive tuition in the higher branches so that he may be able to put that knowledge into effect and later receive some reward for what he has done. In a great many cases group settlers have cleared sufficient land to enable them to make a good start. It should be the department's duty to see that every acre cleared is placed under cultivation. I am sorry to say that has not been done. I have had not one, but many complaints from settlers that their land

which has been cleared for 12 or 18 months and even two years, remains unploughed. A complaint of that description was made to me quite recently. It is wrong and it is stultifying the idea of group settlement if you are to allow the land to be cleared and then permit it to remain unploughed and find the scrub growing up again. The Government should see that every acre cleared is put under crop of some description and a return obtained from it. There are many group settlers who are anxious to receive tuition. Only a fortnight ago a man from one of the groups in the Margaret River area, an estimable man who had taken up land with two sons and who came to this State with a little money, told me that he had worked hard and earnestly and had made quite a little show place of his block. He said—to use his own words—“I feel that we are reaching a dead-end. I did not know very much about agriculture when I came here, but I have endeavoured to learn; I feel I am a little bit too old but I want the boys to learn. I have taught the boys all I can teach them and I feel that someone should come along and give us some guidance as to how we are going to reap a reward from our labours of the past.” Up to date the department have done very little in that direction. They have had a system of group foremen, senior foremen, and field supervisors. The group foremen generally are a very good type, but not always practical farmers. They are very good men at clearing perhaps, with a small knowledge of mixed farming, but hardly sufficient to be able to give a settler the information he should have. The senior foremen are mostly on the road conferring with the foremen on the groups. The field supervisors have to cover big areas like Manjimup, Northcliffe, Pemberton and Busselton, Margaret River, and Augusta. Each has one of the three group districts and his time is largely taken up with office work and occasionally racing out perhaps to settle a dispute or a problem at a particular group. It will be seen that because of the lack of officers who can give the settlers the tuition that they want, there has been some languishing. I have urged the appointment of local advisory boards, my idea being that they should not be too unwieldy. I suggest that three men who had made good from scratch on land in the South-West should constitute a local committee. I would have men who are familiar with local conditions

and who have made a success of their own farms, men who can be depended upon to continually move amongst the group settlers, and give such advice as will enable them to become successful. The Minister has not been too sympathetic towards the idea of advisory committees, but I am glad to think that although he does not agree with my contention that local committees would be of great advantage to him and would lessen his work and help the scheme along considerably, he has quite recently, I believe, made a rearrangement, modelled somewhat on the lines that I have suggested. Three controllers to be appointed, one for the Peel Estate, one for the Margaret River-Augusta and Busselton districts and the other for the Manjimup-Pemberton area. I understand it is the Minister's idea to appoint another man under each of these controllers to get out amongst the settlers and render assistance on the lines that I have been urging in the past. That is getting a long way on the track that I have advocated, and I am hopeful that the Minister will yet see that the suggestion regarding local assistance will prove of great advantage to him. I hope that in selecting men to be sent out amongst the group settlers, he will be careful to choose men with an unquestioned record of agricultural work. There are too many men wandering around the country who profess to be successful agriculturists when they have been little more than what I may describe as successful failures.

Hon. J. M. Macfarlane: When they have been failures, they have been made foremen.

Hon. W. J. MANN: The proposal to appoint a controller in each area must make for the advancement of the scheme. It is decentralisation, and it is following the lines that the Agricultural Bank trustees have found it wise to adopt. At one time the Agricultural Bank had the whole of its records and did the whole of its business in the metropolis, but now there are branches in the country districts where records are kept and much of the local work is being done. I do not wish to belittle the efforts of the advisory committee in any respect, but the more local control and local administration that can be adopted for group settlement, the better will be the chance of success and the quicker will success be achieved. It was suggested that I might have something to say on the question of the limitation of advances. I do not wish to take up the time of the House

with a survey of the administrative acts of the department or a recital of the many ideas that have been advanced for the working of group settlements. I believe the Government's action, which made necessary the issue of that now famous or infamous circular No. 88—limitation of advances—was one of the most serious, if not the most serious, of the blunders perpetrated since the inception of the group scheme. Had the advisers of the Minister possessed the perspective and vision that could reasonably be expected of them, group settlers would never have been launched on unlimited contract work. I fully realise the disadvantages attending the sustenance system. I favour, and have always favoured, limited contract work in connection with group settlement, but when the department instituted unlimited contracts, it did not need anyone very well versed in group settlement to know that sooner or later the whole scheme would break down. For two or three years the group settlers had been working on £3 per week sustenance, and what was more natural than that, when unlimited contract work was available, they should take every opportunity to knock up as big a cheque as possible. I know men who earned £30, £40 and £50 per month clearing under contract on their own blocks, and I understand the Minister for Lands has stated that some men earned as much as £70. To do that they had necessarily to neglect their cropping and all the other things most urgent and important towards putting to profitable use the land already cleared. Further, as should have been patent to everyone, including the departmental officials, the blocks could not carry the capitalisation that was being forced upon them. A man earning £40 a month on contract would, in 12 months, knock up £480, which would be extra capitalisation on his block, and it did not require much reckoning to show that very soon the block would be over capitalised to such an extent that it would be impossible for him to carry on. Ultimately the Minister and the advisory committee saw the mistake they had made and sought to recede from the position by issuing that circular. It was for the benefit of the settler and the department, too, that the circular was issued, but a lot of damage had been done. The group settler was fairly content under sustenance, but he was a very discontented man when the opportunity for unlimited

contract work was withdrawn. I mentioned the avocations of group settlers to show the wide range of crafts and trades from which some of these men came, and also to show that they did not realise what they were taking on. They had entered a new walk of life, and before they could fully realise the benefits that later on would accrue from their work, they were pushed into unlimited contract work, with the result that a great many of them became unsettled and many troubles were heaped upon the department. The damage was done by the introduction of unlimited contract work. After the circular was issued, that in itself did not make the position much better at the time, though I believe ultimately it will be better. Circular No. 88 laid down that a man with two cows could have advanced to him £10 10s. per month. Those with cows in excess of two would suffer a reduction of 30s. per cow until the number reached 15. The circular also laid down that a settler should suffer a reduction by reason of cows that had died. Why that was done, I do not know, because it is obvious that dead cows could not contribute anything to a settler's upkeep. It was bad enough for a settler to be saddled with the capital cost, but to be further mulcted to the extent of 30s. for a dead cow was enough to make any settler stand up.

Hon. J. M. Macfarlane: And to make the poor old cow come to life again.

Hon. W. J. MANN: In the circular no provision was made for the sons of settlers. I understand the Minister recently stated that these were one-man farms and that sons did not enter into the question, but I make bold to say that the very essence of group settlement was to bring young people on to the land and keep them there. The lack of provision for settlers' sons was a grave omission. The department, having issued that circular, again admitted that it had been ill-thought out, because they have since issued another circular to cover it and have increased the amount of advance to £20 10s. They have agreed to delete dead cows to the number of five, and have made small provision for settlers' sons. They have agreed to advance an amount of £3 per month for each son who spends the whole of his working time upon the holding, provided he is of the age of 16 years or over. The amount set down as the earnings of a cow—this includes calves, and pigs,

etc., that benefit from a man keeping a cow—is 30s., but that is too high. That point has been brought under the notice of the Minister by several deputations, and figures have been advanced in support of the contention. I have looked up a number of authorities, and none of them represents the amount as being much more than 20s. or 22s. 6d. as the average monthly earnings for the cow. The Minister would be well advised to reduce the amount from 30s. to 20s. I believe 20s. would be a fair thing and would be as much as the settlers could afford at the present time. A request has also been made that the earnings of the group settler from contract clearing should not be confined to the month, but should be spread over a period of three months if necessary. The Minister, I understand, has decreed that each month without exception shall stand by itself. It has been pointed out that a settler might be ill for the greater part of a month and so unable to earn anything; but that phase apparently does not weigh with the Minister. Consequently such a settler will have no opportunity to make up leeway. The least the Minister might do would be to let each case be dealt with on its merits. If it can be shown that a settler has been unable during one month to do the work necessary for his upkeep, he should be permitted to make up the difference in the succeeding month. The estimate of 30s. per cow is, I gather, based on revenue received from cows on the Peel Estate during a period of five months. Such a period is not long enough to afford a fair basis. No man engaged in dairying to any large extent would accept a basis of five months; he would require a basis of 12 months, including all the fat months and all the lean months. I feel certain that the amount of 30s. is too high, if there is any analogy with the returns from the cows furnished by the Government to some settlers in the Busselton district last year. A number of settlers on the Abba River in the flush period of last year, when feed was at its height, were told that they should take 10 cows. The land was new pasture, and its extent was 25 acres. The man who tells a settler that on 25 acres of new pasture, even in his second year, he can keep 10 cows and their calves all the year round, has a fine imagination. It has not been done by the old settlers, and is not likely to be done by group settlers. I have heard it stated that the settlers de-

murred to taking 10 cows, and were then informed that they could keep 20. However, they attempted to keep 10, and with what result? As soon as the flush of the feed had been eaten off and the hot weather came, there was no feed for the stock. The department were forced to collect about 200 head of milch cows from the group settlers and remove them to agistment elsewhere. I believe I am perfectly correct in saying that close to Busselton 130 head of milch cows are being hand fed by the department and milked at the same time. Further, I believe the returns from those cows are such that the loss to the department, over and above the earnings from the cows, amounts to about 7s. 6d. per cow per month. That has been going on since last January. If I am not right, I hope that the Minister, when replying to the debate, will give me the correct figures. The actual amount cannot be ascertained except through the department, to whom I have not yet applied for the information. If such are the results obtained by the department, what chance has the group settler? Whoever was responsible for the purchase of those cows—

Hon. C. F. Baxter: Were they imported, or were they bought in the State?

Hon. W. J. MANN: I cannot say whence they came. I understand that cows for the group settlements are purchased by the Stock Branch, and after testing are handed over to the settlers. I entirely exonerate the group settlement officers from any blame in this connection; but seeing that the Stock Branch are represented on the Advisory Committee, there must be something wrong in that quarter. The group settler knows of these facts, and they are likely to have a disturbing effect on him. For the sake of the scheme and for the sake of the settler, I hope that that kind of thing will speedily be remedied. I understand that the Advisory Committee's reply on this question is that last year was an extremely dry year in the South-West. I concede that the year was dry, but it was not so dry as to prevent other settlers from keeping their stock and maintaining their milk returns at about the average. The main cause of the failure was that the settlers were asked to carry far more stock than it was possible for them to carry at that stage. I say this although I hope the average settler will be able to carry 20 and even 30 head of stock later. I am pleased to say there is another side of the picture.

Numerous settlers all over the South-West have established what just now I called show places. If it were possible, I would be delighted to take hon. members to see some of those little farms. I am sure members would be gratified with the result of the labours of settlers who have been here only four or five years. Some of them, possessing previous experience and plenty of energy, have successfully engaged in intense culture.

Hon. G. Potter: One of the most successful settlers is an ex-bus driver from London.

Hon. W. J. MANN: I have no doubt that that is perfectly true. By the exercise of energy and by means of intense culture some settlers have been able to obtain good profits from their cows, and are now sending cream to the butter factories. Only a week ago the manager of the Busselton factory told me with a good deal of pleasure that he expected to be receiving 200 cans of cream per day very shortly, and that a good deal of it would come from the group settlements. I know that the Bunbury factory will benefit in the same way. Further, I understand that a good deal of milk and cream is coming into the metropolis from the Peel Estate. Evidence is to be found everywhere that with a little tuition such as I have described, the group settlers will succeed and the State will receive a rich reward. I know of one settler who almost ever since he has been on the group has been making £2 per week from poultry. Dozens of settlers are making £1 per week, and others are making respectable amounts, from pigs. Others, again, are finding vegetables a profitable side line. So that already there is a steady stream of products coming from the groups; and that stream is bound to increase largely. Another phase to which the department should give attention is that of providing group settlers with efficient working tools and gear. It was my privilege and pleasure to accompany the Minister for Lands on a trip through various groups last year. On that occasion the Minister was the recipient of numerous complaints regarding tools and gear. I admit that some of the complaints were frivolous and should never have been made; but there were solid grounds for complaints regarding the carts which were supplied to group settlers. Those carts were a disgrace to any firm and to any department. In the case of some of the

carts it was almost possible to insert a lead pencil between the tyre and the woodwork of the wheel. To the Minister's credit I should say that as soon as he had realised the position he said, 'At the first post office I get to I will send a wire to despatch no more of those carts to the South-West.' Mr. Angwin's promise was redeemed within half an hour of its being made. Complaints regarding the carts were made many times before, and why the position had not previously been rectified I do not know. The moment the Minister came on the scene and saw what was wrong, the trouble was remedied. Similarly, in connection with other troubles, if someone in authority could personally inquire into them, much heart-burning would be saved. Single mould-board ploughs from the State Implement Works have been furnished to group settlers and found quite unsuitable for breaking up the heavy land of the South-West. They may be serviceable enough ploughs to work land that has been cultivated time and again, but to use them on new and heavy land that may be full of roots, is merely to court disaster. The result of this has been that on many holdings these ploughs are to be found strewn about in a condition such as they should not be. Recently the Advisory Board realised there was something wrong and now disc ploughs are being provided to the various groups for work such as I have indicated. I was informed the other day that on one group there are four disc ploughs available for the 20 settlers there, while another couple of groups have five ploughs each. Disc ploughs should have been provided from the outset and thus a great waste of energy and much heart-burning would have been avoided. No experienced man would have tackled such a job with the ploughs that were provided at the outset, for they would have realised at once that they were unsuitable for the work they were to be asked to do. Therefore, again, settlers were supplied with harrows. Hon. members who know anything about that type of implement will realise how inefficient those supplied to the group settlers were when I say that, after proceeding for half a mile or so in one direction, the whole of the tynes were bent back at an angle of practically 45 degrees. In order to get some further use out of the harrows, the settlers hitched the horses on to the reverse side and thus bent the tynes back again

Hon. members can readily imagine what happened after that course had been followed two or three times. The harrows were of the diamond point type and should never have been supplied. Had the men concerned known their job, they would have supplied the group settlers with the stump jump, or semi-stump jump harrows, with chisel-pointed tynes. That is the type required for the work that has to be done in the group areas. If local advisory boards were established, such incidents in all probability would never have occurred. If such boards are provided in the future, troubles of this description will be obviated. I do not intend to deal with the financial aspect of the group settlement scheme to any extent, but according to figures supplied by the Minister for Lands, the group settlements have cost to date £3,400,000, in round figures. As against that, since the inception of the group settlement scheme, Western Australia has imported over £5,000,000 worth of bacon, ham, butter, cheese and tinned milk. That means that those articles alone have depleted the coffers of this State to the extent of that huge sum. If we include the importations of live stock, including horses, sheep and pigs, another £1,100,000 has to be added to that figure, giving a total of £6,100,000 worth of articles imported since the inception of the scheme. Ultimately the group settlements will provide all the articles represented in the importations I have referred to. When that day arrives, that immense amount of money will be retained in circulation within the State, instead of being sent to the Eastern States, in addition to the State having the benefit of the established farms within its borders. The Government should persevere with the scheme and enlarge it. I trust they will put a little more vim into it. It is understood that another group will be established in the South-West next month, and I trust that the Government, now that the financial position is fairly clear, will accelerate the group settlement work, not only in the South-West but in other parts of the State where opportunities are provided, and where the work can be profitably undertaken. I have no wish to see all group settlements established in the South-West. If it is possible to establish groups in the North-West, by all means let us have them established there. It is sincerely to be hoped that the Government will

be able to undertake that work. I trust they will persevere and so bring in the 75,000 migrants that Sir James Mitchell agreed to put on the land when he first embarked upon his big scheme. We would like to see Western Australia become not only the principal granary in the Southern Hemisphere, but the principal portion of the Commonwealth from which Australia's dairy products and fat lambs will come. I believe that objective is possible of achievement and ultimately the goal will be reached. While I pay a tribute to Sir James Mitchell, and also to the Premier, Mr. Collier, for the work they have done in procuring cheap money for this great work, I believe that the Imperial Government have not yet realised the extent to which we are helping them. During the past 7½ years the British Government have spent not less than £340,000,000 in doles to the unemployed. That is a fabulous sum to be spent in such a way, and I am only sorry that the expenditure of money by way of doles does not make for the building up of the nation. On the 1st March last, there were 1,107,000 people in Great Britain receiving the dole. During the concluding stages of the war, Great Britain was paying about £6,500,000 per day to prosecute the campaign. The Mother Country, with 1,107,000 people receiving the unemployment dole, could well afford to give Western Australia at least one day's war contribution now and again, in order to take off her hands some of the people she has to keep by means of that dole. Among those receiving the doles there must be many who would make admirable settlers and Great Britain could well afford to make a gift of the contribution I have suggested, to the State Government, if we took those people off her hands. I do not think we would be asking a great deal, because it is a simple question of transplanting Britishers from one part of the Empire, where they cannot make good, to another part where they have every opportunity for advancement. That is all I have to say regarding the group settlements, and I will conclude by repeating that I hope the Government will accelerate the work under that heading, so that we shall see not only 135 groups established, but two or three times that number in different parts of the State. I do not wish to detain the House much longer, but there are one or two matters of interest to the South-West Province

to which I desire to refer before resuming my seat. Amongst them there is the question of harbours. Hon. members have heard a lot during the course of the debate concerning the various harbours of the State. There is an intimation in the Governor's Speech that the entrance to the Fremantle harbour has been deepened to the extent of 36 feet and that the work in connection with the Geraldton harbour is progressing satisfactorily. In the interests of all parts of the State, and of decentralisation, it is necessary to give the hinterland to the various ports immediate attention. Consideration should also be given to the harbour requirements at Bunbury, Busselton, Flinder's Bay and Albany, as well as at other ports that have been mentioned. Recently it was suggested that we are likely to have a record wheat yield this season, and that within the next ten years the wheat production of the State will be enormous. For that reason, it is the duty of the Government to prepare for the handling of the great crops that are anticipated. For years past various Governments have been unable to make up their minds definitely upon a comprehensive scheme for the improvement of the Bunbury harbour. The present position at that port is causing the people concerned much anxiety. The capital expenditure upon the harbour is £448,000, of which £255,000 has been sunk in the breakwater. Despite that large expenditure, the facilities available, from a shipping point of view, are little better than they were 15 years ago. Work done in the past suggests a none too successful experiment. Last year 138 steamers, aggregating 554,639 tons gross register, use the port of Bunbury. They handled cargo to the extent of 386,129 tons, the value of the export portion being £1,915,431. The exports are mainly timber, wheat, and coal. Perishables, such as fruit and vegetables, are relatively small because no provision has yet been made at Bunbury for shipping such commodities on any large scale. At Bunbury there are 10 berths where vessels may load to a depth of from 16ft. to 27ft. 6in., but of those 10 berths six are practically useless because the big modern type of vessel demands a draught of corresponding depth. Only four of those berths can be termed good workable berths. Two of them have a depth of 27ft. 6in. at the end, but this is quite insufficient, as has been instanced lately. A Norwegian steamer called at Bunbury last year with the idea of filling up

her coal bunkers, but as she was drawing 29ft. she had to go on to Fremantle. Last year also another vessel called for 1,000 tons of coal, but as she was drawing 27ft. 6in. she also had to pass along to Fremantle. These are not isolated cases. There have been others and in consequence Bunbury has suffered a big loss in wages and shipping dues. In Bunbury there is a large number of men dependent on shipping for a livelihood. They are being deprived of work because the Government have not provided sufficient water for shipping to be carried on. Pending the decision of the Government to embark on a comprehensive scheme, there is urgent necessity for some temporary relief. Amongst the older people of Bunbury there is an idea that the opening of the old boat channel at the shore end of the breakwater would cause a scour that would overcome a lot of the perpetual silting trouble. Silting is a very serious question for Bunbury. Dredging there is very expensive, and does not seem to be making any great progress, for as fast as the channel is dredged the silt comes in again, and so the work has to be repeated. I want to say that the money that has been expended on the Bunbury harbour was fully justified, although I cannot say that it has been judiciously expended. The interest charges on the expenditure on the harbour amount to £20,000 per annum. Still the revenue for the last three years has greatly exceeded that amount. For the year ended 30th June, 1924, the revenue was £33,800, while for the year ended 30th June, 1925, it was £37,600, and for the year ended 30th June, 1926, it was £35,800. That slight decrease on the figures of the previous year was owing to the fact that the port lost revenue through not being able to accommodate steamers such as I have alluded to, and that the shipment of wheat was below that of the previous year. In 1924 the harbour trust paid into Consolidated Revenue £21,350, in 1925 £22,000, and in 1926 £21,000. The establishment of secondary industries at Bunbury will, I am sure, follow the coming of the power scheme, and shipping also will be largely increased. About four miles out of Bunbury the superphosphate people have acquired a large area on which to erect their works. That in itself will bring an increased quantity of shipping, and altogether there is every reason for urging the Government to provide some increased facilities for the port. The port of Busselton is designed to serve a

very rich and rapidly growing district. A few years ago there was practically no shipping at Busselton, but in the year just closed 50 vessels were loaded there. Like Bunbury, Busselton has had to suffer for lack of depth of water. There is at Busselton no silting problem, the only trouble being that the port has never had a fair deal in the provision of harbour facilities. Nothing has been done there since 1911, and in that year operations were confined to a little dredging. The people of Busselton were promised by the Mitchell Government that additions would be made to the loading end of the jetty so as to enable larger vessels to use the port. Also it was promised that there would be increased facilities for shunting and for tying up the vessels. I am sorry to say those promises have not been fulfilled. Since then similar promises have been made by the present Government. I understand the Minister for Works said that he fully recognised the just claim of Busselton to increased facilities on its jetty. However, the old question of finance cropped up and the matter seems to have been shelved again. Because increased shipping facilities have not been provided at Busselton, the people there have had the depressing experience of seeing thousands of loads of timber pass through the railway yards from country 40 miles further south-west and be hauled elsewhere for shipment. That is not fair to the people endeavouring to build up that part of the State. Members have frequently heard Ministers talk glibly about each port being entitled to the trade of its hinterland. In respect of Busselton that practice has been honoured far more in the breach than in the observance. I have not been able to secure the returns relating to Busselton shipping, because they are included in the records of the Railway Department. However, some idea of these figures may be gleaned from the fact that the railway revenue from Busselton for the 12 months ended 31st June last was £71,502. Goods and merchandise handled totalled 88,386 tons of which 72,450 tons were despatched either by steamer or rail. They are not enormous figures, but they do show a steady growth at the port and serve to warrant Government action in providing additional facilities. Further, I find that of late about 45 special trains per month have been run over the Busselton-Margaret River and Busselton-Nannup lines in timber traffic. Those trains of course were in addition to ordinary sche-

dule trains. What is required for Busselton is that the berthing head should be lengthened to enable ships to be moored safely. It is not sufficiently long for the big steamers that wish to come into the port. Then the jetty should be widened to permit of extra sets of rails necessary to shunting operations. When that is done it is estimated that the removal of the thin crust of rock at the bed of the berthing basin would enable the dredge to give all the depth of water required for many years to come. There is in the Speech a reference to the heavy expenditure on drainage in the South-West. The present abnormal winter has severely tested this drainage work done there by the Mitchell Government and by the present Government, and in every respect has the work been found successful. In view of the depressing report we heard last night from Mr. Burvill regarding drainage in the Torbay area, it is refreshing to know that the drainage schemes in the Busselton district are proving wholly successful. During the recent heavy rains I made a special trip out to see how the drains were working. Between Busselton and Quindalup there must have been 4 feet of water going over the gates for a width of perhaps half a chain, and the drains were taking away millions of tons of water which otherwise would have been spread over the land now occupied by group settlers. I hope the coastal country between Pinjarrah and Waterloo will be included in a comprehensive drainage scheme for the South-West. Some drains have been constructed at points along the line, but the expenditure has been relatively small, and a great deal yet remains to be done. The settlers in the Coolup, Waroona, and Yarloop areas have long sought relief from the excess water that runs over their country in the winter. I put forward their cases as deserving of special attention. The complete draining of the Harvey district has been long deferred, and should be commenced without delay. Some seven or eight years have elapsed since it was proved possible to carry the water from the Darling Ranges, in the vicinity of Harvey, into Lake Preston and thence into the sea. I am told that complete plans for such outlets have been in the hands of the Public Works Department for a long time. If the Government were so minded, they could commence the work within a few weeks. The estimated expenditure for the drainage of that big area is, I believe, only £40,000. That money would render cultivable 100,000 acres of rich swamps, which

it present cannot be utilised for any purpose. It would also considerably benefit another 150,000 acres of higher land. In this way about a quarter of a million acres of fertile land within easy distance of the metropolis could be profitably farmed, and where there are now only occasional homesteads there would soon be hundreds of prosperous families. One great advantage the Harvey area enjoys is that it is favourably situated for irrigation. At no great cost another weir could be constructed in the hills, and from this source irrigation could be provided for orchards and the rich alluvial flats during the summer months. Our summer is a long, dry one, but the Harvey country could easily be irrigated and thus made a prolific producer. There is no doubt about the practicability of the scheme. I understand it has the endorsement of every civil engineer of note who has given attention to the matter. If this were carried into effect, the country from Waroona to Brunswick would benefit, including the Benger swamps which produce from £20,000 to £30,000 worth of summer potatoes every season. I hope the Government will, when possible, extend the drainage scheme to this area. I know the matter has been under consideration for a long time. I now wish to stress the claims of the people of Greenbushes for consideration in the way of grants to enable them to prospect for the lost tin lodes. Nearly £1,000,000 worth of tin has already been won from the district. The opinion has been expressed by old and experienced men that this represents but a small proportion of the deposits of tin at Greenbushes. If these lodes could be picked up by a series of bores, owing to the high price of tin and the probable permanency of that price, that part of the State would promptly find work for a large number of men, many of whom would be glad to leave the goldfields to go there, or to leave the metropolis to engage in work at remunerative rates. The Government should not hesitate to give some assistance in the direction I have indicated. I congratulate them on having taken a broad and statesmanlike view of the Collie power scheme, and the possibilities of electrical development in this State. I hope they will go into the matter with all possible energy, and give what assistance they can to bring the scheme to fruition. I want to see Collie electric power transmitted, not only throughout the South-West, but as far as the metropolis.

It would be possible in this State, as it is elsewhere, to eliminate a tremendous amount of the drudgery that falls to the lot of the man on the land, by the use of electric power. I now wish to refer to a matter that is not mentioned in the Speech, but, though it appears to be a small one, it greatly affects the State. I allude to our tourist resorts. Last year I made a trip around the seaboard of Australia from the most south-westerly point of the coastal railway at Flinders Bay to the most north-easterly point of Queensland, 1,250 miles north of Brisbane. I kept my eyes open to see what was being done in the tourist business elsewhere, and I came to the conclusion that in this State we have in this regard assets equal to anything in Australia. For many years our tourist places have received scant attention at the hands of Government authorities. Take the case of Cave House at Yallingup. That is a Government monopoly. No one else could enter into the business of catering for the traffic there with any reasonable hope of success. The Government are not providing the accommodation for visitors that ought to be provided. If Cave House were a private concern, the Licensing Bench would probably insist upon adequate provision being made for the trade. If the Government are determined to keep this as a State concern, they should be compelled to do what a private undertaking would do. It is the most picturesque of all our tourist resorts. Most members know it well. I am sure the Honorary Minister has happy recollections of it, for on many occasions when he has felt jaded by his departmental work, and has required a little relaxation and recuperation, he has gone straight to Yallingup. I know he is in sympathy with the establishment and that, if he had his way, assistance would be rendered to it. There is a crying need for new dining rooms. If these were provided on the site set aside for them, other portions of the building could be utilised for bedrooms. There should also be a refrigerating service, which does not now exist, although the motive power is available for running it. An up to date establishment such as Cave House ought to be provided with a proper hot water service. It is now a business proposition, and is showing a profit for the State. In 1919-1920 the expenditure was £10,985 and the revenue was £11,079; in 1921-22 the expenditure was £12,729, and the revenue £14,482; in 1922-23 the expen-

diture was £12,290, and the revenue £13,576; in 1923-24 the expenditure was £12,875, and the revenue £14,814. In 1924-25 the expenditure was £13,094 and the revenue £14,011, and last year the expenditure was £14,378 and the revenue £16,190. While the expenditure has increased during this period by £3,400, or 30 per cent., the revenue has increased by £5,000, or nearly 50 per cent. For years the establishment has paid full interest and depreciation, and a few hundred pounds over and above that, while the tariff is the cheapest in the Commonwealth for this class of trade. Although I have shown that the trade there has increased and that last year the expenditure was £14,378, and the revenue £16,190, Cave House at the present time has dining accommodation for only 78 people. By utilising the verandahs outside it is possible to seat another 36, so that the most that can be accommodated at one sitting is 114 people. During last Christmas week the staff at Cave House served 12,024 meals. The whole of the staff, including the manager and his wife, total only 36. During Easter week 10,525 meals were served. The figures would have been considerably increased had it been possible to serve others who required meals. That was the limit to which the staff could go. Hundreds of people took hampers out there and had meals in the grounds around Cave House. That points to a business loss by the State, and it is the duty of the Government therefore to see that sufficient accommodation is provided for everyone. The bedroom accommodation at Yallingup is limited to provision for 64 people, but by using balcony beds, 80 more can be accommodated. Everybody, however, on going away for a holiday, will not agree to have a balcony bed and use a cupboard in a common dressing room. People are prepared to pay for services, and consequently they should not be asked to put up with balcony beds or common dressing rooms. The Government should either enter for everyone or allow private enterprise to do so. It is the Government's duty to keep in the State as many holiday makers as they can and so prevent tourists' money going elsewhere. There is no garage accommodation at Cave House, although frequently as many as 100 cars are in the grounds. Hundreds and possibly thousands of people have been denied admission to Cave House. The Government have been well aware that these require-

ments are necessary because plans for increased accommodation have been prepared for some time. I have heard of them for four or five years past, and knowing that this is a business proposition, I cannot understand why the Government refuse to go on with the work. Some idea of the growth of the traffic can be gathered by the fact that 1,000 people entered the Yallingup cave last Christmas week. Each person is charged a fee of 3s., so that this, too, is in every way a business proposition, and the Government should not hesitate to do their part. A small amount should be spent on lighting some of the other caves. The Mammoth Cave, I suppose, is one of the finest down there, particularly from the scientific point of view, and it should be lit up by electricity. The first cost possibly would not exceed £500, and a proper illumination would enable some of the better features of the cave to be displayed. The railways obtain a great benefit from the traffic to the Cave House and could obtain more revenue by providing cheap week-end excursions to let people see what attractions we have within our own State. I made inquiries at the Tourist Bureau at Perth for accommodation at Cave House next Christmas and I found that even at the present time, the middle of August, the whole of the bedroom accommodation there has been booked. The same thing occurred last Christmas. During last summer, extending from December to April inclusive, it was necessary to book months ahead if one desired to secure a room at Yallingup. Hundreds of people who could not be accommodated went for their holidays to the Eastern States and elsewhere, and Western Australia was the poorer for that. It is therefore quite time that the Government woke up to their responsibilities in that respect and made a real effort to retain the tourists' money in this State. It is time we got into line with the other States and overseas countries. Every visitor to our shore leaves behind him new money and takes away impressions which are good or bad, according to the ideas formed. We should further extend our tourist activities by having agents in every capital city. We should foster what I heard called the "tourist conscience" and get the people to spend money in the State and induce others to spend it with them. During my travels in New South Wales I learnt that Sydney receives, on an average, 6,000

visitors every week of the year. It would be a very moderate estimate to say that each visitor left £5 in that State. That would amount to £30,000 a week, or a million and a half pounds in the year.

Hon. J. M. Macfarlane: Treble it and you will be nearer the mark.

Hon. J. Ewing: I think you could multiply it by four.

Hon. W. J. MANN: I do not wish to be accused of exaggerating, and that is why I put down the figure at £5. If we merely doubled it we would get three millions in the year, and even then we would be well inside the mark. As a final illustration I would quote New Zealand, a country that appreciates the value of the tourist traffic. That is evidenced by the fact that the authorities there are not the least bit concerned that the expenditure on tourist traffic in 1924-25 resulted in a loss of over £19,000. They were perfectly satisfied to lose that amount on their tourist activities, knowing that the sum would be returned many times by the capital brought into the Dominion by visitors and spread over the whole of the country. For many years past New Zealand has subsidised its illustrated papers. I did see what the figures were, but I have not been able to lay my hand on them and so cannot disclose them to the House. The object of subsidising the illustrated papers is to induce people to visit New Zealand by the publication of pictures in those papers. This method of advertising has been very successful. The previous Government in Western Australia are to be congratulated on having brought into existence the present Tourist Bureau, and the Government of to-day may be given some small meed of praise for enabling that institution to continue. They would get a good deal more praise, however, if they treated the Bureau more liberally. My personal experience of the conduct of the bureau is that the director and his staff are fully alive to the advantages of tourist propaganda. In the director we have an officer equal to any to be found in a similar position in other parts of Australia. I believe him to be superior to some that I could mention. He is doing his best with the limited money at his disposal. More attractive and commodious offices could be provided. If I were running the concern I would take a shop front in the busiest part of the city and there make a display that would create a demand for tourist

trips throughout the whole of the State. I do not know whether members have been in the bureau lately. If not, I would advise them to drop in and have a look at the stalagmite display and ask themselves what the effect would be of a similar exhibition in a shop window, where it could be seen by all passers by. I am sure it would bring patronage and would awaken a desire amongst people to visit that part of the State even during the slackest months of the year. I realise there are heavy calls upon the finances of the State, but it cannot be argued that money spent in encouraging tourist traffic is lost. Rather is it a sound investment, as the experience of other countries has shown. I hope to see an extension of the tourist business generally, and I trust that the Government will see that the long overdue expenditure for the Caves House is provided before next summer. I regret that I have occupied the time of the House longer than I intended. I hope my initial effort has not proved wearisome to members—

Member: It has been very interesting.

Hon. W. J. MANN: But I ask them to give me credit for being earnest in what I have advocated for the benefit of the whole State.

HON. J. M. MACFARLANE (Metropolitan) [9.31]: Before dealing with the Governor's Speech, permit me to offer my congratulations to you, Mr. President, on your elevation to the high and honourable position you now hold. It is a position that I readily admit you are peculiarly fitted to adorn, and I trust that good health will be vouchsafed to you during your term of office. I recognise how trying it must be to sit in the Chair for several hours listening to sometimes rather prosy speeches without being able to indulge in the ease available to other members. Therefore, I trust good health will be your portion to enable you to carry out satisfactorily the duties you have undertaken. I join in the welcome extended to new members. I have had the pleasure of knowing them for a good number of years, and I can assure them they will find the work interesting. Of all the questions dealt with in the Speech, that of migration is the most important. On it depends the immediate and future development of the State, and to it we look for relief from deficits and the strangling burden of taxation. I congratulate the Govern-

ment upon having completed the agreement with the Commonwealth Government and trust it will not be long before the stream of migration is again set flowing and the full number of migrants that the State can absorb is brought out. I congratulate the Government on having got the terms of the new agreement made retrospective to the 1922 agreement, which must be of tremendous assistance in the group settlement work. I am satisfied that the new agreement is much better than the original one. In saying that, I do not seek to detract from the credit due to the originator of the scheme, who had no experience to guide him. His work was certainly highly creditable, but with the experience since gained, it was only natural to expect an improved agreement. The latest agreement appeals to me as being fair to each of the three parties, and I believe it will ultimately prove of great value to this State, because it will permit of the expansion of settlement on more generous terms than existed previously. The clauses of the agreement that impress me as being most important are Nos. 1 and 2, which deal with the rate of interest, the term, and the sinking fund arrangements. Clause 16 governs the number of migrants to be introduced. Previously, the number of migrants was stipulated, but now the number is to be relative to the amount of money that the State receives. Clause 17 might well be described as the group settlement clause, as it shows the financial limits to which the Commonwealth are prepared to advance—about £1,000 on each farm. I must compliment Mr. Mann on the very able address he has given us, and the clear manner in which has explained group settlement matters. I agree with everything he has said; his experience is identical with mine. Because he has spoken on lines similar to those I intended to follow, I shall be able to shorten my speech considerably. Clause 19 of the agreement reads—

The Commonwealth Government shall pay two-thirds of any loss which the Commonwealth Government is satisfied has been incurred by the State Government in connection with any advances made by the State Government for purchase of stock and equipment to any assisted migrant settled on a farm in accordance with paragraph (c) of the last preceding clause.

I can endorse the remarks of Mr. Mann that group settlement resolves itself into three phases, the first of which is clearing and the second production. During the second

phase the personal equation enters. It is the most critical phase of all. We have to deal with men after the sustenance payments have been stopped and they have been instructed to go on their own. During the time they were developing their blocks they were gaining experience in clearing, but when it comes to dealing with stock, they have to begin their lessons in agriculture. They now have to handle their stock and try to make a living out of them. I am satisfied that this is where the department will need to exercise a close supervision, to be sympathetic, and to provide instruction so that the mistakes made may be clearly demonstrated to the settler without discouraging him. The settler must feel ignorant and helpless when he comes to grow fodder and undertake the care of cattle. He must understand the gestation period and be able to keep his cows in milk during the recognised period of 280 days. He must know how to maintain the herd when dry, and be able to produce sufficient the whole year round to support himself and his family. All this requires considerable experience and skill. It is useless to send out men to instruct the settlers unless they are men of experience. We cannot afford to employ failures or inexperienced men for instructional work. I wish to acknowledge the valuable work the Minister for Lands is rendering this State by his close attention to the group settlement scheme. Any success that attends the groups will be due to his close supervision and wise administration. I am satisfied that in Mr. Angwin we have the right man in the right place. Generally speaking, the group settlers in the South-West have a fair prospect of making good, but when I consider the settlers on the Peel Estate, I confess to feeling somewhat pessimistic. The latest information I have showed the capitalisation at 1¼ millions. To-day it would be safe to say the expenditure on the Peel Estate represents 33 to 40 per cent. of the whole of the expenditure on group settlement. For this we have cleared or under cultivation something like 30,000 acres, of which 6,000 is swamp land. The 24,000 acres consist mainly of banksia and red gum country. When the settlers begin operations on their own account, without the sustenance allowance, they will find that growth on the Peel Estate is winter growth and that the hot days of the early spring will soon wither the herbage. During a severe winter the growth even in the winter time will be

found to be negligible. It only lasts six or eight weeks, and then it is burnt. Thereafter the bare grey sand is all that is left for the balance of the summer. So the group settler on the Peel Estate is often thrown on the bit of swamp land he has in his section. I understand, by the way, that the swamp land is not always attached to the block on which the settler has his homestead and keeps his cows: it may be a mile or more away. Much of the swamp land on the Peel Estate cannot be termed good swamp land. Some of it brings up salt and magnesia, and other parts of it are too heavy and rough to be cultivated so as to get the full value. Consequently the Peel Estate group settler often has to buy fodder. I am assured that in 99 cases out of 100 the returns from the cows do not cover the fodder bills.

Hon. A. Burvill: Would not silos help?

Hon. J. M. MACFARLANE: They will come in time. The difficulty is that the Peel Estate lands are not as suitable for group settlement as lands further down the South-West. The Peel Estate settlers require special consideration and attention from the experts if they are to win out. My own view is that the State will shortly have to determine whether the Peel Estate blocks are sufficient to maintain the group settlers and enable them to succeed. I feel that it is not so, though I hope the result will prove different from what I expect. I have a close knowledge of the group settlers, and in view of the number walking on and walking off I am disposed to believe that the personal equation may upset the chances of the scheme. There is something wanting to encourage those group settlers. I am not decrying the scheme, but merely pointing out what I feel to be the one great difficulty of an enterprise carrying so heavy a capitalisation. There is great dissatisfaction amongst the settlers themselves, and I look upon the present stage as one of the most critical in the life of group settlement. I acknowledge that a Royal Commission has investigated and reported upon the position of the Peel Estate settlers generally. Having tried to sift out the arguments for and against any complaints made to me personally, or brought to my knowledge. I have found such a conflict that I feel bound to support a motion carried at the recent conference of primary producers that a select committee should be appointed to inquire into the condition of the Peel Estate settlers. In the domain of finance the Gov-

ernment have missed a golden opportunity of being the first Government for many years to show a credit balance. The opportunities offering last year were unique. There was huge revenue, including the returns from new taxes. However, hustings pledges stood in the way, and the Government had to yield the 44-hour week and increase the railway employees' wages, thus turning the balance against themselves. By straining the July returns they were able to submit results so close to the Treasurer's estimate as to earn for that gentleman the title of a prophet standing beside the prophets of old.

Hon. J. Cornell: But he was a prophet in circumstances over which he had control.

Hon. J. M. MACFARLANE: I regret the decline of mining, which in my estimation is due largely to the rise in the cost of production while the value of the product has remained stationary. I will support the request to the Commonwealth to provide a bonus of £1 per ounce of gold. Such a bonus would stimulate the treatment of huge quantities of gold-bearing ore of low values. I agree with Mr. Cornell that gold mining put this State on the map. It would bring Western Australia up to the standard of the other States if another area yielding so well as Coolgardie and Kalgoorlie did in their time were now discovered. I approve the present policy of road construction within the limits of taxation. However, the Minister for Works may suggest such a form of taxation for making up our portion of the contribution as would be unacceptable to this Chamber. Now that the Federal Government have entered the field of petrol taxation, the Minister's chances of obtaining further revenue from that quarter are reduced considerably. Without further taxation of some kind, the Minister will not be able to obtain the sum he needs in order to take full advantage of the Federal Government's scheme. I regret that an adequate supply of hills water for the metropolitan area is going to cost so much. When the pressure is put on the consumer, he will cry out. Indeed, one hears rumbles now along the streets. The consumer has not only been struck by the rise in water rates, but has also been hit by increased assessment of his property for water. Most of the consumers say their rates have been doubled. I trust something will be done—we hear, indeed, that something has been done—to account for the thousand million gallons of water acknowledged to be lost.

If that were achieved, by levying either a flat rate or a garden area rate, the Water Supply Department would show better results, and the need for increased rating would be obviated. I am pleased to note that the Government purpose bringing forward a Bill to establish central markets. This has my approval if the intention is to provide marketing facilities and to conserve existing rights, at the same time establishing facilities for barter or trade under new conditions. If, however, the Government purpose the creation of another State enterprise, I shall strenuously oppose it. I regret that the Governor's Speech makes no mention of legislation for river improvements. It was agreed last session that an attempt should be made to do something in this direction. The recent floods will no doubt have impressed on us the greater need for taking some action. The flood waters reached a great height, and they have created swamps such as were never known before; and as soon as the hot weather comes we shall have those evil odours of which people complain so much during January, February and March. If the river were properly dredged, that trouble would be avoided, and the mosquitoes would disappear. It has been suggested that the Government should undertake a scheme estimated to cost £235,000—£25,000 to be expended in the first year, £35,000 in the second year, and thereafter at the rate of £20,000 per annum. At the same time it was suggested that some assistance should be given by the Perth City Council, who would largely benefit by river improvements. As the result of a conference the Perth City Council, I understand, agreed to pay the Government as a contribution towards interest and sinking fund £500 per annum for the first five years, and £1,000 per annum for the succeeding seven years. If the other municipalities and road boards which would benefit from the scheme would also contribute in some small measure, Parliament would no doubt be pleased to pass the necessary Bill. Reverting to the dairying question, I have here a return which I think will impress the House with the fact that the successful establishment of dairying in Western Australia is worth paying a high price for. The return shows the quantities of butter and cheese produced in Victoria for the years from 1915-16 to 1924-25. I will quote only the first year of the series and the last. In 1915-16 Victoria had 451,088 dairy cows, which produced

42,345,113 pounds of butter, of which 11,417,311 lbs. were exported. In 1924-25 Victoria had 760,207 dairy cows, which produced 100,849,382 lbs. of butter, of which 53,731,160 lbs. were exported. Valuing the butter at 1s. 3d. per lb., which is well within the figure obtained last year, it will be seen that Victoria produced something like £6,000,000 worth of butter last year. She also produced about £1,250,000 worth of cheese. These calculations do not include by-products such as bacon, dried milks, etc. The figures I have quoted show what a very valuable industry dairying is to any community.

Hon. A. Burvill: Can we not do the same thing in our South-West?

Hon. J. M. MACFARLANE: During the course of his speech Mr. Mann pointed out that the group settlement area was almost the same size as Victoria. There the whole State is not entirely devoted to dairying and, therefore, I am satisfied that, with the climate and the soil we have in the South-West, there is no reason why, as Mr. Burvill suggested, we should not do as well as Victoria. That State is turning out slightly less than New South Wales and is being run closely by Queensland. In conclusion I ask the Leader of the House to assist those who are engaged in the sale of seed. Recently a letter was sent to me by one of the seedsmen conducting business in Perth and he complained of the action of the Government in inviting tenders in the Eastern States for the supply of seed for group settlement purposes. I presume he referred to subterranean clover seed, and so on. I am told that tenders were called by the Government last year for seed representing a value of £50,000. Even if the Government paid a little more for the seed by procuring supplies locally, they would help the men who are doing something to build up the State. Eastern merchants use Western Australia as a dumping ground for their seed without in any way contributing towards our taxation. The seedsman I refer to stated in his letter—

I have been trading in Western Australia for the past 27 years but have never had an opportunity yet from any of the Eastern States Governments to quote for their requirements. The big Eastern States firms may have some little advantage over the smaller firms in the West and they may be able to supply a little cheaper. I am satisfied they treat the seed orders as a dumping business, and sell at a very low margin. There are plenty of seed firms here in West-

ern Australia that can supply all the requirements of the State, and I think they should have the business.

An Eastern States merchant, writing to this local seedsman, expressed astonishment at the statement that his firm could buy cheaper in Western Australia. Dealing with Government orders, the merchant said—

Whilst in Adelaide the writer heard some very funny remarks concerning the Western Australian Government order. Almost every firm he came across mentioned to him what big business they had been doing with the Western Australian Government. One firm only was refreshing. They told us they had missed the quotation and that they had heard from a Melbourne merchant, when in Adelaide, that he had secured nearly £14,000 worth of seed orders when he was staying in Western Australia negotiating for same. However, if you can satisfy the Government with your deliveries this year—and you should have no trouble in doing so—you should have no difficulty next season in getting the whole of their support. As a matter of fact it is quite possible they will be requiring a further parcel of seed for April delivery. If so, we wish you every success in your effort to procure this. Personally we would be hurt if our Victorian Government went past Victoria to buy any of their requirements.

The request I make that local seedsmen should be given this business is a fair one.

Hon. A. Burvill: Of course it is.

Hon. J. M. MACFARLANE: I trust the Minister will take steps to have the business given to our own people. As Mr. Mann has dealt completely with the group settlement question, he has enabled me to curtail my remarks, and I will conclude by intimating that I support the motion.

HON. E. ROSE (South-East) [10.5]: I join with others in congratulating you, Mr. President, upon your election to your high and honourable office. I am sure we have done right in electing you because of your long experience in Parliamentary life and your knowledge of procedure. I feel confident that the conduct of our business is perfectly safe in your hands. I would also like to congratulate the Chairman of Committees elect, for we recognise his capabilities. He has devoted much time to a study of Parliamentary procedure, and I am sure he will carry out his duties very well. I congratulate those hon. members who have been returned unopposed. The honour accorded them shows that their constituents are satisfied with the work they have carried out in the past. I congratulate those, too, who had to

fight hard to retain their seats. I welcome the new members amongst us, and, from the speeches we have heard from the newcomers so far, it is apparent that we have not lost very much by reason of the changes. I regret the absence of the old members who were defeated, for they did their duty well and faithfully. Referring to the Governor's Speech, I find that the financial problem occupies a large proportion of that document. I am glad that the Government recognise the importance of that phase of State activities and that they intend to reduce the deficits that have continued for so many years. I trust that this year we shall see the last of the deficits.

The PRESIDENT: Order! I must ask hon. members not to carry on conversations while another hon. member is addressing the Chair.

Hon. E. ROSE: I am glad the Government intend to construct the railway from Boyup Brook to Cranbrook. The construction of that line has been promised for many years. It will open up a large tract of country suitable for agricultural and pastoral purposes, while it will also tap a belt of timber country. In view of the splendid agricultural land that it will open up, the line should have been built many years ago. I regret that no mention is made of a line from Manjimup to Mt. Barker. That line also was promised many years ago, and if constructed would open up a fine belt of country.

Hon. A. Burvill: The area would be suitable for group settlement purposes.

Hon. E. ROSE: Yes, and for dairying and fruit growing as well. Other lines promised years ago were those to connect Nornalup with Denmark and the extension of the Pemberton line 20 miles further on. The lines were actually authorised some time ago, but nothing has been done. South of Pemberton there are a number of group settlers who are so far out that they cannot profitably carry on, if they have to cart their produce for the 18 or 20 miles.

Hon. A. Burvill: At the Denmark end some of the settlers are 35 miles out.

Hon. E. ROSE: That is altogether out of the question, for no farmer could be expected to make a profit if he has to cart his commodities for such a distance. Most of the produce in the South-West represents perishable lines, hence the necessity for better transport. When the Nornalup extension is constructed, that beauty spot

will become the greatest tourist resort in Western Australia. If the line were constructed right through, enabling people to visit Nornalup, we would do away with the summer exodus to the Eastern States. I believe that line would pay handsomely from the outset, in addition to keeping so much more money within the State by putting an end to the annual visits paid by many of our people to the Eastern States. In my opinion, the Government should duplicate the lines from Brunswick Junction to Bunbury and from Bunbury to Boyanup. At present the traffic there is so congested that delays are frequently experienced because the lines have to be cleared. If the duplications were undertaken, a great saving in running costs would be made. The South-Western railways are paying much better than any other railways in the State. In fact, we have no unprofitable line in the South-West, and that means that the Treasury is benefiting substantially. Because of that, consideration should be given to this proposal. The traffic from Augusta comes through Picton and often that section is so congested that delays are necessary in order to clear the line. The same applies on the section from Brunswick to Bunbury. The Government should either duplicate that line or construct a new one along the route that has been so much discussed from Collie via the Ferguson to Wellington Mills and Dardanup and on to Bunbury. It is not far from Collie to Millar's line and if this work were undertaken, some of the finest agricultural land in the State—I refer to the area at the head of the Ferguson—would be opened up. Mr. Stewart and Mr. Burvill referred to the grades and loads on the Wagin-Bunbury section compared with the Wagin-Albany section. Mr. Stewart made a mistake when referring to the loads carried, although he was correct regarding the distances. From Narrogin to Albany is a distance of 179 miles, the freight charges per ton over that section being 13s. 5d. and the train load 350 tons. From Narrogin to Bunbury is a distance of 132 miles, the freight charges being 12s. and the train load 380 tons to Collie, or, with the extra engine from Collie to Fernbrook, 470 tons. From Wagin to Albany is 148 miles, and the freight charged over that section is 12s. 6d. From Wagin to Bunbury the distance is 137 miles, the freight is 11s. 10d. per ton, and the load carried 380 tons for an "F" engine and 403 tons for an "FS" engine.

From Collie to Fernbrook it takes 480 tons. The only distance where the grade is so steep that they cannot carry big loads is $6\frac{1}{2}$ miles between Allanson and Penrith. I should advise the Government to take over the line from Millars and join it up to Collie, for this would mean carrying very much increased loads, and the railway could be electrified once the Collie power scheme is operating. I am pleased that the Government have taken up that Collie power scheme and assisted it. No doubt they have gone carefully into it and they can see what the results are likely to be. As Mr. Mann has pointed out, the Mt. Lyell Company three months ago decided to start superphosphate works at Picton. The surveyors are now at work preparatory to the erection of the building. Immediately the Collie power scheme is in operation the fertiliser works will mean a tremendous lot of haulage from the eastern districts to Bunbury with wheat, and back again with fertiliser. I have no fear that wheat or flour will then improperly go to Fremantle, for I am positive that Bunbury will take her share once she can offer super for back-loading. The Collie power scheme will be of great assistance to the development of the South-West. We shall have secondary industries springing up all over the place, and farmers everywhere will be utilising the scheme for the working of their machinery. In all other parts of the world Governments are going in extensively for cheap power, and I congratulate our Government on having taken up this Collie power scheme, knowing as they do what it will mean for the South-West in general. The fertiliser works at Picton will be called upon to supply thousands of tons for top dressing. Members who know anything of top dressing will be able to form some conception of the quantity that will be required, and what the fertiliser will mean to the agricultural industry. All the country round the coast between here and Albany will be utilised for top dressing, for it is all well suited to closer settlement. We have only to see what is being done in respect of dairying in the South-West to form some idea of what the Collie power scheme is going to mean to agriculture and dairying. It is most regrettable that we should have so much idle land adjacent to railways. On three occasions now have I supported the Closer Settlement Bill, believing as I do that we can-

not afford to have that land lying idle. Instead of sending the group settlers 300 miles away from the metropolitan area, the Government might well have settled some of them on land close to railways. Much of that country is useless without a comprehensive drainage scheme. What I mean is that if the Government could acquire those privately held areas, they could carry out a drainage scheme that would improve all that country, and we could then have along the railway lines thousands of settlers, each of whom would be able to make a very good living. Some members think that money spent in the South-West is money wasted. However, I was born in the South-West and have lived there all my life, with the result that I know something of the lands of the South-West. Every acre down there will grow good grasses, and I hope to see the day when that district will be carrying hundreds of well-developed farms. When the land there is settled, we shall be able to stop that drift of a million and a half pounds per annum for imported dairy produce, and not long after that satisfactory day we shall be exporting such produce. In Victoria in April last I saw dairy land valued at from £50 to £120 per acre. I am positive that two acres of our South-West land is worth more than one acre of that high-priced land in Victoria, and will carry more stock. So, even if our land in the South-West were to cost £30 an acre to clear, two acres would mean only £60, whereas the land in Victoria is worth £120. When we compare our South-West lands with those of Victoria, we see clearly that we ought to be producing for ourselves all that we require. Mr. Mann has gone exhaustively into the question of group settlement, leaving very little for me to say at this late hour. I congratulate him on his first speech in Parliament and on the attention he has given to group settlement. It would be of considerable help if we had advisory committees in each group settlement district to assist the Government. It takes years to gain the experience necessary to work that country down there and bring it to the productive stage as cheaply as possible. We have there old farmers who declare they can clear that land for £8 an acre; indeed I have seen it done. Therefore I agree with Mr. Mann when he says it would be of great assistance to group settlement if we had in each district a com-

mittee to advise the departmental officers. It would save thousands of pounds. The Government have introduced contract work, which is ever so much better than the old system. I do not believe in day labour at all. It is not suited to clearing, which can be done much cheaper and better by contract. I am pleased with the number of people settled on the groups and with the attention the Government have paid to the work. I congratulate the Minister for Lands upon the work he has done. There is no doubt he has tried honestly to do his best and is carrying out the policy of his predecessor. There is only one thing I could wish and that is he should go ahead faster and get the land settled much quicker. Otherwise we have in Mr. Angwin a good man who is working conscientiously for the groups and for the State. When we remember that there are 2,255 settlers on the groups, we appreciate how much this scheme means to the State. Some of our friends from the eastern districts object to so much money being spent in the South-West, but when they realise to the full the indirect benefit to the State, their objections must vanish. These settlers have to purchase from the eastern districts some of the necessities of life as well as fodder for their stock, so that although the cost of group settlement is great, the State generally is benefiting immensely. Even if the Government ultimately found it necessary to write off a million of money, the State would still have benefited as a result of the group settlement policy. Reference has been made to some of our people going to the Eastern States, but to offset these departures we can point to the number of people who have been settled on the land. The population of the groups is 9,405. Surely the State must have benefited largely because of the settlement of those people, who will remain and make good the land.

Hon. H. J. Yelland: Have not some of the best of our settlers gone East?

Hon. E. ROSE: Those who have gone East may stay there. In every walk of life there are bound to be failures or misfits. If I were put in a bank or in an office, I would be considered a rank failure, and the same applies to many of the migrants who have come here to settle on the land.

Hon. A. Burvill: Many of them would not make good in the garden of Eden.

Hon. E. ROSE: But put those men into secondary industries and they would make good, because they have been accustomed to that kind of life. Mr. Mann referred to the various occupations in which group settlers had previously been engaged in the Old Country, and yet some of them are doing well on the land. Amongst them are men who are quite capable of making prosperous farmers. With the installation of the South-West power scheme, secondary industry must go ahead in that part of the State. The total expenditure on the groups is considerable, amounting as it does to about 3½ millions, but against that members should consider what has been done. Even if 50 per cent. of the men left their holdings, look at the increased value given to the land by reason of all the clearing and development they have done. Already we can see the results reflected in our little butter factory at Bunbury. During the four months—May to August—that factory has turned out 40 tons of butter more than in the corresponding months of last year. This is largely due to the adoption of the system of top-dressing in the South-West. Last year the South-West felt the effects of the dry season, just as did the eastern districts. The production of the Bunbury factory fell about two tons short of that of the previous year, but this year it has been 360 tons of butter—almost one ton for every day in the year, and the sum of £54,412 was paid for cream purchased from the farmers. This shows what can be done in the South-West by cultivation and fertilising. The coastal lands there must be developed; they must not be allowed to remain breeding grounds for vermin. The South-West is too valuable an asset for that. Only the people who live in those parts realise the value of the land. Land that 20 years ago was condemned is regarded to-day as amongst the finest dairying and grazing land we have. Hand in hand with the development of the South-West the Government should provide better accommodation for shipping. The harbours at Bunbury, Basselton, Augusta and Esperance must be opened up. Albany is fortunate in having a good natural harbour, but the other harbours I have mentioned must be improved so that settlers can avail themselves of the nearest port to ship their produce, and thus save the unnecessary rail-age expenses they are incurring to-day. The fruitgrowers of the Bridgetown dis-

trict have to ship their fruit from Fremantle, which necessitates a journey of two days. From Bridgetown to Bunbury the distance is 60 miles, whereas to Fremantle it is 160. Members can realise what it means to have to forward fruit over such a long distance to Fremantle in the hot weather as against shipping it from Bunbury. Not only does the fruit deteriorate, but extra expenditure is incurred that might well be devoted to further development of the land. One of our harbours was opened up in Mr. Scaddan's time and I understand that he had the harbour dredged to a depth of 2ft. greater than the depth of water on the bar. It is not much use having a harbour deeper than is necessary to enable a vessel to enter it. Some attention must be paid to Augusta and Bunbury. Improvements have been promised, but nothing has been done. The Speech refers to the dredging at Bunbury. I have lived there for some time, but for several months I have seen no dredging going on. Meanwhile, the harbour is silting up. The big dredge has been shifted to Geraldton. The smaller one, the teacup dredge I call it, is laid up in hospital for a few months. The Engineer-in-Chief is going into the matter. I hope that something will be done so that we may ship away from Bunbury all the produce from the wheat belt and the southern areas that should go from that port. The railway yards there are very much congested. At times the traffic is almost blocked. Money will have to be spent there almost immediately. I hope the Government will take this matter in hand. With regard to the methods adopted by the Taxation Department, in the South-West they are valuing unimproved land according to the rent to which it is able to produce and according to the improvements effected on it. One property belonged to me at one time, and was valued at 22s. 6d. an acre. The department have now made the unimproved value 45s. an acre. Originally there was no water on the land, but there was plenty of poison and it could not be sold for 10s. an acre. Because the land has been highly improved, fertilised and brought into a high state of cultivation, and is producing fodders and crops owing to the amount of money spent upon it, it is being valued at the high price I mentioned. This illustrates what is being done in the South-West. It is most unfair to tax the farmers

almost out of existence. In the Bridgetown district the department is valuing land on the unimproved basis at £4 or £5 an acre, whereas the unimproved value is actually very little. Valuers should be appointed who know what unimproved value is. We are paying dearly in other directions. There is a multiplicity of taxes and the burden presses heavily upon the farmers. They have to pay road board taxes, health rates, vermin taxes and others and will have to continue doing so. Many of these people cannot stary up to all these charges and develop their land as they ought to do. The Speech refers to the assistance forthcoming from the Commonwealth for main roads. The Commonwealth are assisting us greatly in putting our roads into repair. The State, however, has to provide 15s. for every pound the Commonwealth give. Members may think this 15s. comes out of the Treasury. The fact is that 50 per cent. of it is taken from the road boards and only 7s. 6d. comes out of the Treasury. This leaves very little for the smaller road boards to assist them in keeping their roads in order. Instead of the money being taken out of the ratepayers' pockets, this should be made a national undertaking. It will be impossible for them to find enough money to keep their roads in repair. I do not agree with the Federal tax on petrol, especially in this State where we already have a tax of that kind. I agree with Sir Edward Wittenoom's reference to the portion of the North-West that should be cut off from the rest of the State. I have not made up my mind how I shall vote on that question. We should take into consideration the value of that country, and see whether we are justified in handing it over to the Commonwealth. Members representing the North-West should also consider how the Federal Government have developed the Northern Territory, and whether our North-West will be better off under Canberra rule than under the State Government.

Hon. G. W. Miles: We could not be worse off.

Hon. E. ROSE: I know the hon. member will disagree with me. I do not agree that the State has done nothing for the North-West. I have pioneered there in the old days, and I know what a picnic it is up there to-day compared with those times. In the early days

there were not the harbour facilities there are to-day nor the means for getting stock away. I admit the back country is not being developed. The railway charges on the Marble Bar line are certainly too heavy. In that respect the hon. member has some cause for complaint. If the Government do not intend to hand over that area to the Commonwealth they should go slowly in the matter of any experiments they may indulge in. I lived in the Kimberleys for many years, and experimented as much as anybody in fruits and vegetables. I found that after two years white ants made such havoc amongst the fruit trees that they were of no use afterwards. The North, as Mr. Colebatch said, could supply the South with all the vegetables it requires; but what is the use of making the attempt at such a distance?

Hon. G. W. Miles: What about pork and bacon?

Hon. E. ROSE: Pigs do remarkably well in the North, if only sufficient feed can be grown to fatten them. I have seen fine large pigs in the North, fit for any market. The climate suits them. I agree with Mr. Miles that the North-West should be opened up by railway communication. A railway will develop the Kimberleys and the North-West generally better than anything else would, because inland there is some of the finest sheep country to be found. That country is, however, too far from the port to permit of profitable cartage of wool and supplies. Another result of the construction of a railway as suggested by Mr. Miles would be a great development of mining operations in the North-West. The mineral belt of Western Australia runs from the south coast right through to Wyndham, and includes all kinds of metals. It is my firm belief that eventually the North-West will produce enormous quantities of minerals. Having lived there for 19 years, I know what I speak of. The North-West is a most valuable asset, and I do not like the idea of its being handed over to the Commonwealth. However, I shall have more to say on that subject at a later stage. In order to appreciate the possibilities of the North in the way of sheep raising, one has only to refer to what is being done at the head of the Murchison and around Leonora. People from South Australia, Victoria, and New South Wales are showing what that country is capable of. We ourselves do not yet

know the possibilities of Western Australia in the way of stock producing. I hope to live to see the day when we shall have millions of stock where we now have thousands. Travelling through the Eastern States during the last year or two, I found wherever I went that people were turning their attention to Western Australia more than ever before. That huge expanse, the wheat belt, is not yet developed to the extent of one-half, and Eastern agriculturists are turning their attention to it. I have had many discussions with Eastern farmers and squatters concerning Western Australia, and have convinced numbers of them that Western Australia is worthy of consideration. I have compared the average wheat yield here for 1924-25 with that of South Australia and the Eastern States. Some people took my statement with a grain of salt. Fortunately, however, I had the "Year Book of Australia" with me, and was able to refer the doubters to the official figures. I said to them, "Here are the figures of the average Western Australian yield of wheat." Numbers of people are coming here now from the Eastern States. Before many years are past we shall have a large population in Western Australia, and shall be able to retain all the money that now goes out of the country. We shall be able to produce all the requirements of Western Australia, and so have a large and prosperous population here. I am very pleased with the work which the Minister for Lands is doing in the South-West. I hope the Government will expedite that work. Undoubtedly Mr. Angwin is endeavouring to develop that part of our country. His not being an agriculturist is a drawback, but he has Sir James Mitchell's ideas and advice to go by. I hope that before long we shall see the whole of the South-West developed. Only two years ago a certain property in the South-West was offered to the Government. I believe it was originally offered to the Mitchell Government. I know that Sir James Mitchell and others have regretted that it was not purchased. It comprises about 50,000 acres running at a distance of ten miles from Bunbury up along the coast. A great deal of it is cleared. If it had been purchased, the Government could have placed from 100 to 150 farmers on it straight away, so much of the land being already developed. The estate was offered at a reasonable figure—27s. or 28s. per acre. It would merely require a little drainage. As

Mr. Maun stated, a drain from Harvey to Lake Preston would drain a large area of valuable country. I trust that the Government, if they can get it at a reasonable figure now, will purchase the estate in question and settle it as suggested. I thank hon. members for the attention they have given me, and I have much pleasure in supporting the Address-in-reply.

On motion by Hon. G. W. Miles, debate adjourned.

House adjourned at 10.53 p.m.

Legislative Assembly,

Wednesday, 25th August, 1926.

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

ADDRESS-IN-REPLY—PRESENTATION.

Mr. SPEAKER: I have to announce that, accompanied by the mover and seconder of the Address-in-reply, I waited on His Excellency the Governor this morning and presented the Address-in-reply to His Excel-