

Personal Explanation.

Hon. H. SEDDON: May I make a personal explanation?

The PRESIDENT: Upon what point?

Hon. H. SEDDON: Regarding statements attributed to me by the Honorary Minister,

The PRESIDENT: Very well.

Hon. H. SEDDON: The statement made by a responsible Minister was—

Those who have a knowledge of the gold-mining industry know full well that hundreds of men have been employed in the mines who have not a proper understanding of the English language.

My words were—

The statement made by a responsible Minister was that hundreds of the men engaged in the mines had not a proper understanding of the English language.

Hon. E. H. Harris: That is the same thing.

Hon. H. SEDDON: I would like to refer to the affidavit quoted by the Minister and to say that the information given to me was furnished by a person whose authority I have no reason to question, and I still believe his statement to be correct.

Question put and a division taken with the following result:—

Ayes	8
Noes	12

Majority against .. 4

AYES.

Hon. J. R. Brown	Hon. E. H. Harris
Hon. J. Cornell	Hon. W. H. Kitson
Hon. J. M. Drew	Hon. C. B. Williams
Hon. E. H. Gray	Hon. H. Seddon

(Teller.)

NOES.

Hon. C. F. Baxter	Hon. E. Rose
Hon. V. Hamersley	Hon. A. J. H. Saw
Hon. G. A. Kempton	Hon. H. A. Stephenson
Hon. A. Lovekin	Hon. H. Stewart
Hon. G. W. Miles	Hon. H. J. Yelland
Hon. J. Nicholson	Hon. W. J. Mann

(Teller.)

Question thus negatived; the Bill defeated.

House adjourned at 8.59 p.m.

Legislative Assembly,

Tuesday, 5th November, 1929.

	PAGE
Questions: Mental Reception Home, Point Heathcote	1325
Mental defective, detention at lock-up	1325
Railway project, Brookton-Armadale	1325
Main Roads Board collections	1325
Bills: Public Service Act Amendment, 1A	1325
Public Service Appeal Board Act Amendment, 1A	1325
Miner's Phtisis Act Amendment, 1A	1325
Licensing Act Amendment, 8A	1325
Royal Agricultural Society Act Amendment, Council's amendment	1325
Land Tax and Income Tax, Com.	1325
Vernin Act Amendment, returned	1325
Wheat Bags, Com.	1325
Loan Estimates	1325

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

QUESTION—MENTAL RECEPTION HOME, POINT HEATHCOTE.

Mr. SAMPSON asked the Minister for Agriculture: 1, What was the cost of (a) the land, (b) buildings and other work in connection with Mental Reception Home at Point Heathcote? 2, What is the number of patients of either sex it is possible to accommodate there? 3, What is the number of the staff, professional and otherwise? 4, What was the cost of erection of the Enfield Reception Home, South Australia, referred to by Mr. Angwin when the matter was discussed before this Chamber and in connection with which he recommended a similar structure for this State? 5, What number of patients can be accommodated at Enfield?

The MINISTER FOR AGRICULTURE replied: 1, (a) £7,701; (b) £59,025 (built 1928). 2, 36 males and 36 females. In the first place it was decided to erect a home at Heathcote for the accommodation of 36 patients, with provisions for extensions to accommodate a further 36 when required. Just before the building was started, Dr Bentley urged that accommodation for 70 patients be provided, and the Treasurer approved. 3, 1 medical officer, 1 matron, 2 nurses, 9 attendants, 6 domestic staff. 4 Land—£2,827. Buildings—£33,691 (built 1921-22). 5, 23 males and 20 females.

QUESTION—MENTAL DEFICIENTS, DETENTION AT LOCK-UP.

Mr. NORTH (for Mr. Mann) asked the Minister for Police: 1, How many persons suffering from unsound mind were detained in the Roe Street lock-up during the three months ended 30th October last? 2, What was the period for which each person was detained there? 3, To what institution were they sent from the lock-up? 4, Apart from the constable whose duty it is to look after prisoners, is there any attendant to look after mental cases?

The MINISTER FOR POLICE replied: 1, 21. 2, From one to five days—the latter in two instances only when accommodation was not available at Heathcote. 3, 15 to Heathcote and six to Claremont. 4, the instructions are that in the event of the lock-up keeper requiring assistance, it is to be rendered, at once.

QUESTION—RAILWAY PROJECT, BROOKTON-ARMADALE.

Mr. C. P. WANSBROUGH asked the Minister for Works: 1, In reference to his statement at Brookton recently that the aerial survey of the Brookton-Armadale railway would be proceeded with, has anything developed in that connection? 2, If not, will he state when he anticipates having the work undertaken?

The MINISTER FOR WORKS replied: Flying work has been completed and the results are being studied.

QUESTION—MAIN ROADS BOARD, COLLECTIONS.

Mr. LINDSAY asked the Minister for Works: Is the Chief Secretary correctly reported to have said in another place that the apportionments for 1927-28, 1928-29, are to be collected by the department for 30 years in addition to the traffic fees agreed upon by the select committee and by the Bill that passed this House recently?

The MINISTER FOR WORKS replied: I cannot say if the Chief Secretary was correctly reported or not, but the financial clauses of the Bill as it come from the select committee and passed this House would bear the legal interpretation set out in the question. The Chief Secretary is taking steps

to more clearly define the meaning of those clauses.

BILLS (3)—FIRST READING.

1. Public Service Act Amendment.
2. Public Service Appeal Board Act Amendment.

Introduced by the Premier.

3. Miner's Phthisis Act Amendment.

Introduced by the Minister for Health.

Read a first time.

BILL—LICENSING ACT AMENDMENT.

Read a third time and transmitted to the Council.

BILL—ROYAL AGRICULTURAL SOCIETY ACT AMENDMENT.

Council's Amendment.

Amendment made by the Council now considered.

In Committee.

Mr. Angelo in the Chair; the Minister for Lands in charge of the Bill.

Clause 2—Add a proviso as follows: "Provided that such exemption shall not apply to any land vested in or held by the Royal Agricultural Society and leased by the society otherwise than for agricultural show purposes."

The MINISTER FOR LANDS: I move—

That the Council's amendment be agreed to, subject to the following amendment:—"That after 'land' in line 2, the words 'other than the land mentioned in the schedule hereunder' be inserted"; and that the following schedule be added to the Bill:—

The Schedule.

Swan Location 1797 the subject of Certificate of Title Volume 264, Folio 116.

Portion of Swan Location 2267, the subject of Certificate of Title Volume 446, Folio 134.

Swan Location 2266, being the balance of the land the subject of Certificate of Title registered Volume 365, Folio 67.

Portion of Swan Location 2105, the subject of an Agreement for Sale and Purchase bearing date the 21st September, 1928, entered into by the University of Western Australia as vendor, of the one part and the Royal Agricultural Society of Western Australia, Incorporated, as purchaser, of the other part.

I understand that another Chamber feared that the Royal Agricultural So-

society as time went on might purchase its head office in Perth. Also the society have several blocks at Guildford, and the other Chamber did not desire that such land should be included. I think my amendment will meet the position.

Hon. Sir JAMES MITCHELL: The clause will be rather a cumbersome one in this form, but it will improve the Bill. Had the Council's amendment been passed as it was, and the show grounds let for picnic or any other such purposes, they would have been subject to taxation. We are now making certain that the grounds used for show purposes shall be free from taxation.

Mr. THOMSON: I am sorry the Minister's amendment was not put on the Notice Paper. The schedule deals entirely with the Royal Agricultural Society. Would it not be possible to provide also for country agricultural societies? In the case of some of them the grounds are used for sports as well as show purposes, and a charge for admission is levied. I should like to know if the Minister has considered the interests of country districts as well as those of the Royal Agricultural Society. The country societies should also have the same facilities and opportunities as the central body.

The MINISTER FOR LANDS: The business before members is a message from another place, providing for an amendment to Clause 2 of the Bill which has already passed this Chamber. No other subject can be discussed at this stage. The hon. member had his opportunity to move such amendments as he desired, but did not take it.

Amendment on Council's amendment put and passed; the Council's amendment, as amended, agreed to.

Resolution reported, the report adopted, and a message accordingly returned to the Council.

BILL—LAND TAX AND INCOME TAX.

In Committee.

Resumed from the 31st October; Mr. Angelo in the Chair, the Premier in charge of the Bill.

Clause 2—Grant of land tax and income tax for the year ending 30th June, 1930.

The CHAIRMAN: When the Bill was last before the Committee, the Leader of

the Opposition moved an amendment to strike out the word "twopence" in line 21. This amendment was agreed to.

Hon. Sir JAMES MITCHELL: I move a further amendment—

That in line 21 the words "one penny" be inserted in lieu of the word "twopence."

It will be remembered that by a vote of the Committee the word "twopence" was eliminated. It is now necessary to include other words.

Amendment put and passed; the clause, as amended, agreed to.

Clause 3—Rate of income tax:

Hon. Sir JAMES MITCHELL: I understood the Premier to say that the special grant we are getting from the Federal Government will expire next year. This year, as well as next year, will, however, be covered. At the moment we are receiving an advantage under the migration scheme from our sinking fund in London. That is now in the hands of the Federal Government. The reduction in payments on this account is about £360,000 a year, a considerable sum. This should justify a substantial reduction in taxation. Before moving any amendment I should like to know from the Premier if the special grant will endure for another couple of years.

The Premier: It will last for 1½ years.

Hon. Sir JAMES MITCHELL: I hope the Premier will persuade the Federal Government to honour the recommendations of the Royal Commission, which recommended that Western Australia should receive £450,000 a year for 25 years. We are entitled as a matter of right, because of the collections made by the Federal Government in this State, to that annual grant. Unfortunately the Premier has succeeded in getting only £300,000, less a certain proportion of the special grant we have enjoyed for many years, and which was reduced at the rate of £10,000 a year. That grant must have been wiped out by this time. I hope the Premier will endeavour to induce the Federal Government to honour the report of the Royal Commission appointed by themselves. No member of that Commission was selected from Western Australia. In the circumstances this State should secure the full amount recommended. South Australia, though not receiving all that was recommended, still did get a substantial sum, much greater than that granted to us.

Clause put and passed.

Clauses 4, 5—agreed to.

Clause 6—Section 55 of 1907, No. 15, not to apply:

Mr. LATHAM: The clause should be struck out, inasmuch as it does away with the law that the tax may be paid in two moieties. Many people suffer grave disability from having to pay the tax in one amount. Section 46 of the Constitution Act of 92 provides—

Bills imposing taxation shall deal only with the imposition of taxation, and any provision therein dealing with any other matter shall be of no effect.

I contend that the clause is out of order under that section. The clause deals not with the imposition, but with the collection, of the tax.

The Premier: That is a wonderful distinction.

The CHAIRMAN: I should like to hear a little debate on the point before I decide it.

The Premier: The point has been raised before, and ruled out. It is a stale mare's-nest.

The CHAIRMAN: I find that a similar point has been raised before, when the Chairman's ruling was that the clause was in order. The clause refers to taxation, and a precedent has been established. Therefore I rule that the clause is in order.

Mr. THOMSON: The clause takes away the taxpayer's option to pay his tax in two moieties.

The Premier: Of course that is the result, but does not the clause clearly deal with the imposition of taxation?

The CHAIRMAN: I have given my ruling. To my mind there cannot be taxation without collection. Therefore I rule that the clause is relevant.

Mr. DAVY: There is something to be said on the question whether this clause should be enacted or not. The time must surely come when the previous decision of Parliament, permitting taxpayers to pay the tax in two instalments, as rates are paid, should be put into force again. That option has been suspended year after year. Can the Premier indicate when the yearly suspension is to cease?

The PREMIER: I shall agree to the disappearance of this provision in the first session when I go to the Opposition bench. The clause fits in with the working of the

amalgamated Taxation Departments, and conforms to the Commonwealth law. Thus the work of collection is greatly simplified. If a taxpayer finds difficulty in meeting land tax or income tax, an extension of time is as a rule easily secured.

Mr. DAVY: But not a long extension.

The PREMIER: Usually a lengthy extension is not granted, but additional extensions are granted. There are times of the year when a taxpayer finds it hard to meet taxation, whereas at other periods he can pay without difficulty. Scores of thousands of pounds of taxes are always outstanding at the close of the financial year. This year we shall be collecting taxes which were due last year, and next year we shall be collecting taxes due this year.

Mr. DAVY: I do not think the Treasurer's view should prevail. Practically it does not matter if taxes are outstanding each year, provided this has been the position for two years. Two assessments are frequently received by the taxpayer in one year. It is true that the Deputy Commissioner of Taxation grants extensions, but only for a month at a time, and that with an air of doing the taxpayer a favour. The Committee will have to insist upon this being done. I understand the Leader of the Opposition initiated this arrangement when he was Treasurer!

Hon. Sir James Mitchell: No.

Mr. DAVY: No doubt he resisted any interference with it.

The Premier: But even such a change will not bring the remedy.

Mr. DAVY: No, not until the Committee determine no longer to tolerate the attitude adopted by the Premier, and insist upon taxpayers having this concession. A taxpayer does not owe the money until he is assessed and even then, it is not like a debt owed to a grocer, who has supplied goods. The tax is in the form of robbery, although I do not use the word in an offensive sense.

Mr. Thomson: You want what you pay for.

Mr. DAVY: At any rate, it is actually an extortion, although it may be admitted it is necessary, by the State, and the State should at least be as lenient to taxpayers as ordinary traders are with their clients. I suggest that if this principle be persisted in, we should cut it out in defiance of the Treasurer.

Mr. LATHAM: The Committee provides by this means the revenue for the year, and

I cannot see anything in the Premier's argument to explain why we should not delete the clause, which sets aside the section of the Act that provides for the payment of the tax in two moieties. So long as the money is paid within the year, the Premier will receive the money necessary within that financial year.

The Minister for Justice: But the assessments are not issued until March.

Mr. LATHAM: As a farmer I know that we sometimes get two assessments in the one year.

The Premier: If a farmer receives two assessments in the one year, it simply means that he has not paid any tax on the income derived in the previous year.

Mr. LATHAM: That is so, but the Premier, as a farmer, knows what great demands are made on the income of a man on the land.

The Premier: There are great demands made upon the incomes of other people.

Mr. LATHAM: But not to the degree experienced by farmers.

Hon. Sir JAMES MITCHELL: I should like to repeat to the Committee what the Premier said. The clause has found a place in similar Bills for many years because, as on this occasion, the Bill will not become law until the end of November. Until then, the Taxation Department cannot issue the assessments. Were we to meet earlier in the year and pass the Bill at an earlier stage the necessity for the clause would be obviated but the Committee would refuse to consider a Bill to impose taxation until the financial position had been reviewed following upon the Treasurer's Budget speech.

Mr. Latham: That would be right, too.

Hon. Sir JAMES MITCHELL: That is our duty. We impose taxation, after making sure that the Premier does not propose a greater tax than is necessary. I cannot agree with the member for West Perth and the member for York, because the necessity for the clause is due to the fact that we pass the Bill so late in the session each year, and I cannot see how that can be avoided.

Clause put and passed.

New clause:

Mr. THOMSON: I move—

That a new clause be added, as follows:—
"Provided that land assessed be allowed as a deduction from income tax if the land is in actual and full use for primary production."

We are justified in asking that the man who produces his income from the soil, should not be called upon to pay a double tax.

The Premier: Such an amendment should be to the Assessment Act, not to the Bill before us.

Mr. THOMSON: No, it can be included as a proviso. The Government removed the exemption of £250 in respect of land, but a similar exemption is allowed off the income earned by a taxpayer. That exemption should also apply to the man who is earning his living from the soil. Prior to the amendment of the Act, the farming community were required to pay one tax only and that was whichever was the greater, the land tax or the income tax. I hope the Premier will regard the amendment as fair and just. If a man invests £5,000 or £6,000 in land and its development, he has to pay a tax on that money. Then he is taxed on the income he derives from the land. That is unfair.

Mr. Davy: The same thing applies to the man in the town.

Mr. THOMSON: Not necessarily, and even then, in most instances, he can pass it on. If a man invests £5,000 or £6,000 in Commonwealth or State bonds, he is only required to pay a tax on the income he derives from that investment. He is not taxed twice, as is the man who invests his money in land and is taxed in consequence, on top of which he has to pay a tax on the income derived from that investment. What is called the unearned increment attaching to agricultural and pastoral land values, is due to the expenditure of capital, and as land is improved its carrying capacity is increased and its value enhanced. A farmer should not be penalised because of the investment of his capital in land. I hope the Premier will see the justice of the proposal, and accept the proviso.

The CHAIRMAN: I am sorry I must rule that the member for Katanning lost any opportunity he may have had of inserting his amendment as a proviso. It might have been accepted when we were dealing with Clause 2, but had it been moved, I would have had to rule, as I do now, that it is out of order because it is irrelevant to the Bill. The Bill is one to impose a land tax and an income tax, and any such amendment as that suggested by the hon. member should be moved to the Assessment Act. I rule the amendment out of order.

Dissent from Chairman's Ruling.

Mr. Thomson: I must disagree from your ruling, and I move—

That the Committee dissent from the Chairman's Ruling.

I purposely did not endeavour to move an amendment to Clause 2 because on a former occasion, when I endeavoured to follow that course, I was ruled out of order as the amendment was irrelevant. The Committee have approved of Clause 6 which relates to the Land and Income Tax Assessment Act, and if that is in order, my proposal is equally in order. In 1927 I moved in a similar direction and it was ruled that my proposal could not be inserted in Clause 2. That is why on this occasion I waited for the decision of the Committee on Clause 6.

Mr. Latham rose to speak.

The Premier: If the hon. member disagrees with the ruling, the ground should be set out in writing.

The Chairman: Yes, the hon. member must put his dissent in writing.

[The Speaker resumed the Chair.]

The Chairman reported the dissent.

Mr. Thomson: The Chairman has ruled that if the amendment had been admissible, it should have been moved to Clause 2. In 1927, I endeavoured to have a similar provision inserted in Clause 2 and you, Mr. Speaker, ruled that it was inadmissible. On this occasion, I waited until Clause 6 had been dealt with, and the Treasurer who is in charge of the Bill has received the support of the Committee to Clause 6, which amends the Land and Income Tax Assessment Act. Section 55 of the Land and Income Tax Assessment Act provides that where the amount payable by any taxpayer exceeds the sum of 20s., it shall be payable in two equal half-yearly instalments. Clause 6 of the Bill sets forth that Section 55 of the Land and Income Tax Assessment Act shall not apply to the tax to be levied and collected for the current financial year. Consequently the clause does amend the Land and Income Tax Assessment Act. Had the Committee objected to Clause 6, I would not have submitted my proposal, but as the Committee have amended the Land and Income Tax Assessment Act by passing Clause 6, my proposal is equally admissible. The member

for York, in questioning the legality of Clause 6, directed attention to Section 7 of the Constitution Act Amendment Act, 1921, which provides that Bills imposing taxation shall deal only with the imposition of taxation, and any provision therein dealing with any other matter shall be of no effect. I simply desired to add to the tax Bill provision that a man who was making his income entirely from the soil should pay only one tax. I submit that the ruling of the Chairman was wrong, particularly in view of the Committee having passed Clause 6.

The Premier: The member for Katanning has argued that because Clause 6 of the Bill, which has been passed, relates to the Land and Income Tax Assessment Act, therefore, his amendment is equally in order. The Chairman did not rule out the hon. member's amendment because it amounted to an amendment of the Land and Income Tax Assessment Act; it was declared to be inadmissible on account of its being outside the purpose of the Bill, which is to impose a land tax and an income tax. Clause 6 of the Bill deals with the imposition of land tax and income tax, and therefore is not outside the purpose of the Bill as read a second time, but conforms to the purpose of the Bill. The amendment of the hon. member is of a different character altogether and deals with exemptions under the Land and Income Tax Assessment Act, and therefore is clearly outside the scope and purpose of the Bill.

Mr. Speaker: I gave a ruling in 1927 to which the hon. member has referred, and I submit that ruling will stand in this case as it did then. I may be permitted to read what I then said. Referring to the member for Mt. Margaret these are the words I used—
The hon. member is perfectly right in drawing attention to the fact that the Bill before the House is one dealing exclusively with the imposition of a land tax and an income tax.

I then went on to say that I did not think it necessary to answer the argument that was put up with reference to Clause 6. Neither do I think it necessary to go into the matter relating to Clause 6 at the present time. As the Premier has correctly pointed out, Clause 6 of the present Bill, as carried on the second reading, in no way deals with the Assessment Act nor does it in any way amend the Assessment Act, it is quite within the power of the Bill which imposes a tax to say when it shall operate. Clause 6 does

not in any way amend the Land and Income Tax Assessment Act. The hon. member for Katanning's amendment is a new provision entirely outside the scope and purpose of the Bill and its Title and its progress at every stage. Therefore I uphold in all particulars the ruling of the Chairman of Committees.

[Committee resumed.]

Preamble agreed to.

Title:

Mr. LATHAM: I intend to move an amendment to the Title. I contend the Title does not cover the Bill itself. There is no doubt about it that under Clause 6 it does not mean the Land and Income Tax Assessment Act. I cannot for the life of me see that this is a Bill exclusively to impose a land tax and an income tax. There is no doubt that Clause 6 definitely means the Assessment Act. Therefore, I contend that that should be the Title of the Bill.

The CHAIRMAN: I am sorry I shall not be able to accept any amendment that may be moved by the hon. member.

Title—agreed to.

Bill reported with an amendment.

BILL—VERMIN ACT AMENDMENT.

Returned from the Council with an amendment.

BILL—WHEAT BAGS ACT AMENDMENT.

In Committee.

Mr. Angelo in the Chair; Hon. Sir James Mitchell in charge of the Bill.

Clause 1—agreed to.

Clause 2—Amendment of Section 2:

The MINISTER FOR AGRICULTURE: I would like to know how far the hon. member proposes to go. I am given to understand that the wheat pool have contracts with millers to supply them with the wheat they require. This will mean that wheat will go into the pool and will be branded because the Western Farmers insist on its being branded. When I introduced the Wheat Brands Act, I stated that it was for the protection of the growers and the buyers. I understand now that the only wheat to go

to the millers that will not be branded will be that which is carted there independently of the railways. I have a letter from Mr. Monger, the chairman of the Co-operative Wheat Pool of Western Australia, who says—

As far as we understand it the purpose of the principal Act is to protect farmers and wheat merchants against theft from paddocks and sidings, which had become prevalent, and also to prevent dishonest practices such as the inclusion of stone and rubbish in bags of wheat. It appears to us, therefore, that if the Act is amended in the direction indicated the result will be to destroy the purpose and efficacy of the Act, and the trustees express the hope that the Government will not agree to any such amendment.

Hon. Sir James Mitchell: This House will deal with this matter.

The MINISTER FOR AGRICULTURE: When I introduced the Act last session the hon. member asked me to show my authority for submitting it. I would like to know from the Leader of the Opposition now which particular millers desire this amendment. Those people are interested in the handling of wheat, and if we are going to amend the Act there should be solid objections from someone authorised to speak. If the hon. member can show that the millers desire the amendment, well and good. It is up to the hon. member to show his authority.

Hon. Sir JAMES MITCHELL: I am not in the habit of taking instructions from people outside, although the Minister is. As I have said before, anybody who asks for it can get a Bill from the Minister, so long as it is not going to cost the Government anything. All sorts of tiddly winking little Bills are brought down by the Minister for Agriculture.

The Premier: But this is even smaller than any of his—two clauses!

Hon. Sir JAMES MITCHELL: The Minister says he is going to oppose the Bill, and his only reason for it is that he has been asked to do so. I was asked to bring in the Bill.

Mr. Teesdale: Mind the step!

Hon. Sir JAMES MITCHELL: I never make statements that are not absolutely true. The Bill was discussed with me by the millers, and they pointed out that they used their bags in storage more than once. The millers hold that it is quite unnecessary to brand the bags of wheat that are brought direct to them. If the farmer

wants to protect his wheat by branding his bags he can do so, but it is unnecessary for the Minister to say to the farmer, "If you do not brand your bags we will fine you." Whoever heard such utter nonsense? If it is necessary to brand his bags the farmer will do it.

Hon. W. D. Johnson: The man who puts bricks into his bags of wheat will not brand them; only the fellow putting in pure wheat will brand his bags.

Hon. Sir JAMES MITCHELL: That is utter nonsense, too, for a brick is worth nearly as much as wheat, per lb. I can understand the wheat pool desiring that the bags should be branded, and telling the farmer that they will not take his wheat unless his bags are branded, but I cannot understand the pool saying to the farmer, "In any event, you must brand your bags." Every dealer in wheat has the right to say to the farmer, "Your wheat must bear your brand or I will not buy it." But suppose the miller does not want the bags branded, and the farmer who is carting direct to the mill does not want to brand his bags, what right have we to say they must be branded?

Hon. W. D. Johnson: Your friends, the private agents, would have to get the bags branded.

Hon. Sir JAMES MITCHELL: I hope the private agents are my friends. If the private buyer wants bags branded, he can have them branded. The Bill does not touch him at all. At present the bags have to be branded if sold through a private agent or delivered to the pool. I do not propose to alter that. But if the wheat is carted direct to the mill, it is nonsense to say the bags must be branded. They may be used two or three times. The branding of the bags does not protect the miller, for no court would uphold a claim by the miller that he had found stones of other foreign material in bags of wheat a week after he had received them.

Mr. Ferguson: No, but he would be on the lookout for the farmer next year.

Hon. Sir JAMES MITCHELL: If he were a wise man, yes. We have not attempted to stop dealing in wheat.

The Minister for Mines: It is a pity you could not put an end to gambling in it on stock exchanges.

Hon. Sir JAMES MITCHELL: There is nothing to stop the sale of wheat in bags that are branded. They can pass through a dozen hands. But it is not right that we should require a brand on bags of wheat that are to be delivered by the farmer direct to the mill—unless, indeed, the miller desires it. The Minister for Agriculture has produced his letter from Mr. Monger, but it is for the Committee to decide this question. It is the people buying wheat direct from the farmer who have asked for the Bill. I hope the committee will agree that when wheat is delivered by the farmer direct to the mill the bags need not be branded. That is all the Bill asks for. It is a decided advantage to the State to have bulk storage at the mill and the bags being used several times, for it means a saving in various directions.

Mr. C. P. WANSBROUGH: I am sorry I cannot agree with the Leader of the Opposition in his desire to amend the Act. If the amendment be carried, it will do away with the efficiency of the Act.

Hon. Sir James Mitchell: Not at all.

Mr. C. P. WANSBROUGH: It will. We desire to stop the pilfering that goes on in farming districts, and if we were to exempt wheat delivered to the mills it would spoil the efficiency of the Act. I have here a letter from the chairman of the flour-milling industry in Western Australia. It shows that the millers, as an association, have no desire for the Bill, although some individual millers may favour it. One of the trustees of the wheat pool, who went to the Old Country recently to watch the out-turn from the wheat boats, reported that that out-turn revealed hundreds of tons of foreign matter, including stones and discarded pinions for the harvesters.

Sitting suspended from 6.15 to 7.30 p.m.

Mr. C. P. WANSBROUGH: It is clear from correspondence with the trustees of the Wheat Pool that the Millers' Association have made no demand for an amendment to the Act. I have had considerable experience of the branding of wheat bags. A lot of pilfering used to go on in the Mount Kokeby district. We insisted that all the wheat bags should be branded, and this was a means of checking the thieving. It did

not take long to put on the brand and the result was highly satisfactory.

Hon. W. D. JOHNSON: The Leader of the Opposition is wrong in thinking that the farmers have asked for this proposed legislation.

Hon. Sir James Mitchell: All of them have not done so.

Hon. W. D. JOHNSON: The Wheat Pool handles 60 per cent. of the wheat that is marketed in Western Australia. Associated with the trustees of that organisation is an advisory board, representative of the various wheat-producing centres. As a result of the meeting between the board and the trustees' representatives were made to the Government to introduce legislation for the branding of wheat bags. It was intended to protect farmers against pilfering as well as to assist in maintaining the prestige of our wheat on the world's market. Our wheat is sold as it comes from the harvester, and is therefore not graded as it is in some other parts of the world. If we could guarantee the wheat as it left the harvester, everything would be all right, but unfortunately we cannot do so. Sometimes the worn-out pinions of a harvester find their way into a bag of wheat, or gravel is shovelled into it, and such things of course act detrimentally to the out-turn of wheat as a whole. Representations have been made from the Old Country on the subject, and investigations have proved that our wheat in London has not been free from foreign matter. Everything possible should be done to protect the genuine farmer, and the man who is prepared to adulterate his wheat should not be allowed to put into the general pool. Because of the devious methods that are sometimes adopted, the f.a.q. standard of our wheat is reduced. Between 85 per cent. and 90 per cent. of the wheat that goes into the mill is contained in branded bags, because the Millers' Association have agreed to take practically all their supplies from the pool. If unbranded bags are allowed on the market, the value of the Act will be greatly minimised. It will also be difficult to administer in such circumstances. Although the proposed amendment may to some extent assist millers with regard to the bags in which the wheat is contained, it will not help the farmers, and will make it difficult for the Industries Assistance Board to keep a proper check over their clients' wheat. To the Industries Assistance Board the Act is of considerable value because it

enables them to keep a check over the wheat sold by their clients. I hope the hon. member will not persevere with his Bill.

Mr. STUBBS: The Act was intended as a protection for the honest trader against the dishonest one. I should like to know from the Leader of the Opposition if there has been any demand from the majority of those affected by the Act, for the amendment he has now brought down. Every member wishes to protect the man who plays the game, as against the man who desires to use unfair means. Efforts were made in the past to obtain market price for grain that was mixed with rubbish, and samples not representative of the bulk of the wheat were used, until finally Parliament passed an Act compelling every bag to be branded with the grower's name. Until it has been proved to me that the existing Act works injustice to agriculturists, I cannot support the Bill. Harm can scarcely result from allowing the Act to operate in its present form for another year or two. Is the cost of branding one bag a penny?

Members: No.

Mr. STUBBS: Then we are only wasting time in discussing the Bill.

Hon. Sir JAMES MITCHELL: No one would dream of placing on the farmers an expense of 12 million pence, £50,000, for the branding of 12 million bags of wheat.

Hon. W. D. JOHNSON: The cost per bag is about a sixteenth of a penny.

Hon. Sir JAMES MITCHELL: The existing Act only came into force last August, for the present crop. I do not propose to interfere with the wheat pool at all.

Hon. W. D. JOHNSON: You will be doing it by the Bill, whether you would wish to do it or not.

Hon. Sir JAMES MITCHELL: The pool do not want any unbranded bags, but they can speak only for those farmers who are their clients. It might be argued that the miller should brand the bags as he receives them. Until the miller gets the wheat, it belongs to the farmer; and under the law the farmer need not brand the wheat until it gets to the mill or the pool stack. Who would agree to accept responsibility for stones found in wheat a week after it had left his possession? We have to consider the farmer and what will advantage him. Parliament will hardly require the farmer to brand wheat delivered to a miller if the miller does not require the bags to be

branded. For the life of me I cannot see why the farmer who does not want to brand his wheat, and the miller who does not want the wheat branded, should have the obligation of branding imposed on them. In this matter I hope the Committee will think of the farmer, and of no one else.

Mr. LINDSAY: One point has been missed in the discussion. The Leader of the Opposition desires to amend an Act that we passed last session for the protection of farmers. If we commence to make loopholes, we shall break down the Act itself. At Bencubbin last Sunday a conference, attended by 40 farmers, dealt with this very question that has been raised by the Leader of the Opposition. One farmer in particular dealt with the principal phase referred to by the hon. member, but, after a discussion, it was unanimously agreed that the Act was quite right. The measure was passed for the protection of farmers against theft, and I cannot support the amendment. As for the question of the cost of branding bags, I have branded 100 bags in five minutes! It is not a costly job, nor is it a hard one.

Clause put and negatived.

Mr. MARSHALL: I move—

That the Chairman do now leave the chair.

Motion put and passed; the Bill dropped.

LOAN ESTIMATES, 1929-30.

In Committee of Supply.

Resumed from the 29th October; Mr. Lambert in the Chair.

Vote—Departmental, £238,598:

HON. SIR JAMES MITCHELL (Northam) [8.4]: These are the first Loan Estimates submitted under the new arrangements created by the Financial Agreement. The Premier explained when introducing the Estimates that he had to cut down last year's amount by £700,000 because the Loan Council found it impossible to raise the money required by all the States. That represents the first fruits of our joining up with the other States in the task of financing Australia. I repeat that the arrangement will not benefit the taxpayers by a farthing. The Federal Government have been keen to get more control over our finances, and the State Government may have gained some temporary advantage, but

the fact remains that we can no longer manage our own affairs. That fact is disclosed in the curtailment of the amount we are allowed to borrow. While the whole of Australia is in difficulties when it comes to raising money on the London market, if Western Australia were not part of that whole, the position would be much more simple for us. As hon. members are aware, we export almost the whole of our products to countries overseas. About £1,300,000 worth of our exports are sent to the Eastern States and the rest is sent overseas. On the other hand, we buy a large proportion of our total purchases from Eastern Australia. Last year £9,000,000 was paid to the Eastern States, and about £11,000,000 to the rest of the world. The position is such that if we were free from the Loan Council, it would be easy for us to finance our affairs through London. I doubt if we would have any trouble at all, but as part of the whole of Australia, we have considerable difficulty. Last year we paid £1,000,000 towards £25,000,000 paid in interest, and this year, because of the dry season in the Eastern States, the shortage of their wheat crops and the lower price of wool, we shall probably have to find £50,000,000 with which to balance the accounts. That will land the Premier in difficulties. He has had a comparatively tight time during the last 12 months in consequence of the difficulty experienced in borrowing in London. His difficulties for the ensuing 12 months will, I fancy, be greater than those he experienced during the last financial year. He has exhausted all sorts of funds that were at his disposal in his endeavour to meet his loan expenditure, and those funds considerably eased the position. On the 30th June last we borrowed £1,285,000 from the London and Westminster Bank.

The Premier: That is not unusual.

Hon. Sir JAMES MITCHELL: No, and it would not matter much if times were easy and the Premier could repay the bank. But the times are not easy from a financial standpoint. In addition, we had £849,000 under the provisions of the Financial Agreement; £700,000 as the result of a loan raised just before the conclusion of the last financial year; £251,000 representing the net proceeds of a local loan raised under the provisions of the Financial Agreement; £158,000 on wire-netting account; £295,000 from insurance company policies transferred to the

Loan Account, and other amounts making a total of £4,109,000. On top of that, the Premier had an advance from the Federal Treasurer of £400,000, bringing the total on account of loan moneys to £4,500,000. I emphasise the point that much of this money will not recur, and that will add to the grave difficulties the Premier will experience in financing his way this year. We require £3,600,000 as our authorisation for this year, less what we drew at the end of last year by way of overdraft in London and our borrowings under the Financial Agreement. If we had £2,000,000 available to us as at the 1st July last, it was as much as we had. It is true that the Premier may secure a continuation of the overdraft in London. He must have an overdraft of more than £2,000,000 there now.

The Premier: No.

Hon. Sir JAMES MITCHELL: Unless he has been able to borrow money from the Commonwealth.

The Premier: We had £600,000 in Treasury bills.

Hon. Sir JAMES MITCHELL: Those Treasury bills went to the bank as security, so it means that the overdraft is still there. I should imagine that is the position. If the Premier borrowed £300,000 more from the Commonwealth Government since the 30th June last, I think the Premier will admit it will be much more difficult this year than last year to finance the State, in view of the limited borrowing the Loan Council can authorise for us in England. If an attempt is made to borrow money in Australia, the position will not be improved because while the Government may do so, it will mean taking so much money from trade. It would be much better if that money were left for the purpose of trade, and not utilised for the purposes of Government. Our industries need all the money available in Australia, and it will be a great pity if some of that money is diverted for Governmental purposes.

The Premier: We must have money in Australia.

Hon. Sir JAMES MITCHELL: Yes, but if the Governments are to have a tight time and the people themselves a tight time, then I claim the Government should be the first to have that experience, because it is their job to make the burden on the taxpayers as light as possible. The Premier will have to exercise the strictest economy with his loan expenditure. It is useless in

the interests of the workers of Australia to take money from our industries, particularly by way of loans. The position generally, with £50,000,000 down, is difficult because our purchases are not all from London now but much are from other countries. If they are not taking our goods for the goods we buy, then it becomes a question of giving the other countries goods for sale and settling our accounts. When we buy from the world, as we do, £143,000,000 worth of goods, which was the total for last year, and pay £25,000,000 interest, making a total outgoing of £168,000,000, and endeavour to pay for that with exports that totalled last year a value of £144,000,000, it leaves us considerably short. Part of the deficit was borrowed from America and the balance had to be borrowed in London. It may be this year that part of the debt will be due to America, because America sends us more than we send her. Then if Australia does not borrow from America, and I do not see why we should, we cannot expect Britain to lend us money to pay our accounts to other countries. As a matter of fact, she is not in a position to do it, because her export trade is not sufficiently active and buoyant to meet such extra charges. England has always sent us all that we required to meet our obligations overseas. In the past the balance has been against us and we have been able to say to Britain, "Let us have £20,000,000," and she has let us have it without any hesitation. Again I remind members that when we borrow in London we have to go to the banks and financial houses and they decide whether we shall have a loan or not. If we went direct to the British public, we would never get any considerable loans. The people there are accustomed to one method of doing business and to that method they adhere. Consequently it is possible for a very few people to say to Australia, "You cannot have loan money." I do not think they want to tell us that, but we are inviting them, as a result of the operation of the tariff, to say it. Some people are foolish enough to believe that if we manufactured all our requirements in Australia, we could still sell all the produce we desired to export to England. Australia should export primary produce to a much greater extent than it is doing at present. I believe it will do so, and I believe that Britain could take everything that we could possibly produce, provided our trade with Britain were a compensating trade. As that

is not the case, Australia for the moment is in trouble with her borrowings, but I do not believe it is because Britain cannot lend the money. I think she can lend us all we want. She has been lending over £100,000,000 to the world each year, and I suppose she will do it this year, although the financial position of the Old Country is not what we would like it to be.

Mr. Teesdale: She will pull through all right.

Hon. Sir JAMES MITCHELL: Yes; but meanwhile it is pretty inconvenient for Australia. We have developmental work to do and not too much money with which to do it. Now we have to borrow, not as the Treasurer of Western Australia through the Agent-General for the State, but through the Federal Treasurer and through the High Commissioner. That is how we have to approach the financial houses in London in order to borrow. Consequently we have to suffer for it. Fancy being linked up with Queensland in borrowing on the London market! It may be fortunate for Queensland that she is linked up with us. If it is true that we cannot get all the money we need, we ought to get sufficient to carry on our development work. During the Premier's six years term of office he will have spent about one-third of the debt of Western Australia. Just before the 1924 election he told the people that we could not go on borrowing as we were borrowing and that he did not know how we were going to pay for our loans. That, however, was just before an election and each year he has borrowed more and more. Every year our borrowing is becoming greater. Last year was a very heavy one for expenditure.

The Premier: So the Loan Council, in restricting borrowing, has been doing a good thing?

Hon. Sir JAMES MITCHELL: The Premier is responsible for controlling the funds of the country and bad and all as he is, I would sooner have the control in his hands than in the hands of the Loan Council.

The Premier: You cannot have it both ways.

Hon. Sir JAMES MITCHELL: The Premier is responsible for the present situation. He infers that a little less borrowing might be good for us. Perhaps so, but it is entirely due to the Premier that we find ourselves in the present position.

The Premier: Oh no!

Hon. Sir JAMES MITCHELL: One-third of the money we owe has been borrowed since the present Government have been in office. Two-thirds of the net indebtedness was incurred in all the years preceding that, but to the total must also be added about £12,000,000 that we have repaid. I suppose Western Australia is the only State in the Commonwealth that has ever paid anything like so large a sum as £12,000,000 off its indebtedness. If we take the work done with the other two-thirds and compare it with the work done during the last six years, it will be seen that we have fallen far short of what should have been attained. The expenditure this year is to be £600,000 less than it was last year. Last year, however, we faced a tremendous loan expenditure, and our loan expenditure is still large. There is little provided for new railways. I think we have expended a little more than £2,000,000 in the last five years on new railway lines. We have 4,000 miles of railways, and 450 miles have been opened since the present Government took office. I read in the Auditor General's report where the money had come from to meet last year's loan expenditure. The Premier has used up everything that was at his disposal to meet the loan expenditure, simply because he had subscribed to the Financial Agreement that prevents us from going on to the London market. The Premier has pointed out how large is our overdraft in London, but the chances are that it will be available to us again. Still, we have got into the way of anticipating loan moneys and drawing upon trust funds as a sort of reserve. Consequently, each month the position becomes a little worse, and so we have reached the stage when we must anticipate a loan by using up funds and having to wait for the loan money. We have been getting behind with those funds all the time, until the Premier now is right up against things. In a new country we are bound to admit that loan expenditure means much to the people. It would mean a great deal more if we imported a little less, but our imports, particularly of manufactured goods from the Eastern States, are so heavy, that a great deal of loan money is absorbed that should be available for the purchase of material. Last year we received under the Migration Agreement £849,000. We got that amount at the rate of 1 per cent. Altogether we have received about £4,200,000 under the Migration Agreement, on which

money we are paying 1 per cent. for the first five years, after which the rate will be one-third of the interest cost. By those means we save £184,000 this year. The Prime Minister of the Commonwealth proposes to suspend the operation of the Migration Agreement.

The Minister for Works: He is suspending the clause dealing with the number of migrants.

Hon. Sir JAMES MITCHELL: We cannot get the cheap money unless we bring out migrants.

The Premier: The Big Four recommended that that part of the agreement—the obligation to take a certain number of migrants should be waived.

Hon. Sir JAMES MITCHELL: If we could get money at 1 per cent. without the obligation of relieving Britain of any of her unemployed and people on the dole, it would be highly satisfactory from the Treasurer's point of view. If that were so, I think we had better confine our borrowing and spending to money from the British Government at 1 per cent. I do not suppose there are many people in Australia who expect Britain to lend us money at 1 per cent. without the obligation of taking migrants. Britain has her own troubles and we are all of the one family.

The Premier: The idea was that the expenditure of the money would inevitably absorb a number of migrants.

Hon. Sir JAMES MITCHELL: That was just a pious hope. It might pave the way to increased employment, but I do not think we ought to bring people here from the Old Country while our own people are unemployed. It is of no use bringing migrants here to be added to the unemployed or to enter into competition with people already in the State and now out of work.

Mr. Teesdale: Hear, hear!

Hon. Sir JAMES MITCHELL: Anyhow we had that amount last year and I hope we shall get some money this year. I think the Premier anticipates getting a considerable sum. I should like to point out to the Premier that we have given away enough to the Federal authorities, without giving away anything more. It is not for them to say what any State should do in the development of its territory. They are a Government without territory, except the Federal capital territory and the Northern Territory. They have no control over our territory and they have no control over

migrants. They have no right to say that we shall take people or that we shall not. What they have done in the past has been to help us to pay interest on money used on the work of development. They have done that to their own advantage, because all people contribute by way of indirect taxation to the Federal Government from the time they buy a pot of tea on landing at Fremantle.

Mr. Sleeman: The Federal Government have helped to bring foreign migrants in.

Hon. Sir JAMES MITCHELL: That is the sort of statement that is made for political purposes and has no foundation in fact.

Mr. Sleeman: You know it is true.

Hon. Sir JAMES MITCHELL: I have not accused Mr. Scullin of having brought in any foreigners.

Mr. Sleeman: No, but the previous Government did.

Hon. Sir JAMES MITCHELL: That is not the way to govern Australia—by making statements of that sort.

Mr. Sleeman: Deliberately they have been brought in for a purpose. I will tell you a lot about it.

Hon. Sir JAMES MITCHELL: If we get the lot, it will not be very much. Anyhow we shall have it in one dose instead of in small doses.

Mr. Sleeman: Done deliberately for a purpose.

Mr. Teesdale: Four thousand would not stiffen Australia, surely!

Mr. Sleeman: Speak up! I cannot hear you.

Mr. Teesdale: You never have to complain about not being able to hear me.

Hon. Sir JAMES MITCHELL: It is very easy to accuse other people, but to indulge in wholesale condemnation is not right. I should be very sorry to think that the Prime Minister or the Federal Government had brought in other than British people deliberately for a purpose, because there are many British people out of work.

Mr. Sleeman: You either do not know or do not want to know it.

Hon. Sir JAMES MITCHELL: It would be well for the people of this country if the hon. member learnt a little about things generally.

Mr. Sleeman: You want to learn a little more.

The CHAIRMAN: Order!

Hon. Sir JAMES MITCHELL: I do not know that the Federal Government had

any hand in bringing in foreigners to this country. I do not know either that any inducement was offered to those people to come here. If work were plentiful here we should be glad to see white faces around us. It would also be very convenient if we could take more people from Great Britain and so relieve unemployment in that country. We should be very glad to be able to find work for many of those who, from all appearances, are likely to be without it now and for the rest of their lives. We would be unworthy in this country, which is capable of feeding millions of people, if we denied admittance to it to our own flesh and blood. It has never been the custom for Western Australian-born people to refuse to welcome those from other parts of our Empire. I suppose the member for Fremantle had no more right to come here than many others to whom he takes exception; yet we welcomed him, and all others. We should be glad to receive our own people from the Old Land.

Mr. Sleeman: I am glad to see you are now sticking up for our own people instead of the foreigners.

Mr. Teesdale: They let you in; that should have been enough.

Hon. Sir JAMES MITCHELL: The hon. member had no right to make an accusation against the Federal Government of letting foreigners come in here. He knows perfectly well that the Federal Government helped us to finance works that were in progress so that British people might be brought in. We have had a lot from the Old Country. I agree with Mr. Scullin that it is no use bringing people out here now if they are to remain idle.

Mr. Sleeman: Hear, hear!

Hon. Sir JAMES MITCHELL: But I also agree that they should not be idle, and if the hon. member himself settled down to work and in that way provided work for others, there would not be so many people out of employment. Suppose we said to him when he came to this State, "We do not want you: you might take the job that is now being done by somebody who is here." What would he have said to that? But nobody said it to him.

Mr. Sleeman: I think you did say something like that to some of the other-siders who came here.

Hon. Sir JAMES MITCHELL: No; we extended to all of them the hand of welcome, though I admit we did make mis-

takes at times. Anyway, we did not squeal about it. We have also let some into this Parliament to help to govern the country.

Mr. Teesdale: And regretted it ever since.

Hon. Sir JAMES MITCHELL: The whole country regretted it, but we have never said anything about it. But cannot we drop all this utter nonsense, this making of accusations against this or that Parliament, this party or that party, and get down to work and see whether we cannot arrange things so that all will be provided with work. Many people are misguided enough to believe that when you provide for them something in the nature of work, you are really not serious about it. Regarding loan expenditure, a great deal depends upon the manner in which money is spent. There are always works in hand to be completed, and we should not forget that work begets work. We should avoid all unnecessary expenditure and see to it that we do not get ahead of ourselves with it. When we start work we must complete it. The Treasurer has endeavoured to restrict the amount to be spent on some of these works which are not going to be re-productive, but he has not been able to do very much in the way of reducing items. In past years I looked through my own Loan Estimates and took out everything except that which was of the utmost importance to the community. My one idea was to provide work for the people, at the same time declining to accede to requests made for expenditure from every direction. We find that we always have money to spend on additions and improvements to open railways and existing works. South Australia spent millions on additions and improvements to existing railways, the carrying out of which might have been deferred, and she is paying the penalty for it to-day. If we can carry on safely with the existing lines, we ought to do it and not spend money on improvements just for the moment. I admit, however, it is difficult for the Minister for Railways to say to his officials that they shall not have £10,000 for this, £20,000 for that, or £40,000 for the other, especially when they plead to him that unless they get it they cannot guarantee the safety of the public. In such circumstances he must find the money. All the same there

is a great deal spent from loan funds that could be avoided. I am sure the Premier agrees with me that Australia cannot carry on as she is doing. A great deal more must be done before we can pay our way. It is necessary that we should increase the production of wealth. By that I mean, of course, production that can be shipped, in our case, wheat, wool, butter, bacon, and such products that are now imported and that we should grow. Last year our exports totalled seventeen millions and we imported £20,000,000 worth of goods. On top of that we had three millions interest to pay so we were really six millions down. In developing a country I suppose it is hard to obviate that; it is usually a few years before you can get returns. We must see to it now that we spend our loan money on real work. There should be no trouble in this vast country in the way of finding an outlet for the profitable expenditure of three or four millions a year. In our wheat production during the last 23 years we have made extraordinary strides. We certainly produce more wheat per head of the population than any other country in the world and we are adding tremendous areas to our wheat fields every year. Last year we produced nearly 35,000,000 bushels, and this year we hope the figures will be closer to 40,000,000 bushels. That will mean a tremendous cheque; it will mean that over 20 millions sterling will come from the land to Western Australia this year. That is satisfactory as far as it goes, but as we are living fairly expensively and as so many of our people are not producers, we must do a great deal more; that is, if we want to live in comfort and carry out our undertakings on which we spend loan moneys. Our production from the land of Western Australia should be 32 millions sterling. That seems an infinitesimal amount compared to what some day will be produced, but the figures are very considerable for a mere 400,000 people. We are obliged now to curtail our loan expenditure and I suggest that something can be saved by refraining from purchasing material of one sort or another. At the same time we need railways to open up new country. We have a mile of railway for every hundred people, but still we need 400 or 500 miles of new lines to open up areas that cannot

now be approached. The construction of 500 miles of railway would go a long way towards opening up new and valuable country, and the cost should not be more than two millions. It will have to come to that eventually because the expenditure will increase our national income. I was astonished this afternoon to hear the reply to a question asked by the member for Toodyay in regard to a measure that passed this House the other day. If the local authorities are to pay £39,000 a year for 30 years in addition to the 22½ per cent. of traffic fees, then we are committing a grave injustice.

The Premier: That is due to the manner in which the Bill was tinkered with by another place.

Hon. Sir JAMES MITCHELL: The Premier must not fall into the error of the hon. member with whom I had an argument a little while ago. Whatever another place did was confirmed in this House on the motion of the Minister for Works. The tinkering in another place was approved by the tinkering here. So we cannot escape responsibility, and we have to face it because the Minister proposed that what was done in another place should be confirmed here.

The Minister for Works: We took it in desperation.

Hon. Sir JAMES MITCHELL: Well, we must do justice to the people, and the Bill does not propose justice at present.

The Minister for Works: I promise you I am not going to take anything from another place again.

Hon. Sir JAMES MITCHELL: I remind the hon. member that it does not rest with him, that this House has charge of the Bill, and that we, not the Minister, shall say what is to be taken.

Mr. Thomson: That is the way it should be.

Hon. Sir JAMES MITCHELL: And it will be. I think we could spare the Minister.

The Minister for Works: Certainly we could spare another place.

Hon. Sir JAMES MITCHELL: The Minister could spare another place while he is Minister; but were it not for another place minorities in this country would have no rights while the Minister had any hand in the government of the State.

The Premier: Then is it minority rule that is represented by another place?

Hon. Sir JAMES MITCHELL: No, but it is always a minority that sees to it that justice is done. It is so in our own case, with a Government of seven in a House of 50.

The CHAIRMAN: Order! It is the Loan Estimates that are under consideration.

Hon. Sir JAMES MITCHELL: I am discussing the Loan Estimates and explaining to Ministers the present position. They are getting very restless now, as we are drawing towards the elections. The position is that we hand to the Government a demand from the people represented by the local authorities who in some instances have to pay 22½ per cent. of their traffic fees and £39,000 per year added for 30 years. If that State of affairs is to obtain, we are not going to give the Government the enormous sums we find on these Loan Estimates. In salaries and incidentals alone there is about £76,000 for the Main Roads Board. Of course, later on we shall discuss those items and many other items of these Estimates. If the people are to pay the interest on these sums in addition to paying the sums required of them by the Minister, we had better be without the roads. It cannot be done. It is of no use building roads that we cannot pay for. We can pay a proper cost for roads, but not the cost we are facing now. I suppose the Government will want to make money out of road construction with a view to showing a surplus.

The Premier: Under the Main Roads Board we have never had a shilling from them yet. Who is maintaining the roads?

Hon. Sir JAMES MITCHELL: They are maintained out of the trust account. It is extraordinary how little has been paid by the Government towards the enormous cost of this work. Even in the making of roads we have to be meticulously careful in the expenditure. That Canning road cost some £130,000, or about £16,000 per mile. The interest on the capital outlay will mean about £900 per annum for every mile. We cannot go on making roads at that cost. The road carries people from Fremantle to Perth, but there are not many travelling on that road.

Mr. Sleeman: But there will be soon.

Hon. Sir JAMES MITCHELL: No doubt there will be, for it is a wonderful

highway and along it people can travel luxuriously in their motor cars. But we cannot go on spending money in that way. Only to-day I rang up the Main Roads Board. I understand they are clearing certain roads at this time of the year, and some people were afraid that they were going to burn off. It would be very dangerous to start burning timber in agricultural districts just now. However, the engineer assured me there would be no burning off. So that danger is escaped for the moment. But what will happen is this: They will have to grub out the trees and cart them away. This involves very much more expense than would be required if the roads were cleared at a season of the year when the timber could be burnt off without risk of burning the crops. By the way, if we had considerably more population, we could do as they do in England. Only yesterday I read of the expenditure of 14 millions on 200 miles of road in England, or a cost of £70,000 per mile. But that, of course, is being done by a population of 45 millions, and in a country where there is a very different mileage of roads from what we have. So they can afford to expend that enormous sum better than we can afford the expenditure of as many hundreds. We have to cut our coat according to the cloth, and it is of no use expecting our few people to bear the load of the enormous amount we have been spending on roads. It is true that the Federal Government are giving us very considerable sums. But the money they are giving us is taken from the petrol tax, which nevertheless yields a profit to the Federal Government. If our Premier could finance in that way, it would be very satisfactory to the Treasury, although not so to the people. So whatever we do, whether the money spent by the State is given by the Federal Government, or whether the money is spent by the Federal Government, it all comes from the pockets of the same people. We can only have what we can pay for, and the people are foolish to ask for anything more. Of course we can have reproductive work without limitation. I should imagine that in the years to come many millions of pounds will be spent in developing our lands; probably we shall spend as much as some of the other States have spent. That money can be confidently borrowed, because it will reproduce itself in a very short time. Money carrying its own load can well be spent on development work. But

we cannot have money for decorative purposes of this stage in our history. It has to be solidly useful expenditure. We have saved up some £800,000 of Federal money during the last two years, money that if it had been spent would have provided work for the people out of work. That money, backed by money which this Government add to Federal money, would have kept all our unemployed busy. We have some £800,000 of Federal money and over £600,000 of our own money to be spent, it seems, on roads this year.

Mr. Sleeman: Not on that Northam road.

Hon. Sir JAMES MITCHELL: The Minister for Mines says 500 men are to be employed on roads in my district. Already they have spent a tremendous lot at Fremantle. But is it not a pity that the Government should have held up this money while men starve? Some members are apt to blame the Federal Government for unemployment. The Federal Government are holding out their hands with a cheque for us, yet we have not been able to find work for the unemployed. I believe that in the hon. member's district somebody gave some amount towards road construction. The incident was published in the Press. I believe it was £100, whereas the road was to cost some thousands. It was a very poor contribution towards considerable cost, and to serve, I understand, a limited number of people. We find that in the hon. member's immediate district there is a considerable mileage of very good roads.

Mr. Sleeman: Why look at me?

Hon. Sir JAMES MITCHELL: Because you are the member for Fremantle, and most of those roads lead to Fremantle. Fremantle is an important place, thanks to the energy of people living elsewhere. When in Committee I will want some information about several of these items. When we come to the Main Roads Bill I shall want to know something about that galloping boss. What a pity that the taxpayers' money should have been spent on such an official! That was a sheer waste, and we shall want to know all about it. Then we shall want to know about some other expenditure in detail. For the moment I will support the borrowing of this sum of money, but I do hope the utmost economy will be exercised in its expenditure. Also I hope the Premier will not have very much trouble in raising the money. If he does have trouble it will be his own fault

for having entered into this agreement with the other Treasurers of Australia.

The Premier: It was the people who made the agreement.

Hon. Sir JAMES MITCHELL: No, the people only said that the agreement might be made. They did not vote for the agreement the Premier accepted. All that the people did was to alter the constitution, giving the Government the right to borrow. It was the Premier who made the agreement, and his party that supported it. This House was responsible for the making of the agreement. I hope it will not hamper the Treasurer unduly, but if it does I trust he will remember that it was not the fault of the people.

MR. THOMSON (Katanning) [8.58]:

We have a certain amount of sympathy with the Treasurer, who on this occasion has had to bring down considerably reduced Loan Estimates. Quite a number of members are very sorry that that had to be, because probably it means that important developmental work in their electorates will not be undertaken this year. Unlike the Leader of the Opposition, I feel we have cause to thank our lucky stars that we have the Financial Agreement between the Commonwealth and the State. The Premier has forecast a surplus this year. There is no gainsaying the fact that that estimated surplus is entirely due to the provisions of the Financial Agreement. We find that the new Federal Government have suggested the suspension of the Migration Agreement which means so much to Western Australia. We have, therefore, reason to be thankful that the old system was not in existence when we were at the mercy of the Government who, had they desired, could have reduced the per capita payments that used to be made. No one would wish to see more unemployed in any part of the Commonwealth. Whilst the proposal of the Prime Minister to suspend the agreement with the British Government for the loan of £34,000,000 for ten years at 1½ per cent., may not greatly affect New South Wales and Victoria, it is a matter of paramount importance to this State. I am particularly pleased that, as members of the Commission have pointed out, there exists an agreement entered into between the British Government, the Commonwealth Government and the States, and that no departure from it can be made without negotia-

tions between the Governments concerned. A great deal of our land settlement is bound up in the 3,500 farms scheme. If the Commonwealth Government suspend the Migration Agreement it will be a serious blow to this State. Their action will also place the Treasurer of Western Australia in a serious position, because a great amount of local funds that are provided for in the Loan Estimates will be affected. We know that money is difficult to get from the Old Country. According to Press announcements, the Bank of England recently raised the interest rate to $6\frac{1}{2}$ per cent., and only now is beginning to reduce it again. We all hope that slowly but surely the bank rate of interest will come down, and that money will be more free. The Leader of the Opposition touched upon the cost of production, and pointed out that we are not exporting as much as we are importing. We are in an unfortunate position. We were able to levy an impost upon everything that comes into the State, the position of the Treasurer would be much happier than it is to-day. Western Australia has been bled by the Eastern States. We are importing goods from overseas and paying $2\frac{1}{2}$ millions a year by way of duty. We are also importing about £8,000,000 worth of goods annually from the Eastern States. Whilst that may be beneficial to Australia as a whole it is no good to us. Our prospects for many years are bound up in a progressive and successful land settlement policy. I congratulate the Government upon having carried on the work of their predecessors. The Leader of the Opposition who was the head of his Government carried on the work in the same way as previous Premiers did. We can progress only by a vigorous land settlement policy, and the way to encourage people to go on the land is to provide them with adequate transport facilities. Unfortunately we are developing our virgin land at one of the most expensive periods in the history of the Commonwealth. The bank rate of interest is higher than it has ever been. Wages and salaries are higher than ever, and the duties that are imposed upon necessary commodities, that we must have in our programme of development, are also extraordinarily high. I have the support of the Premier in saying that it is not fair to the State that we should have to pay duty on those commodities that are urgently needed for the development of the country.

Hon. Sir James Mitchell: And we have to borrow the money, too.

Mr. THOMSON: Yes. We have to hand out large sums of money by way of duty on rails and fastenings that are required for railway construction. Those who made the agreement in the Old Country slipped a little. They made a more generous offer to lend Australia £34,000,000 for ten years provided we were willing to take a certain number of our own kith and kin from them. It is not fair to Western Australia that when we are using this money for the development of the country, for the construction of water supplies, railways, bridges, etc., we should also have to pay immense sums in duty. We look to the Old Country as our principal market. The policy of the Eastern States has been to build up a high tariff wall against those articles which this State urgently requires. I was very pleased to see the suggestion of the Premier that the Federal Government should not impose additional burdens upon the primary producing sections of the community, that they should in fact take them off. According to the statement of the Prime Minister, the Federal Government are still further going to protect Australian industries. That can only mean the primary industries are going to have additional burdens placed upon them. It has been proved economically to the Commonwealth, and the whole of the people, that the present high tariff is not in the interests of Australia. The Prime Minister now proposes to cure unemployment by reducing expenditure. Money creates more work, and the more we can open up and develop the country, the more work we shall be able to provide. It appears from a study of the Loan Estimates that the Government are practically tied down to providing funds for the completion of works already in hand. We shall have an opportunity later to discuss the main roads question. It seems that a considerable sum of money is being utilised in that direction. I hope that most of the money the Government propose to spend will be used in providing transport facilities and for the opening up of new areas. Our organisation has been deluged with correspondence from settlers who have gone out into the eastern areas. While it is true, as the Premier stated, they were given no guarantee of railway facilities, they feel from the publicity that has been given to the 3,500 farms scheme that they should be brought within

it. I think that is a practicable scheme. No doubt there will be a certain percentage of failures in it but it is one that is worthy of consideration. Miles of roads have been formed and a considerable area of land has been cleared. I am told that as much as £1 an acre has been paid for chopping down in some localities. Men and women have gone out 50 or 60 miles from a railway. Although the Government have not promised them a railway there is a belief that a railway will be constructed. This has arisen from sketches that have appeared in the public Press, and have given many people the impression that the lines will be built. I realise that the Government must complete the works that have been started. I hope they will see that they get value for their money. In our Loan expenditure for the future we should see that the great bulk goes towards providing facilities for opening up and settling our virgin land, and supplying those who have already gone upon the land with the necessary facilities to keep them there. The line it was proposed to construct from Cranbrook to Boyup Brook is of great importance to a large number of people in what may be termed the new portion of my electorate. With the member for Albany I visited Cranbrook on Saturday. A wave of despondency went over the people when they were told that unfortunately the Premier was not able to provide for the construction of this railway. I can assure him that if it could be built it would mean greatly increased production. One settler on Saturday said, "My position unfortunately is that I must put super upon this country in order to get the best results. There are men adjacent to a railway who are able to put two tons of super on their land whereas I am only able to put on one ton, because I have to pay so much in cartage that I cannot afford to use more." That means a very serious handicap. It is a district which, if given railway facilities, would materially contribute to the revenue of the Government railways. The line would connect up with the new coal field and there would be a possibility of opening up a good bunkering trade at Albany, which would help that portion of the State. From a dairying point of view the Boyup-Brook-Cranbrook country offers wonderful opportunities. On the Estimates appears a line of £5,000 for the Boyup Brook-Cranbrook railway, and I should like the Premier in

his reply to give us some information of the position. When the Migration Agreement was first mooted, the then Minister for Lands (Hon. W. C. Angwin) submitted a comprehensive scheme, which, speaking from memory, represented several millions of money. The settlers in the district are quite convinced that the then Minister for Lands was reported in the Press as having said that £200,000 had been provided for the railway, and naturally they cannot understand why the work has not been preceeded with. As regards the Estimates generally the position is very unsatisfactory from the point of view of the Treasurer and the State. At the risk of being accused of having taken a suggestion from the metropolitan Press, I do wonder whether the sum of £10,000 to be spent on pine planting could not have been devoted to more productive use. It will be a number of years before we can get any adequate return from the expenditure of that money. I know that the Premier is very keen on forestry work, but in view of the drastic blue-pencilling of the Estimates that must have been necessary, I think he might have devoted that £10,000 to better use.

The Premier: It is very important for the future.

Mr. THOMSON: Still, in view of the tightness of the money market and the fact that we are paying over 6 per cent. for the money, I think the £10,000 could have been applied in some other direction that would, perhaps, have given better results. There are several other matters with which I shall deal more fully when items are being discussed. Probably the Premier has made the best of a very bad job.

The Premier: I am not yet certain that I shall have the money provided for in the Estimates.

Mr. THOMSON: That is so. Since the Premier has been in charge, the indebtedness has been increased by £20 per head of the population—a very hefty increase.

The Premier: With the unanimous approval of this House.

Mr. THOMSON: That is probably correct. When we have important development work to carry out, members are naturally disappointed if the requirements of their districts are not catered for. During the discussion on the Revenue Estimates, the member for Gascoyne (Mr. Angelo) advocated the appointment of a public accounts

committee. I have uttered similar sentiments on more than one occasion and have characterised a public accounts committee as essential. At the risk of indulging in what may be described as vain repetition, I would add that we are in a similar position as regards our public works. While it is true, as the Premier has stated, that in the opinion of a majority of members the loan expenditure has not been large enough, there are some members who contend that we are not getting full value for the money expended. When members rise in their places and make statements of that kind, they are not always able to prove them. Still, quite a large number of members are convinced that on many occasions we have not obtained the full value for the money expended. For the ninth or tenth time I wish to place on record my opinion in the hope that my persistency will induce the Government to provide for a public works committee as well as a public accounts committee, which must prove beneficial to the Treasurer as well as to the State.

Hon. G. Taylor: It has not done much for the Commonwealth.

Mr. THOMSON: I am dealing with the State. Considerable savings have been effected as a result of the Federal committee's labours, and as regards the Federal public accounts committee it is on record that their severe criticism of the Commonwealth steamships influenced the Government to dispose of them. Since the Commonwealth steamers were disposed of, the people of Australia are getting a very much better service.

Mr. Sleeman: I doubt it.

Mr. THOMSON: I travelled Home on one of the boats, and am speaking from first-hand knowledge. I say unhesitatingly that the difference in the attention received on Commonwealth steamers and on steamers of other lines is as great as the difference between chalk and cheese.

Mr. Sleeman: You must have been very unlucky.

Mr. THOMSON: No; that was the opinion of many other passengers. Further, we did not seem to be much happier on the Government-owned steamers—

The CHAIRMAN: I cannot allow any discussion on Government steamers.

Mr. THOMSON: But for the interjections of the member for Fremantle, I should not have pursued that line of argument. I hope that some day we shall be in a position

to have a public accounts committee as well as a public works committee.

MR. LINDSAY (Toodyay) [9.25]: During the general debate on these Estimates it is my intention to deal with one item principally, namely, roads and bridges. The Minister for Works, in reply to a question asked him to-day, made what was to me a most alarming statement. I was a member of the select committee appointed to inquire into the Main Roads Act Amendment Bill, and I thought I fully understood what had happened. Certainly not one member of the select committee agrees that the apportionments for 1927-28 and 1928-29 should continue for 30 years. The Bill that passed this House set forth how much the local governing bodies are to pay, and so far as this House is concerned, we may say that the Bill has become law. I am not sure what the Minister intends to do. It may be said that I ought to wait and see, but as the opportunities to discuss the question are likely to be limited, I am bringing the matter before the Chamber now. The Minister, in reply to my question, said—

I cannot say if the Chief Secretary was correctly reported or not, but the financial clause of the Bill as it came from the select committee and passed this House would bear the legal interpretation set out in the question. The Chief Secretary is taking steps more clearly to define the meaning of these clauses.

I do not profess to be a lawyer, but I know what the select committee intended. It was the intention of the select committee—and this is clearly set forth in the report—that as regards the years 1927-28 and 1928-29 the local authorities should pay the apportionments charged by the Main Roads Board, but as regards the other years, the charges in the list prepared by the Chairman of the Main Roads Board should cover their liability. If members refer to the report of the evidence they will find a table submitted by the Chairman of the Main Roads Board containing the figures on which the report was based. Under the heading of "Permanent works" is shown the contribution by the local authority under Section 30 of the existing Act. That is the section which the Minister says will permit the allocations to continue. Another column headed "Maintenance" shows the contribution by the local authority, half State expenditure, pursuant to Section 30 of the existing Act. In 1926-27 the contribution to permanent

works was £4,520 and the contribution for maintenance £182, making a total of £4,702. In 1927-28 the respective amounts were £3,110 and £4,339, but they do not make up the total of £11,969 shown as the total yearly liability of the local authority. That total is obtained by including £4,520 of the capital contribution of the local governing bodies for the next year. The same thing applies for the year 1928-29, the amounts being £2,293 for permanent works and £17,776 for maintenance. The total is £27,699. In other words, £2,293 and £17,776 do not represent £27,000 odd, which equals the two former amounts with £4,520 and £3,110 added. Each year, on the figures we have been given, 6½ per cent. of the capital cost is added. Therefore, when we are told that the local governing bodies have to contribute for 30 years on that basis, I reply that the contributions are provided for in Mr. Tindale's figures. Certainly the contributions do not include maintenance. We have also Mr. Tindale's evidence on the subject; and I fail to understand how the Chief Secretary, or the Minister for Works, came to make such a suggestion. In Question 129 I asked Mr. Tindale—

At the end of the financial year 1929-30 you will charge the local governing bodies with £39,209?—Right.

That is £6,601 for their proportion of the cost of construction, and £32,680 for maintenance, according to your figures?—Yes.

Your own figures are £39,209 as charged to the local governing bodies for the year 1929-30. According to your own figures of the estimated collections of 25 per cent. of the traffic fees, you will receive £57,233 with 10 per cent. added. So that is a matter of £62,000 to £63,000 for the purpose of paying £39,000?—Wait a moment. There are accumulated liabilities from previous years, which have to be carried forward.

In the year 1926-27 no capital expenditure was made on roads. Of the 15s. provided by the State, 7s. 6d. was charged up to the local governing bodies at 6½ per cent. So it has gone on in each succeeding year. There are the accumulated liabilities from previous years, which have to be carried forward. In Question 132 I asked Mr. Tindale—

By "accumulated liabilities" do you mean the charges to the local governing bodies for the past two years?—No. I mean that the previous expenditure has got to be billed up at 6½ per cent.; not only the one year. It is a progressive total, and the progressive total for 1929-30 is £42,204, not £39,209.

Question and answer 134 reads—

You say the amount is £49,204. You will have cost of construction for 1928-29 £2,293, and for 1927-28 £4,338, and for 1926-27 £4,502. Those three amounts are added to £39,000?—I have the progressive figures here.

We spoke about giving the local governing authorities the traffic fees. It has been suggested that the Federal contributions for 1927-28 and 1929-30 shall continue for the next 30 years. The contributions of the local governing bodies for 1928-29 were £27,890; but of that amount only £9,000 was capital contribution. The remainder was for maintenance, being actual money spent to keep the road in repair. I have merely brought the question up. Doubtless the Minister has some reasonable explanation.

The Minister for Works: I gave you that to-day.

Mr. LINDSAY: On the question of the year 1926-27 the select committee were informed that it was not the Main Roads Board's intention to charge the local governing bodies, though we did know that the intention was to charge them for the years 1927-28 and 1928-29. We knew that for the following year the Government would take 25 per cent. of the traffic fees.

The Minister for Works: All these matters will be made clear in Committee.

Mr. LINDSAY: I am pleased to know that the position is not as the Chief Secretary suggested.

MR. SAMPSON (Swan) [9.41]: Two important matters calling for mention are the extension of electric power and the provision of refrigerated stores on the wharf. Extension of electric power into the outer suburban districts is especially desirable. I rejoice that the Minister for Railways is keenly interested in the subject, and I am gratified to know that the Premier, in introducing his Budget, referred especially to the fact that the Electric Light and Power Department had secured a profit. I am not so much interested in the extension of power for lighting purposes as for pumping purposes. Irrigation turns comparatively useless, arid land into land well watered and profitable. As regards the outer suburban districts, the only difficulty is an economical method of pumping the water and delivering it on the land. The fact that this power, when provided, makes for prosperity, and the further fact that the Electricity Department are showing a profit, prompt me to

urge that every extension possible should be made. Reference has been made to an agreement with the Perth City Council whereby the council have to be supplied by the Government with electric power at a rate which is unfairly low. Because of this, producers are embarrassed, and there is not the opportunity to make the extensions which otherwise would be possible. As an example, I would refer to East Maddington, a comparatively unknown suburban area. It has become a platitude to say that no money must be spent otherwise than economically. In some respects the expenditure that has been made can be questioned, but there can be no cavelling at expenditure incurred in the provision of electric power. This work answers to the suggestion made by the Leader of the Opposition that public money should always be spent in such a way as to enhance production. I had an example given to me by a potato-grower whom I met at the Canning show last Saturday. He told me he had made an experiment by planting $1\frac{1}{2}$ bags of seed potatoes on non-irrigated land, and the result in point of production was just one-half of that obtained from irrigated land. The Minister for Works, who has had some experience of Canning Vale, could say that the difference brought about in that area by the provision of electric power is the difference between comparative poverty and prosperity. I will not say any more on that point except again to express the hope that some of these extensions will be carried out. The other matter to which I shall refer is the establishment of boat-side cool stores on the wharf at Fremantle. When reading an article in the "Rural Pacific Press," the journal of the Californian fruitgrowers, I noted that at Seattle, Portland, and other ports of California boat-side cool stores have been established, with the result that already there has been a considerable increase in the exports of fruit and other perishable products. We are in competition with California, and I hope that the establishment of cool storage on the wharf at Fremantle will not be delayed much longer.

MR. TEESDALE (Roeburne) [9.46]: I do not know that I should be allowed to speak on matters relating to the North at all, as just lately one hon. member stated in this House that I had never said anything about the North that I had not retracted! It is rather discomfoting to me that the only re-

traction I ever made was when I received exaggerated statements from returned soldiers and I was young and callow enough to repeat them without endeavouring to secure substantiation first! The consequence was when I found I was wrong, I had nothing to do except that which an honourable man would do and I retracted the statements in the place where I made them. The pleasant part about it to me was that I received a letter from a member of the present Government saying that that was all they expected of me as soon as I was satisfied I was wrong. They knew that when I realised my statements were wrong, I would withdraw them. In the circumstances I do not think there was anything discreditable about the only retraction that I can remember making on any subject in this House.

The **CHAIRMAN**: Order! I presume that retraction had reference to the Loan Estimates.

Mr. TEESDALE: Quite so. I am pleased that the local people in my electorate have now a fair chance of securing access to the sea and will be able to ship their stock, inability to do which has been a great disadvantage to them for years past. The Premier made reference to the work to be carried out on the Point Philip jetty, and I have no doubt that it will be completed eventually. I will let the Committee into a secret when I tell them that I was so satisfied I would secure the construction of the jetty, that I made a public statement to the effect that if the jetty was not started within a certain time, I would resign my seat. I was careful not to allow the Government to know the exact date I referred to; I made the statement in the presence of a few select friends who would not be likely to give the date away.

The Minister for Works: Work is not started on the jetty yet.

Mr. TEESDALE: But the Government have not got my date. The Premier told us that the work would probably take about $2\frac{1}{2}$ years to complete, and I hope the Government will employ as many local men as possible. We have a lot of men walking the roads just now, carrying their swag, and without much hope. There have been many men discharged from the stations during the last six months. I am sorry indeed to say that it has been due to the low price secured for wool. Although at times there has been a tendency to jeer at pas-

toralists for complaining about their various difficulties, I think the Committee will admit that on this occasion they have serious cause for complaint. White labour employed on the stations has been discharged and there is very little probability of reinstatement within the next 12 months or so, if we may judge the position by the state of the wool market at present. It is a serious position. I realise that the Government will have to send key men on the Port Philip jetty construction work and that experts will have to be sent along too. I trust, however, Ministers will avoid the expenditure of £20 a head for labourers, to say nothing about the payment of half-time for the trip up and the trip down. That will be the cost incurred, roughly speaking, in respect of every man sent up from Perth. I hope the Government will fully exhaust the surplus labour in the district at present before sending men from the metropolitan area. I have been considering the splendid water schemes provided by the Government lately at different centres in the interests of the farming community. I approve of those schemes. At the same time, I think it would be a sympathetic gesture on the part of the Government if they could see their way clear to make a reduction in pastoral rents for at least two years to enable some of the smaller pastoralists to get on their feet again. I am not exaggerating when I say that there are numbers of pastoralists in the North-West at present who will find themselves unable to pay their interest bills, and we know what that means. The principals of financial institutions today have not too much sentiment. When they look at their ledgers and see overdrafts in the accounts of various pastoralists, it does not matter how hard those men have worked and what hardships they have had to put up with. All the banks require is the reduction of the overdrafts and if that is not accomplished, things will be only middling for the men up North. It is certain that numbers of the small men in the North are feeling the pinch today. I know one pastoralist who could not be described as a small man, but his experience is proportionately the same as that of a smaller man. He received £25,000 in 1928 for 800 bales of wool. This year, for 700 bales of

wool, he secured only £12,000. I saw those figures. I was discussing the position with him and he said, "I will show you my figures and give you something pretty serious upon which to base your remarks in the House. Come and look at my last two clips." Hon. members will agree that the figures represented a hard jolt to that man. Although there was only a difference of 100 bales of wool, there was a return of over £12,000 less. It would be a splendid thing if everyone in Australia set out to give the wool market a kick along by deciding to buy at least 10s. worth of woollen garments annually for the next two years. It is deplorable to see thousands of women and girls going round the streets without an ounce of wool on their bodies, unless it be natural wool! On the other hand, one can notice millions of yards of silk that has been imported from overseas. Those importations have depleted Australia of huge sums of money, which, unfortunately, do not come back to us.

Mr. Marshall: And the more transparent the material, the greater their desire to get it.

Mr. TEESDALE: I know this suggestion has been voiced by various institutions, womens' associations, and by private individuals and it ought to be recognised that if Australia will not help to steady up the position of one of the main industries of the Commonwealth, the people here will pay dearly for it in due course. It spells disaster to Australia if we do not attempt to do something for ourselves. Surely we should be the first people to recognise that the collapse of the wool market has been precipitated by the indifference of Australians, who should have protected the industry in their own interests. Apparently the time for wearing wool has gone by, and that the woollen garments worn by the last generation are not used to-day. In these days we seem to have forgotten that there is such a thing as wool in the country, and that we are largely dependent upon that commodity for our livelihood. The people must remember it or I predict, without any desire to be pessimistic, we shall have far more men unemployed in 12 months time than there are now. That will surely be our experience if there is no improvement in the wheat and wool markets. We do not want that

sort of thing. The more employment there is the better it will be for everyone. During the last three years we seem to have done everything possible to depreciate the price of wool, through the indifference of the people to the interests of the industry. Particularly is this due to the indifference of the womenfolk to the necessity for having at least some wool in the preparation of the fabric with which they clothe themselves. I am quite aware that the requirements of the North and North-West represent old subjects for discussion in this House. I am rather tired of voicing their troubles year after year, but I remember a time when Western Australia was entirely dependent upon the North for chops and steak. The hotel keepers and others were jolly glad to welcome the North Westers when they came down to the city. In those days there was not the prosperity we see today, nor were tourists so plentiful. I wonder if the time will come again when the people down South will look to the North as a means for pulling the State together once more. It is possible that such a result will not be seen until a long time after my death, but it will come eventually, and the North will again be prosperous and add materially to the success of Western Australia. I am not in the slightest afraid of what will happen. There are a hundred and one products that can be grown in the North. I can hear half a dozen members whispering, "What about cotton?" Well, what about it? The whole damned lot did not cost as much as five directors' fees for 12 months, and then it all finished. A lot of fuss has been made about the money spent on the experiment. How much was spent? Just a paltry £6,000 or £7,000 to try out an experiment in which it was blind-stabbing all the time. There were no experts. Half of those who were sent up North did not get away from the pubs where they first landed. Some took their wives and families and loaded up the cost of the job so that no one could make the business pay. Half of the seed that was sent up was never sown, and a lot of it was buried in a heap. That was the sort of experiment we had, and yet, in spite of all that, we took the first prize at the Wembley Exhibition for cotton grown in the North-West, both for texture and lustre. We got

2¼d. per lb. above the price of American middlings. That was a fine achievement for a country where the seed was simply thrown into the virgin ground, without any proper cultivation or experience on the part of those concerned. That was a good advertisement for a country that can produce cotton of such a type. Other products can be grown there in profusion, including peanuts and all sorts of root crops. I would not be surprised if before long pigs are bred in the vicinity of the Wyndham Meat Works, and instead of the South growing pork, we will have chilled pork sent down from Wyndham and a large quantity exported to the East, where we can get 8d. a lb. for green pork f.o.b. Wyndham. Pigs can be bred up there cheaper, and we can grow our own feed for them. We can grow wonderful crops of maize, with huge cobs much larger than those produced in the South-West. We get a wonderfully prolific growth of peanuts. The growth is marvellous and is like a perfect mattress of nuts. So thick is it, that the peanuts are difficult to pick. That is the result without any more cultivation than just broadcasting by hand and scarifying the ground. Then there are sweet potatoes. You have only to put in half a pound of sweet potatoes, and in less than a few months you have a quarter of an acre of splendid product. So we have maize, peanuts and sweet potatoes, all of which can be grown at very little expense. And all this at a short distance from the Wyndham Meat Works. The pigs could be sent into the meat works, and slaughtered and chilled and shipped east or south. I have never known better prospects than are to be found up there at present. There is excellent land within 15 or 20 miles of Wyndham, and that land can be taken up at very low rentals from the Government. Yet people say there are no opportunities down here for investing money! If only I were 15 or 20 years younger I know of nothing I would sooner undertake than to go up and tackle that business in the North. I am sure I would do much better up there than I could do down here. Then again we have always by us those hundreds of miles of alluvial ground that has never had a possible chance. The Deputy Chairman of Committees will appreciate it when I say that huge belt of country there has been tested only where there happened to be some natural water or a well sunk on some pastoral property. There are huge blocks of dry country in

between, over which one has to go for his life because the waters are pretty far apart. In consequence those blocks are practically untried. Splendid gold has been won at intervals along that line. So there is still hope for another rush in the North, and the Kimberleys will come again, far better than ever they did during the first rush. Kimberley has only just been scratched over. I know of areas up there where there are miles and miles of ounce-and-a-half stuff for sluicing; but one requires a bit more than that to counter-balance the expense of taking up the machinery. I know of one member who in a very short time dropped across and prospected four or five miles of the beds of creeks, which he tried out at every 50 or 100 yards and got very few duffer dishes. It shows the wonderful possibilities of the Kimberleys. Unfortunately the first rush was not satisfactory, and so it caused a backrush of dispirited men. Consequently the Kimberleys have never had a genuine trial. I would look forward with confidence if only we could get a few men up there. Then we would again have alluvial rushes and the discovery of reefs that would be wonderfully successful. So we would get the great settlement for which we have been waiting for so long but which, unfortunately, during the last ten years has decreased instead of increasing. It is deplorable to have to say that. I do not know of but one port on the North-West coast that has not decreased in population during the last seven or eight years. It is very regrettable, because it is a wonderful country up there, and there is a splendid lot of good cultivable land. The land is cheap, and all we want is to have people go up there and tackle it. But we cannot put new arrivals from the Old Country up there until they have served a little apprenticeship down here to acclimatise them to the heat. I hope the time will come when many of our young Australians will have to go up North. At present they are out of work down here in large numbers. If they could be induced to go up North, the North would come into its own. I am confident that it would then be wonderfully successful and would soon forget the depression now existing.

MR. COWAN (Leonora) [10.5] A little time ago I asked that consideration be given to the pastoralists. It was the request of

the Pastoralists' Association of Leonora that sheep yards for trucking purposes should be erected at the Leonora railway station. The Minister for Railways assured me that consideration would be given to their request. About 18 months ago the necessary plans and surveys for this work were made. Quite recently the Commissioner of Railways visited Leonora and assured a deputation of pastoralists that he saw the urgent necessity for the work, and that if the money were made available the work would be put in hand. At the present time we have 150,000 head of sheep in the Leonora district. So the pastoralists have not asked for much, and I hope consideration will be given to this, one of the very just requests that have come from that association. Leonora is the main trucking centre for all the surrounding districts, from Lake Darlot and Wiluna downwards. The work would be productive of considerable revenue to the State, and I hope it will be possible for money to be made available for this very necessary improvement.

MR. NORTH (Claremont) [10.8]: I should like to mention the electric power station. I believe, first of all, the Perth City Council are reducing their lighting rates to 3¼d., owing to the fact that the Government are selling current at a loss. I should like to raise the question of how long the East Perth power station can deal with the demand for current without going to Collie for a direct supply. I understand that some years ago the East Perth power station had only a limited time in front of it, and could not for more than a few years deal with the increased demand for current without going to Collie. But the years are passing and the plant is being added to, and I think the Government could well make a statement as to how long the East Perth power station can deal with the increased load without going to Collie for direct supply. This question is of great interest at present, because there has just been opened the new Collie power scheme. In view of the fact that so much money is involved in the East Perth power station, we should know how long that station can deal with the increased demands without requiring to get a supply from Collie.

Vote put and passed.

Vote—Railways and Tramways £950,247:

Item—Boypup Brook-Cranbrook, £5,000:

Mr. THOMSON: When this line was originally submitted by Mr. Angwin for construction, the settlers understood that £200,000 had been provided by the Migration and Development Commission. Is that sum still available? The Commission have gone over the route and given their approval to it.

The PREMIER: Yes, all the railways which have been authorised have been gone over and approved by the Commission, but although this has been done the money has been withdrawn, and probably has been used elsewhere.

Vote put and passed.

Votes—Harbours and Rivers, £208,002; Water Supply and Sewerage, £440,009; Development of Goldfields and Mineral Resources, £77,400—agreed to.

Vote—Development of Agriculture, £1,369,530:

MR. ANGELO (Gascoyne) [10.15]: Last session a motion was carried suggesting that an irrigation expert should be sent to the Kimberleys to see what rivers were capable of use for irrigation purposes. The reason I advocated this course was that the Government should endeavour to make up in some way for the shortage of beef supplies in the world. I regard this as a national duty. Since last session some valuable articles have appeared in the Press on the subject. I have here an article by Mr. J. D. Cramsie, recognised as one of the leading beef experts in Australia. He points out that the supplies of beef throughout the world are decreasing. The difficulty up to now has been that Australian beef has had to compete with that from Argentine. From this on it will not be a question of competing with that country, but of replacing the Argentine in the beef supplies for the British Empire. Mr. Cramsie and other people have pointed out that now is Australia's opportunity. As most of the land available for cattle production in the North is in Western Australian territory, it is the duty of the State Government to encourage the influx of capital which is required to start the beef industry in a

proper fashion. Up to the present we have been only playing with the industry. Things have to be done in a big way.

Mr. Thomson: You think, by irrigation.

Mr. ANGELO: I am assured by Mr. Cramsie that the only difficulty against obtaining huge sums of money to place the industry on a good basis is that for about four months of the year we suffer from a dry season, in which the cattle deteriorate in condition. For the remainder of the year there is ample green feed for them. The dry period must be overcome before the industry can be established on a firm basis. To that end fattening and holding grounds are required, and they can only be established by irrigation. It was after consultation with Mr. Cramsie last year that I moved the motion that was carried. I should like to know what has been done. We have not yet heard of the engineer. I am glad to know that the Federal Government have sent up an expert on agriculture. He is now in the North-West under engagement to the State Government to inquire into the possibilities of growing fodder profitably and economically. We must have the engineer also. This is our opportunity. If the Government would take the matter seriously, and we could prove to people at Home that irrigation can be established, and holding and fattening paddocks provided adjacent to our ports and rivers, I am assured that any amount of money would be available for the undertaking. The previous Federal Government were anxious to see this done; they recognised it would mean additional population in the North. If they take it on and the State Government stand out, it will probably mean that the port for the shipment of cattle will be lost to Western Australia. We must work in harmony with the Federal authorities. I hope the Premier will not lose sight of the motion that was carried, and, as soon as a suitable engineer is available, will instruct him to visit our rivers. The engineer must be one whose opinion will be accepted at Home. I notice that included in this Vote is the sum of £600,000 for the working capital of the Agricultural Bank. I presume this means that the Premier will take it out of whatever loan money he is able to raise, and out of the allocations allowed him by the Federal Government. The member for Katanning mentioned an important railway that should be built, and said that it could not be gone on with

because insufficient loan moneys were available. I should like to know if the Premier has made any move to obtain what is required for the Agricultural Bank by way of a temporary loan from the Commonwealth Bank. I have already informed the Premier, and I certainly informed the Managing Trustee of the Agricultural Bank, that last May I had the privilege of an interview in Sydney with the Governor of the Commonwealth Savings Bank, and also one of the directors. It was on quite a different matter that I was seeing the Governor, but at the conclusion of the business on which I had been consulting with him, I mentioned that as a member of the Western Australian Parliament I was greatly disappointed at the way the Commonwealth Bank were treating Western Australia. I stated that from my viewpoint this State was essentially a borrowing State, that the Commonwealth Bank had been established to do all it could to assist production throughout Australia, and that Western Australia should receive, if anything, more liberal treatment than did the other States. I also reminded him that all the banks doing business in Western Australia had lent out two or three times as much as they had received in deposits, whereas the Commonwealth Bank, which should have set the example in the way of liberal treatment to 400,000 people undertaking the development of one-third of the continent, was holding $5\frac{1}{4}$ millions of our hard-earned savings and was lending less than one million to private people to assist in development. Mr. Riddle would hardly believe that the figures were correct, but he sent downstairs and ascertained that they were substantially correct. He immediately said that the position ought to be altered and asked if I could suggest a means whereby it could be rectified. I told him I would recommend some alleviation by the Commonwealth Savings Bank lending our Agricultural Bank the money required for the very important and useful work it was carrying out. I explained that the Agricultural Bank was starting thousands of farmers and creating securities for them, helping them in their initial stages and doing the work that we expected the Commonwealth Bank to undertake when it was established. Mr. Riddle said he would be very pleased indeed to commend lending to our Agricultural Bank any money it needed—a million or two mil-

lion pounds—and would strongly urge this to his co-directors.

Hon. Sir James Mitchell: He was pulling your leg. Try to get a tanner from him and see!

Mr. ANGELO: I am repeating what occurred. He quoted the rate of interest, £5 17s. 6d. per cent. I pointed out that that was a little higher than the rate the Premier was paying for money, but Mr. Riddle agreed to put it on an overdraft basis, which meant that instead of paying that rate of interest on the whole amount, it would be necessary to pay on the daily balance only.

Hon. Sir James Mitchell interjected.

Mr. ANGELO: I cannot see that this is any matter for joking. If we are going to be cut down in our borrowings by nearly a million of money—

The Premier: But do you imagine that every channel for obtaining the necessary funds has not been explored?

Mr. ANGELO: I assure the Premier that Mr. Riddle said the Agricultural Bank had never approached him.

The Premier: Mr. Riddle or anyone else will say anything to get rid of a man who has been talking to him for some time.

Mr. ANGELO: I do not think I was there for more than half an hour. I asked him if I could take what he had said as a message to the Managing Trustee of the Agricultural Bank, and he replied that I could.

The Premier: Why did not you take the precaution to get it in writing?

Mr. ANGELO: Was it necessary to get in writing an offer like that from the Governor of the Commonwealth Savings Bank? Anyhow, I delivered the message to Mr. McLarty immediately on my return.

The Premier: What did he say?

Mr. ANGELO: He said he would immediately consult with the Premier, but the Premier had gone to Canberra.

The Premier: I think he was like Mr. Riddle, in that he told you something to stop you talking. He did not mention it to me.

Mr. ANGELO: Mr. Riddle wanted the Agricultural Bank to apply for a loan of a million, or whatever sum was required, on an overdraft basis, which would bring down the rate of interest considerably, and he said it could be treated as a temporary loan to us. In my opinion such an arrangement would not be in any way concerned with the Loan Estimates, or be considered in the allocations of the Loan Council's borrowings.

The Premier: We would have to provide for the repayment of the overdraft.

Mr. ANGELO: I do not think so.

The Premier: How would we clear off the temporary overdraft if we did not make provision for it in the Loan Estimates?

Mr. ANGELO: How does the Premier arrange for the clearing of the temporary overdraft with the London and Westminster Bank?

The Premier: In our Loan Estimates. How else do we clear it off except by arranging a loan? There is no other way.

Mr. ANGELO: The Agricultural Bank is getting repayments from its clients.

The Premier: But not sufficient to meet our requirements.

Mr. ANGELO: But here is a bank that was established for the very purpose I am now suggesting. It has a right to assist us to the extent of a million pounds or whatever we require. Let the Premier send a wire to Mr. Riddle to-morrow. I am prepared to stand or fall by the statement I have made. The interview took place in the presence of witnesses. If we can raise what we want for the Agricultural Bank as a temporary loan there is no necessity for providing the £600,000 on the Loan Estimates. That sum would be sufficient to build a couple of railways which would prove so useful in opening up the country. I wish to impress this matter upon the Premier who finds it necessary to go slow with loan money. We have been cut down to the extent of nearly a million pounds this year. Yet it is necessary to continue to build important railways in order that the country may be opened up. Therefore if the Premier will withdraw the amount of £600,000 provided for the Agricultural Bank and get the money from the Commonwealth Savings Bank it would be to the benefit of the State. We have a right to get the money from the Commonwealth Bank. What right has that bank to take 5¼ millions of our hard-earned savings and not lend us more than it is doing? We want every penny we can borrow and every penny that can be saved to help in the development of this great State. Mr. Riddle realised the position and for that reason he said he would help the Agricultural Bank if application were made for a loan. I told Mr. McLarty about it on the day I returned. If nothing has been done it is probably due to his thinking that the interest rate was a bit too heavy. He told me the Pre-

mier was charging him £5 5s. per cent. The Commonwealth Bank's quotation was £5 17s. 6d. I do not think the Premier could get the money at less than £5 17s. 6d. to-day, but if the business were done on an overdraft basis and interest were paid on the daily balance, the rate would be considerably reduced. If he got some of the money at £5 5s. per cent., it would even up the rate to about £5 10s. per cent. Many of our farmers, anxious to assist in the production of greater wealth, would be willing to pay 7 per cent. for money, which would give the Government a margin of at least 22s. 6d. per cent. for administrative purposes. I commend this matter to the attention of the Premier.

MR. GRIFFITHS (Avon) [10.30]: I desire to draw attention to some of the abandoned holdings on the wheat belt. They are blocks which have proved to be of inferior quality. Instead of the first-class wheat propositions they were sold as, they have turned out first-class salt propositions. Heavy debts attach to those blocks, in one instance as much as £1,400. Investigation by various inspectors has resulted in the bank refusing to make further advances. Other clients have refused to take up the blocks.

The CHAIRMAN: I do not think the hon. member is quite in order in discussing all the ramifications of the working of the Agricultural Bank on this item, which is to provide for additional working capital.

Mr. GRIFFITHS: In some of these cases the bank's working capital has been perhaps wasted. The blocks still retain the debts, and the bank have not been able to dispose of them, so they simply remain idle. The Leader of the Country Party and I were interviewed to-night by a lady whose husband was placed unfortunately on land. Both the Agricultural Bank and the Lands Department disclaim all responsibility regarding the block.

The CHAIRMAN: I must again warn the hon. member that he is not discussing the item, but is getting on to the ramifications of the Agricultural Bank.

Mr. GRIFFITHS: This man, a returned soldier, is now about to go on another block with a certain amount of assistance. His original block is to be offered again with the same indebtedness attached to it, for some other poor unfortunate to take up.

MR. THOMSON (Katanning) [10.35]: In connection with the settlement of our lands, the Government have unfortunately, though in all good faith, surveyed and thrown open certain blocks which have been taken up by soldiers. While in those cases an allowance of half the price has been made, yet the soldiers find themselves unable to carry on after remaining on the blocks for as long as six years, and after the expenditure of considerable sums of money. The trustees of the Agricultural Bank, after having given these men the best opportunities and facilities available, are compelled to write down their indebtedness. Apparently we must face the question whether, not through any fault of the Government or of the settlers, the land has proved not to be of such a character as will maintain settlers. I hope the Premier will be sympathetic in dealing with the particular case that was brought under notice to-day.

The Premier: Those things are not handled by me, but by the trustees of the Agricultural Bank.

MR. THOMSON: The trustees are quite all right. The fault does not lie with them. It does, however, seem a distinct hardship that after working on the block for a period of six years the settler should have to walk off. In such circumstances the Government should be in a position to make some allowance. Before throwing land open the Government should satisfy themselves, by analysis of the soil, as to its productivity. The case which has been quoted is a hard case indeed, and I trust the Government will see their way to do justice to a couple who have worked strenuously to establish themselves. I understand that under the soldier settlement scheme an amount of money is available to meet such cases. Particulars will be furnished to the Minister for Lands, who unfortunately is absent. The position as it stands at present, is not fair.

Progress reported.

House adjourned at 10.40 p.m.

Legislative Council,

Wednesday, 6th November, 1929.

Question: Water supplies, Loan provision ...	185
Papers: State Shipping Service, "Kangaroo" hold-up ...	185
Bills: Industries Assistance, report ...	185
Land Agents, report ...	185
Companies Act Amendment, 2A ...	185
Royal Agricultural Society Act Amendment, Assembly's message ...	186
Main Roads Act Amendment, Com. ...	186
Road Districts Act Amendment, 2B ...	186
Agricultural Bank Act Amendment, 2B ...	187

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

QUESTION—WATER SUPPLIES; LOAN PROVISION.

Hon. J. CORNELL asked the Chief Secretary: Have any funds been placed on the Loan Estimates for the current year for the following proposed water supply extensions:—(i)—Geelakin; (ii) Bullfinch; (iii) Turkey Hill; (iv) Wheatley; (v) Moorina Rock; (vi) Miners' Settlement, Southern Cross? If so, what amount will be available for each locality quoted.

The CHIEF SECRETARY replied: It is regretted that the limited sum available will not enable the Government to make all of the water supply extensions referred to, but it is hoped that some minor extensions can be made during the year.

BILLS (2)—REPORTS OF COMMITTEE

1, Industries Assistance.

2, Land Agents.

Adopted.

PAPERS—STATE SHIPPING SERVICE

Hold-up of m.v. "Kangaroo."

Debate resumed from the 31st October on the following motion by Hon. A. Lovekin—

That all papers relating to the last voyage of the "Kangaroo," and particularly with regard to the events which happened in connection with her crew at Derby, and the subsequent hold-up of the ship at Fremantle, and the negotiations which resulted therefrom, be laid on the Table of the House.