

Legislative Assembly,*Tuesday, 18th October, 1927.*

lines indicated has or will be given to the matter.

Question put and passed.

Bill read a third time and transmitted to the Council.

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BILL—MENTAL TREATMENT.*Second Reading.*

THE MINISTER FOR HEALTH (Hon. S. W. Munsie—Hannans) [4.40] in moving the second reading said: This Bill was introduced in another place. Two or three amendments were made from the draft as originally introduced, and the Chief Secretary accepted them. Seeing that in that Chamber there is a gentleman who is a fairly keen student of the position relating to the treatment of those people who happen to be afflicted by mental disorders—I refer to Dr. Saw—and that he is satisfied with the Bill as it now stands, I am hopeful that it will pass this House without much discussion. There is not the slightest doubt that the time has arrived and indeed is long overdue, when some institution other than the receiving depot at the Perth Public Hospital should be established in this State. The Bill will provide a long-felt want. Not only is it necessary to establish a new abode for the people I refer to, but it is also necessary to introduce legislation providing for treatment in that institution when completed. The aim of the measure is to secure what may be termed a half-way house between the ordinary medical hospital and the Hospital for the Insane. It has happened fairly frequently with people who are slightly affected that there is no alternative, if they are not in such a state of mind that they can be committed for observation in the present ward of the Perth Public Hospital, but to commit them to the Claremont Asylum. That is a most undesirable state of affairs. It will give such people an opportunity to get definite treatment and it will thus be possible to ascertain whether there is any possibility of cure, instead of their being committed, and an attempt being made to cure them within the walls of the Hospital for the Insane. In many cases people have been committed to the Claremont Asylum and have frequently been released within three, four or six months, practically cured, but there is unfortunately a great stigma attaching in the public mind, to a person who has

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

QUESTION—STATE IMPLEMENT WORKS.

Mr. **ANGELO** asked the Minister for Works: 1, Has he read the articles that appeared in the "Daily News" of the 6th and 11th inst., dealing with the State Implement Works? 2, If not, will he do so, and make a statement to the House regarding the subject matters contained therein?

The **MINISTER FOR WORKS** replied: 1, Yes. 2, Not at present.

BILLS (2)—THIRD READING.

1. Criminal Code Amendment.
2. Industries Assistance Act Continuance.

Transmitted to the Council.

BILL—STATE CHILDREN ACT AMENDMENT.*Third Reading.*

THE MINISTER FOR HEALTH (Hon. S. W. Munsie—Hannans) [4.34]: I move—That the Bill be now read a third time.

MR. SAMPSON (Swan) [4.38]: During the second reading stage, I referred to the difficulty that exists in regard to securing apprenticeships for boys. I asked the Minister whether it would be possible to make arrangements whereby wards of the State might be given an opportunity to learn a trade, particularly those trades in which it could be shown there was an insufficiency of labour. I realise it may not be possible to do something on those lines immediately, but I should like to know from the Minister this afternoon whether consideration on the

once been committed to the asylum. It is hoped that the Bill will relieve that position.

Mr. Sampson: The stigma is really on account of the certificate.

The MINISTER FOR HEALTH: Yes. There is no other alternative under existing conditions. On the 25th July, 1924, the British Government appointed a Royal Commission to inquire into lunacy and mental disorders. It consisted of ten persons, including two eminent medical men, Sir Humphrey Rolleston, Bart., K.C.B., M.D., D.C.L., and Sir David Drummond, C.B.E., M.D., D.C.L., as well as three K.C.s. one of whom, the Rt. Hon. H. P. MacMillan, LL.D., was chairman. In the report of the commission under the heading of "Conclusions and recommendations as to certification and treatment without certification" the following appears:—

We have come to the conclusion that the evidence before us does not support the suggestion that the present safeguards against wrongful certification, if properly observed, are inadequate. It does, however, point to the need for some provision whereby certain classes of case may be placed under care and treatment without the necessity for full certification. The present facilities for treatment without certification are on a very limited scale, and need extensive development. We therefore recommend that the Lunacy Code should be recast with a view to securing that the treatment of mental disorder should approximate as nearly as possible to the treatment of physical ailments as is consistent with the special safeguards which are indispensable when the liberty of the subject is infringed, that certification should be the last resort and not a necessary preliminary to treatment, and that the procedure of certification should be simplified.

The Bill does that.

Hon. G. Taylor: Did the Royal Commission recommend the number of medical men who should be required for certification purposes?

The MINISTER FOR HEALTH: I cannot say, but the Bill deals with that point. The main objects of the Bill are twofold. Firstly, to enable patients to be admitted into a reception house without being declared "insane," and, secondly, to encourage people suffering from mental or nervous disorders to seek treatment at the earliest possible moment. At present there is no reception house in this State and patients suffering from mental or nervous disorders have to be sent to the mental observation ward at the Perth Hospital for treatment. The principal outlook from that ward is on the mortuary. There are no proper grounds in

which patients can take any exercise, nor is there even sufficient or adequate treatment available there. To remedy that defect it was decided by the Government to establish a reception home, which is now in course of erection at Point Heathcote. I believe that site to be eminently suitable. According to the medical testimony obtainable in the State, it is desirable to have as bright an outlook as possible for patients who are to be treated. I do not think anyone will deny that the outlook from Point Heathcote should meet those requirements.

Hon. Sir James Mitchell: Then you approve of that purchase?

The MINISTER FOR HEALTH: I do. The hon. member and his Ministers who made the purchase are to be commended for their action. The Leader of the Opposition never found me in the past, nor will he find me in the future, ever attempting to discredit anything that he, or his Ministers, did, if I believe their actions to have been right. In this instance I believe they were quite right and I am prepared to give the hon. member all credit due to him.

Hon. Sir James Mitchell: I did not suggest you did not.

The MINISTER FOR HEALTH: I do not know what other suggestion could have been read into his interjection, unless it were that I was not prepared to give him credit for actions of which I approve. A survey of the early history of the treatment of mental and nervous disorders discloses that the predominant idea was that of detention. The primitive and crude methods of dealing with the problem that formerly obtained were fostered by inherited superstitions, and the mentally afflicted were often regarded as the victims of a mysterious visitation of Providence. With the advance of medical science and the growth of more enlightened views, mental deficiency is coming to be regarded from a different standpoint. It is now observed that a mental or nervous disorder is merely an illness like other disorders, although possessing distinct symptoms of its own, and that a mind diseased can be treated as well as a body diseased.

Mr. Sampson: That is rather a novel statement.

The MINISTER FOR HEALTH: I do not know that it is.

Hon. Sir James Mitchell: We should try to treat them, at any rate.

The MINISTER FOR HEALTH: I think that is the proper light in which to view

the subject. However, that was the attitude in the past. If the mind of a man or a woman became deranged, the one dominant feeling was that he or she should be sent to an asylum. In years gone by, not much thought was given to the treatment of a person who was in that condition, nor was it considered that that treatment should be on the same footing as would be the treatment meted out to an individual suffering from, say, typhoid fever.

Hon. W. J. George: An asylum is supposed to be a place where we have experts in charge.

The MINISTER FOR HEALTH: And it was those experts who advised that people suffering from mental or nervous disorders such as I have suggested should be kept away from the asylum during the early stages of the disease. That is another reason why the Bill has been introduced. The modern conception calls for the eradication of old-established prejudices and a complete revision of the attitude of society respecting its duty to the mentally afflicted. The keynote in the past has been detention: the keynote in the future should be prevention and treatment. Owing to the special symptoms of mental illnesses, the treatment must, in many instances, involve compulsion. I want hon. members to realise that fact. In the early stages it will be necessary many a time to exercise compulsion for the purpose of detention. In recognition of that fact the Bill is divided into two parts, so that we shall have voluntary patients, who will submit themselves to treatment without compulsion. There are a fair number who do that now under existing circumstances. We anticipate that the old prejudice that exists will be considerably reduced and that the number who will be prepared to submit themselves voluntarily for treatment will increase, and that it will not be necessary to compel those patients to enter the institution. Provision is also made in the Bill so that, if it is in the interests of the patient himself, as well as of the safety of the public, such a person may be compulsorily detained.

Mr. Sampson: The detention in the observation ward will be merely temporary.

The MINISTER FOR HEALTH: There is provision in the Bill for a period of detention not exceeding six months, but if in the opinion of the experts additional detention is necessary, application can be made and the time extended.

Mr. Sampson: I was referring to the observation ward.

The MINISTER FOR HEALTH: But that will be non est if the Bill be passed.

Hon. G. Taylor: Then the sooner the better.

The MINISTER FOR HEALTH: Yes. There will be no observation ward at the Perth Hospital. There is necessity for the compulsory detention of patients, but those who have sufficient intelligence left to voluntarily submit themselves for treatment in an institution will be able to do so. In such cases where there can be no voluntary submission to treatment, it must needs become compulsory. But compulsory detention, in addition to the necessary protection of the community, should also have in view the protection, treatment, and, if possible, the cure of the patient. From the considerations to which I have referred, a practical conclusion follows, namely, that every facility and encouragement should be afforded to mental patients voluntarily submitting themselves to treatment. There is provision in the Bill to make this as easy as possible, the aim being to get into touch with the patient at the earliest possible stage of the attack and by care and treatment to endeavour to mitigate its effects. Certification and admission to an asylum should be the last resort in treatment, and that is the keynote of the Bill. Compulsory detention will always be necessary in a number of cases, but it should not be regarded as a necessary object in itself, but merely as incidental to the treatment of the case. The true conception of a mental patient is that he is suffering from an illness. It is inconceivably distressing in any household to find that a member of the family has been peculiar in his behaviour for some time, and the patient himself may be manifestly ill, distraught, depressed or even violent. In such a domestic crisis, the first and natural concern of doctors and relatives alike is to obtain for the patient, with the least possible delay and publicity, his necessary removal to a place of safety where he may receive proper treatment. I have indicated the two main principles of the Bill. Let me deal with the provision the Government are making for the accommodation of patients. The reception house, which is being built at present, consists of two main blocks of buildings for each sex, an acute block and a convalescent block. The acute block is being built to accommodate 36 patients and each block provides for a further

triple classification. When completed, the reception house will accommodate 132 patients, 66 of each sex.

Hon. Sir James Mitchell: I hope it will never be fully used.

The MINISTER FOR HEALTH: I hope so, too. The portion at present under construction will accommodate 36 of each sex, or 72 in all. It is estimated that the present buildings will be completed and ready for occupation by the 1st July, 1928. The estimated cost of the completed building is £98,688, and the estimated cost of the buildings at present being constructed to provide accommodation for 72 patients, is £53,318. Two classes of patients are to be provided for. The first deals with those who are prepared to submit themselves voluntarily for treatment, and the other relates to those whose mental or nervous disorder is such that their insight is so impaired that it needs some compulsory means to bring them under treatment and to have them cared for. There is provision for triple classification in the treatment of patients of both sexes. That is to say, there will be three separate dormitories and three separate day rooms for each class of patient of each sex. This arrangement of the accommodation permits the separation of patients of both sexes classified as "quiet," "less quiet," and "more troublesome." Furthermore, the completion of the convalescent wing will afford an additional classification for both sexes. I do not want hon. members to believe that the whole scheme will be in operation when the present building is completed. On the other hand, we will have an institution that will accommodate 72 persons and allow of the patients being classified into three grades for each sex. That will be a vast improvement upon the present state of affairs.

Hon. G. Taylor: That is for males and females as well?

The MINISTER FOR HEALTH: Yes.

Mr. Sampson: Seeing that the male patients exceed the female patients by more than two to one, why is equal accommodation being provided?

Hon. Sir James Mitchell: At any rate, I should think that the buildings will be quite adequate.

The MINISTER FOR HEALTH: I cannot answer the question put by the member for Swan (Mr. Sampson) offhand. I understand, however, that the percentages of the sexes during the last two years at the obser-

vation ward at the Perth Hospital has been about equal.

Hon. G. Taylor: The member for Swan was referring to the Hospital for the Insane.

The MINISTER FOR HEALTH: But this is not a hospital for the insane that we are constructing.

Hon. G. Taylor: That is the point he missed.

The MINISTER FOR HEALTH: This will not be conducted along the lines necessary for those who are definitely declared insane and are at Claremont. I admit the males do outnumber the female patients at the Claremont Hospital for the Insane. The experience of those who have been advising me is that it is necessary to make provision for an equal distribution of patients to be dealt with under the Bill. There is at present on the statute book a Mental Treatment Act, passed in 1917. Some members may think this will lead to confusion. I am not of that opinion. The Act of 1917, although given the same title, was an Act dealing specifically with returned soldiers. To-day they are being admitted to Lemnos, not to the observation ward.

Hon. G. Taylor: They won't necessarily come under this.

The MINISTER FOR HEALTH: Yes, they will, in cases where it is not necessary to certify that a person is insane.

Hon. Sir James Mitchell: No discrimination will be shown.

The MINISTER FOR HEALTH: Certainly not. In this institution there will be treated patients who are not certified insane, but who are in some respects deranged or who have slight delusions.

Hon. Sir James Mitchell: A good deal of it will be ordinary hospital work.

The MINISTER FOR HEALTH: Yes, but where actual hospital treatment is required in the institution now being erected at Point Heathcote, the Bill gives the Governor in Council power to declare certain parts of our public and general hospitals for the treatment of those people, instead of their being treated in the hospital attached to the asylum.

Hon. G. Taylor: You are not making provision for that in the Bill.

The MINISTER FOR HEALTH: Yes, the Bill gives that power. Instead of going into the hospital attached to the asylum, those patients will be received into an ordinary hospital. Then later, if necessary, they will be admitted into this new institution. At present, people who are at once sick

and of deranged mind are in most instances sent to the Hospital for the Insane. The period for which a person may be admitted to this new institution is six months. It is also possible for a voluntary patient in the institution to make application for discharge and to be discharged within ten days.

Hon. Sir James Mitchell: Or at any time.

The MINISTER FOR HEALTH: No, the patient must remain for ten days after his application in writing to be discharged. This is deemed to be necessary. There may be cases where the doctors, or the staff, or the board, or the Inspector General may deem it wise to liberate a patient immediately upon receipt of his application. But the Bill gives power to detain him for ten days after the receipt of his application. That is because in some instances it may be necessary that the authorities should consult with the relatives of the patient on the point of desirability of releasing him on his own application. An involuntary patient will be treated on the contention of any person through a justice of the peace that such person is suffering from mental or nervous disorder, provided the patient has been declared or certified to be insane, and that in his interests or in the interests of the public he or she should be received into the hospital or reception house for treatment under this Act. The justice of the peace may then order that the patient be taken charge of and received into the hospital or reception house for a period not exceeding six months. The justice may accept as proof that the patient is suffering from mental or nervous disorder a certificate in the form of the schedule, signed by a medical practitioner within seven days prior to the date of the order, and may interview the patient at any place the justice may think fit; but unless a certificate is produced, the evidence of two medical practitioners is essential. It is provided that before a patient who is himself desirous of entering the reception house is committed thereto, medical evidence must be forthcoming in the form of two medical certificates. The Bill also allows the justice of the peace to interview the patient at his own home or at any other suitable place. Although the Bill provides that the patient must be committed for a period no longer than six months, at the expiration of that six months the asylum authorities may make application and have the term extended from month to month or for another six months. And, as already provided in the Lunacy Act, the Bill pre-

scribes that the next-of-kin or relatives of a patient committed to this institution, shall be responsible for the maintenance of such person. That is deemed to be necessary.

Hon. Sir James Mitchell: There are altogether too many formalities to be observed under the Bill. I thought it was going to be a hospital Bill.

The MINISTER FOR HEALTH: As for the formalities, the visiting committees are reduced in number from five to three. In such an institution it is advisable to have some outside, independent authority as a visiting committee. Under the Lunacy Act, the visiting committee have to visit each institution at least once every month.

Hon. G. Taylor: There are five members of the asylum visiting committee, and there are to be three under the Bill.

The MINISTER FOR HEALTH: That is so, and it is only necessary for them to visit it once in three months, unless they desire to visit it more often.

Hon. G. Taylor: Will you have the asylum visiting committee for this place?

The MINISTER FOR HEALTH: I do not know who will form the committee. Certainly the Inspector General of the Insane will have some say in the control and treatment of the inmates. It is also provided that if a person has property, but is so deranged mentally that he cannot look after it, the Official Trustee will take charge of the property on his behalf. That is in the interests of the patient.

Hon. G. Taylor: The Inspector General of the Insane does that now.

The MINISTER FOR HEALTH: Yes, under the Lunacy Act, but in the Bill we give that trust to the Official Trustee. The Bill also amends the existing Lunacy Act by the deletion of the words "reception house" from the fifth line of the definition of "insane patients." That is necessary, because in certain conditions the involuntary patients have to be certified by justices of the peace. If that were not done, incarceration in this place would carry the same stigma as does the certification of insanity.

Hon. Sir James Mitchell: Some of the Lunacy Act provisions will apply here.

The MINISTER FOR HEALTH: Yes, Sections 167, 170 and 175, dealing with the support of a patient while in the institution. There is not much more to be said at this stage. I think every hon. member realises that the time is long overdue when

more should be done than is being done in the treatment of deranged people.

Mr. Sampson: It has taken too long.

The MINISTER FOR HEALTH: It has. But I am not going to carry all the responsibility for the delay. The present Government have been in power less than four years, whereas we have had Responsible Government for 38 years. I am prepared to take my share of the responsibility for the delay, but other members also should take their fair share. However, it will not get us anywhere to be criticising each other for the delay in the establishment of this institution. Every member of the Government, and every member of the House that has given it any thought at all, must have recognised for a long time past that something further ought to be done. Now that we have an opportunity to do something I hope members will receive the Bill with good grace, so that we can treat people who themselves do not realise what is the best treatment for them, and thus prevent many from going to Claremont that otherwise would end their days in that institution. I move—

That the Bill be now read a second time.

On motion by Mr. Sampson, debate adjourned

BILL—STATE INSURANCE.

Second Reading.

Debate resumed from the 11th October.

HON. SIR JAMES MITCHELL (Northam) [5.16]: Parliament has already agreed to measures dealing with workers' compensation. Last session the Government introduced a Bill to provide for State insurance. The Bill passed this House, but was defeated in another place. Before that time the Government had established an insurance office to deal with insurance of miners. The object of the Bill last year was to legalise the insurance office and secure Parliamentary ratification of what had already been done. I expressed the opinion at the time that the establishment of the Government insurance office was illegal and an altogether unnecessary act of government. I am still of that opinion. I stated then that sooner or later the Government would have to take the risk of the miners, and that we had better do it in our own way rather than establish an insurance office. The other day we were told that

the Government this year intend to pay the premium for all men engaged in the mines. The Premier stated that the amount was £30,000 and that it was to come out of the £165,000 set aside from the disabilities grant to assist mining.

The Minister for Mines: The Government are also providing about £21,000 a year to clean up the mines. That does not come under the workers' compensation.

Hon. Sir JAMES MITCHELL: That is £51,000 altogether?

The Minister for Mines: Yes, it will be all that for this year.

Hon. Sir JAMES MITCHELL: I suppose the House will be told what is being done with the £21,000.

The Minister for Mines: That is the payment under the Miners' Phthisis Act.

Hon. G. Taylor: That is the accumulation of 30 years.

The Minister for Mines: It was £21,000 last year; it will be more than that this year.

Hon. Sir JAMES MITCHELL: I am very sorry to hear it. The Government are paying the workers' compensation premium on all men working in the mines whether they have been there for years and therefore could not be insured with the companies, or whether they are men that have just gone into the mines to work. Last year when we discussed the matter, we separated the miners into two classes—the men who had undoubtedly taken the risk for years and probably were affected with miners' phthisis and the others who were then going into the mines and with whom the risk was very much less. I really thought it was the risk of the past for which no premium had been paid that created the trouble, but apparently the Government are now going to recognise the men who went into the mines only yesterday. Those men would be perfectly sound, and they will be watched and notified immediately anything wrong is detected. They, therefore, will not be the bad risk that the old miners are, and should be covered at a reasonable rate.

The Minister for Mines: We withdraw from the mines only the men suffering from tuberculosis. A considerable number have dust or phthisis, and they are still working in the mines and are being permitted to work.

Hon. Sir JAMES MITCHELL: Men who have been working in the mines for a considerable time were liable to be dusted. We

recognised that it was an accumulated risk amounting to probably a hundred thousand pounds. The men now going into the mines, we thought, should be subject to different treatment. A man would know very soon after the trouble overtook him that he was affected and could leave the mines, whereas the old miners had been going on for years, the liability had accumulated and the risk had become very great. I am sure it is not necessary to pay £4 10s. premium for men who are starting in the mines for the first time and in respect of whom there is no accumulated trouble. The Government are paying the premium on the risk from now on, and so the accumulation will be considerable before those men reach the stage of having to leave the mines. It is a great risk for any company to take, but the risk is not so great in respect of the men now starting in the mines as in respect of men who have been working in the mines for years.

The Minister for Mines: Not with the annual examination.

Hon. Sir JAMES MITCHELL: For the men just starting in the mines the premium should be very much lower than £4 10s. While we have to shoulder a big burden for the past accumulated risk, I do not see that there is any responsibility devolving on the State for men who are now entering the mines. We cannot single out an industry and say, "Your premium will be very high, but we shall pay it for you at the expense of all other industries." I agree that we should bear the risk of the past, but I do not agree that we should carry the risk of the future.

The Minister for Works: That was done as a means of assisting the industry.

Hon. Sir JAMES MITCHELL: Of course, everything paid is to assist the industry. That goes without saying.

The Minister for Works: On the principle that a claim would be made on the Government.

Hon. Sir JAMES MITCHELL: Last year we agreed that the State should bear the accumulated risk and I still say the State should do so, but I do not agree that the Government should take the risk of people who are just going into the mines any more than that they should take the risk of people entering any other industry. If the Government wish to assist the industry, this is not the way to do it. Let them spend £200,000 or £300,000 on definite lines; not spend a little bit here and a little bit there.

We want to see some result for the money we spend, even to assist the gold mines.

The Minister for Mines: We shall get some results from this expenditure. If we had not paid it, three more of the mines in Kalgoorlie would have stopped.

Hon. Sir JAMES MITCHELL: Surely that amount of assistance will not keep them afloat. I am not objecting to the accumulated risk, but I do object to the risk applying to men who are perfectly sound and are now being engaged in the mines for the first time.

The Minister for Mines: If the State had taken the whole of the accumulated risk it would be a different matter.

Hon. Sir JAMES MITCHELL: But we are doing so.

The Minister for Mines: No; neither the Worker's Compensation Act nor the Miners' Phthisis Act provide for that.

Hon. Sir JAMES MITCHELL: But the Government are paying the premiums for this year. If the mines stopped, as the Minister says they would have done, the accumulated risk would have fallen on the Government. I do not think any Government would repudiate that risk; it is certainly a risk that the Government should bear. I do not propose to deal with what has happened in New Zealand, Queensland, or Victoria, which matters the Premier discussed at length last week. We dealt with the question of State insurance pretty exhaustively last session. The truth is that we passed a Workers' Compensation Act and other laws with perfectly good intentions. We hoped to benefit the workers and at the same time we hoped that we would not unduly penalise industry. When the Workers' Compensation Act was passed, we expected everyone to behave quite honestly under the law. We intended to provide protection for the workers, for the employers, for the doctors and for the hospital authorities. With every good intent we hoped to do that, but I am afraid from the conversation I have had with the Minister that our Act has been used for mala fide ends, at least by some people. I believe the Act has been abused by a few unscrupulous people and the result has been high premium costs for insurance cover. The Minister, in introducing the measure, did not foresee that that would happen and neither did anyone else, but it has happened and we should be perfectly frank about it. The Estimates show that the amount to be contributed by the Government by way of work-

ers' compensation for men on the railways has been increased from £13,000 to £28,500.

The Minister for Works: It is still a very long way below what private companies would charge us.

Hon. Sir JAMES MITCHELL: That is not the point. Because of the Act we have had to more than double the premium. I suppose the £28,500 is paid into the general insurance fund. The legitimate costs, as well as the costs that in some cases have been imposed, are altogether too high for already heavily loaded industry to bear. I refer to the load of taxation, fees and payments under many headings. The result is and must be an increase of unemployment. Industry, too, must be discouraged, whereas we want to encourage it. The worker should get proper compensation and should receive proper treatment under the law of the land. It was intended that he should, and we expect it. The doctor should get his proper fees. No one objects to that. The Minister will agree that we were unanimously of opinion that the doctors' fees should be provided for under the Act. It happened often that the worker, suffering probably from a small accident, had more to pay by way of hospital fees and doctor's fees than his compensation amounted to. The doctor should get his proper fees and the hospital its proper charges: in each case, no more and no less. We did amend the Workers' Compensation Act to make the position regarding medical fees perfectly clear; but after all, under the present proposal, the honest persons, the majority by far, are to suffer and opportunities are to be afforded to the unscrupulous few. True, the Premier says we should do the insurance, take the risk, condone the offence, and continue to permit rascality. I want to be perfectly frank about what has happened. The law should be amended so as to provide a penalty for wrong-doing. The Bill in effect says that things which we know have in some cases happened shall continue, and that the taxpayer shall make good the loss; and losses, of course, there will be—undue, unfair losses. The Premier says, "We will charge lower premiums than the insurance companies charge." I do not know how that is to be done. In my opinion there are not many workers taking undue advantage of the provisions of the existing Act. Mostly the workers get merely what the Act declares they should get. But some get more. I know of a case in which a young fellow had an injured thumb, which was being cured. He said to the doctor, "Take

my thumb off." The doctor's reply was, "No; I will cure it." Later the lad's mother made the same request for amputation of the thumb. The thumb, of course, was not taken off, and the young fellow did not get the amount of compensation fixed for loss of a thumb. I know of a few cases, and the Minister knows of a few cases, in which wrong has been done. The Act has provided the opportunity for wrong-doing, and that opportunity we should curtail; certainly we should not continue it. If the Government incur additional charges, those charges fall on everybody. If the insurance companies have suffered from such things as I have described, they necessarily must increase the premiums. Already the Government acknowledge that rates must be increased. That acknowledgment took the form of increasing the contributions to workers' compensation by the Railway Department, from £13,000 to £28,500. It is quite enough to have to meet rightful charges and pay rightful compensation. To allow the continuance of a wrong which can be rectified is utterly unjustifiable. I acknowledge the difficulty of getting a foundation on which to base an amendment of the existing Act. The people should not be unduly penalised. The risk is the thing that has caused premium rates to rise. I do not see why, under the Act properly administered, a single person should pay a farthing more than is fair; that is, under the Act properly administered. Workers' compensation, too, has been made compulsory. I think that wrong, and I believe it has done and is doing some injury. The employer always took the risk, even before insurance become compulsory. To-day an employer who gives a man a day's work is liable to a fine.

The Minister for Works: No.

Hon. Sir JAMES MITCHELL: Yes.

The Minister for Works: Not at all.

Hon. Sir JAMES MITCHELL: Then if a man is working only for a day, he need not be covered?

The Minister for Works: He is not under the Workers' Compensation Act.

Hon. Sir JAMES MITCHELL: That feature ought to be made quite clear. If it is not so, the man would be very stupid to take the risk. We are told the insurance companies will not accept certain risks, quite apart from the goldmining risk to which I have already referred. As Parliament approved of compulsory insurance, I suppose some means will have to be provided by

which all employers engaged in any industry will be able to cover their men. I should like to know whether people were refused cover by the private companies; I suppose it is possible to find out. If insurance is compulsory and certain industries are not approved by the private companies, the State of course will have to do something. In point of fact, under the Bill the insurance companies and even the Government would be able to say to any industry, "We will not cover you further, and you must close up." If insurance is compulsory and certain industries are not approved by private companies, we shall have to do something to meet the case. In point of fact, the insurance companies, and even the State Insurance Office, could compulsorily close up any industry by saying to those conducting it, "We will not cover you, and you must close up," the reason being that compulsory insurance imposes a penalty for every day each man is employed without being insured. No industry could carry on under the existing law unless the employers secured cover. True, it is only under the Workers' Compensation Act that insurance is compulsory; but under the present measure, according to the Premier, power will be taken for the State to do all kinds of insurance, including life insurance. I hope the House will not agree to any such proposal. There can be no excuse for it, because it is not contended that either the life insurance or fire insurance companies are not treating the people fairly. That allegation, according to the Premier, applies only to insurance under the Workers' Compensation Act. The passing of the Bill will mean the giving to the Government of power to establish another State trading concern. I do not think any State trading concern is of advantage to anybody. I do not believe a single worker employed in a State trading concern gets any better pay or any better wages than those offering in outside employment. The taxpayers, in my opinion, do not benefit at all from the State trading concerns; rather, they lose by some of them, because on some State enterprises money is in fact lost. I doubt, too, whether the worker gets as much work under this system as he otherwise would, since industry is discouraged—unnecessarily, as I think—by the fear of State competition. Then, too, we have experience of State trading. There is, for

instance, the State Implement Works, a well managed concern, I think, and with good workmen; but the works have not proved a very marked success, although they are protected and the works take full advantage of that protection. I do not know, either, that any State trading concern represents a great advantage to the State. Timber mills, naturally, pay and always have paid. Brickworks sometimes pay, but I do not think anyone engaged there would be unemployed if State brickworks did not exist—I rather think the contrary. Then there are the Wyndham Meat Works, which represent a marketing facility rather than a State trading concern. There is a considerable annual loss on these meat works, a loss now equal, I think to the total outlay on the works. Shipping is a transport business, just as the railways are, and on shipping the State loses considerably. The Premier must find it difficult to meet all the demands made on him periodically by the State trading concerns. Sometimes a State trading concern asks for a considerable advance to meet interest on capital, which cannot be earned. In various ways the Premier has to find cash to keep the State trading concerns afloat. Therefore we should be very careful before starting another of these concerns, particularly one so risky as that of covering all forms of insurance. I should like the Premier to state whether it is correct that cover has been refused—I hear it has been refused—to employers who applied to the State Insurance Office. If insurance is made compulsory, means of insurance must be provided, particularly if the ordinary offices do not take every kind of insurance. Parliament would stultify itself if it provided, in effect, for the closing down of industries by reason of the fact that no one could be got to accept the risk of insuring them under the Workers' Compensation Act. If the insurance companies are, as they say, called upon to pay far too much, far more than was ever contemplated when the Workers' Compensation Act was passed, in medical fees and otherwise, it is a matter for our serious attention. The Crown certainly should not put up more than a fair charge for covering the risk, but I do hear, and have heard, of extraordinary happenings under the Act. I do not know whether the Premier still has the opportunity of getting information on this head, but if he has I

hope he will furnish it to the House. No one has any right to expect protection in wrong-doing, especially under a measure like the Workers' Compensation Act. Here we are asking the employer to insure the workers in order that they may be protected in case of accident, that they may be able to live in case of disablement, and that in case of death the wife and dependants may get some money. Those are the only reasons for having the Workers' Compensation Act on the statute-book. We should agree it is our duty to see that no undue advantage is taken of the Act to extort heavier payments than are perfectly legitimate and right. I know insurance companies complain that they have been heavily overcharged in many cases.

Mr. Kenneally: Do not you think Government intervention will have a steady effect on persons disposed to overcharge?

Hon. Sir JAMES MITCHELL: I should not think so, though it may have. The Government have paid away some fees themselves, but I take it they have nothing to complain about or they would complain.

Mr. ANGELO (Gascoyne) [5.47]: When introducing the Bill the Premier referred to what he said were the huge profits the companies were making, thereby imposing a severe tax on the people of the State. The Premier endeavoured to show that that was a good reason why the State should enter on this class of business. Perhaps it is just as well that the private companies have been making big profits out of a certain class of insurance, because those profits have enabled them to meet the heavy losses that have been incurred by them since the introduction of the Workers' Compensation Act. On the 31st August last the secretary of the Underwriters' Association gave us some figures in connection with this class of business, figures that, I think, members should not lose sight of. He said that for two years, from the 1st March, 1925, to the 28th February, 1927, the actual premiums paid by all the companies in Western Australia doing business under the Workers' Compensation Act amounted to £250,247, and that the claims paid amounted to £196,708, or 78.6 per cent. of the earned premium. There is in the Act a provision for £100 in each case of accident for reasonable medical expenses. Under that heading the companies have been obliged to disburse £53,057, or 21.2 per cent.

of the premium earned. It will thus be seen that the loss ratio experienced by the companies has reached 99.8 per cent., without any allowance for taxation or administrative expenses. Under the heading of taxation, dividend duties amounting to £2 6s. per cent. are chargeable. It is therefore obvious that, without any allowance whatever for administration costs, the companies have been called upon to disburse substantially more than their earned premium revenue over the period. The other day I was told by those connected with a certain company of the result of their operations with one large customer alone. I took the trouble to verify the figures submitted to me by referring to the company's books. From the one customer the company, doing business in Perth during two years, received in premiums £6,051. I am referring now to business under the Workers' Compensation Act. Their losses amounted to £6,722, and a very conservative estimate for claims still unsettled for the period under review is put down at £1,300. If we add the £6,722 to £1,300, the amount of the unsettled claims, we get a total of £8,022 against premiums received amounting to £6,021. It will thus be seen that with one customer alone the company lost nearly £2,000 in their workers' compensation department during the last two years, and that without the cost of administration, which includes salaries, printing, etc. In addition also, the premiums they have received are subject to taxation at the rate of £2 6s. per cent. That is just one instance of how the companies have suffered since the introduction of the Workers' Compensation Act. It has been said in this Chamber that a certain section of the community has made a welter of this business. I think I can prove by instances that have come under my notice that that is so. I will not say that the members of the medical profession generally are using the Act for the purpose of their own advantage; I will say, however, that a section of the profession, unfortunately, is catering for this particular business, and by some means or other that section is getting a good slice of it. I will quote the case of an Italian who injured his finger. After treating it for some time the medical man amputated the finger, for which the company paid in compensation £150, as well as hospital charges of £25. The doctor, according to his own account, saw the injured man no fewer than 111 times and three

operations appear to have been performed. These are the items of the account:—

	£	s.	d.
First consultation and dressing	1	1	0
Ten consultations and dressings	5	5	0
First operation (amputation) ..	15	15	0
Anaesthetic	2	2	0
Second operation (opening up and cleaning septic stump) ..	5	5	0
Anaesthetic	1	1	0
Third operation (amputation) ..	15	15	0
Anaesthetic	2	2	0
91 consultations and visits at 10s. 6d.	47	15	6
Total ..	£96	1	6

In spite of the fact that the account came to £96, the doctor, when the company challenged it, settled the claim for £46 4s., which amounted to an admission that he was getting an undue advantage from his unfortunate patient. I have seen other accounts which disclosed that charges had been made for a number of visits and also for issuing certificates. The certificates merely consist of the written statement that a man was not fit to go to work, and for each one of those a charge of 10s. 6d. was made in addition to the usual charge of 10s. 6d. Before the Act came into force no doctor ever thought of making a charge for a certificate. It was part of the job. One man who has been in the insurance business in this State for many years has made a careful investigation of the position and he assures me that whereas before the introduction of the Act one visit would suffice, at the present time a similar case takes at least five visits. Many of the medical men who are carrying on this work seem to have quite a number of friends in the profession, for they bring those friends along for the purpose of consultation. The result is that the injured man receives very little compensation in the end. I repeat that the medical men as a whole do not carry on this kind of thing; it is only a section of the profession. I believe that it has been carried on to such an extent that the British Medical Association has appointed a committee to investigate disputed accounts. If I were associated with one of the insurance companies I would welcome the Government coming in as a competitor under the Workers' Compensation Act. Of course I am not in favour of the Government entering this field at all, because it is creating another trading concern. But as far as workers' compensation is concerned, I believe the companies would be glad of the competition because the Government would find out for them-

selves what the position really is, and that the employee is not getting the benefit it was expected he would receive. If the Government does come in as a competitor in the workers' compensation section of the insurance, I feel certain they will soon realise what is being done.

Hon. G. Taylor: They have already done a little towards it.

Mr. ANGELO: For the reasons I have given, the companies have had to raise their premiums under the Workers' Compensation Act. There is not a desire to grasp more profits. Their object is merely to meet the heavy losses they are incurring under this section of insurance. They are business men; they are not fools. They knew well that a State Insurance Bill was coming along. Does anyone mean to tell me that it was just a question of increasing their profits? Nothing of the kind. They had to advance their rates or go under, as they had been making heavy losses in that section of insurance. There should be some amendment to the Act which should afford the insurance companies better protection and compel members of the medical profession to carry out their duties in an honourable way. The Premier told us the other evening that wherever State insurance was in existence it had been very popular and had been successful. In Queensland, where the State has a monopoly of workers' compensation insurance, we find that six people out of seven select the private companies when insuring in the other departments. In New Zealand, where the office has been established for many years, 11 persons out of 12 still prefer to do business with the private companies. That does not make it appear that the private companies are charging huge premiums. In recent years fire and accident insurance cost in New Zealand £2 1s. 11d. per head, whereas in Western Australia the cost was £1 8s. 1d. In Queensland, with State monopoly for workers' compensation, the cost to the employer was 10s. 1d. per head, whereas in Western Australia it was 8s. 7d. Therefore I do not consider the Premier has put up a convincing case in respect of the companies charging exorbitant premiums. I would like to point out that a large number of the private companies have brought money into the State. In the first place each company has lodged, I think it is, £5,000 in the Treasury, and the Government are making good use of that money. They have also invested considerable sums of money in the State and so are assisting to develop it.

Mr. Lambert: Do you not think they should be compelled to invest within the State all the money they get out of it?

Mr. ANGELO: Probably I would be with the Premier if he suggested anything of the kind. I should say that all the money they make in this State should be invested within it. That is a very sound suggestion. The Premier pointed to the huge expenditure that arises from there being so many companies doing competitive work. Something like 80 per cent. of that money is being paid out in salaries and wages to employees in the State, who are earning their living in this kind of business, and are in many cases paying taxation. Then there are the dividends which the companies can pay that are also liable to taxation. I do not think the companies are getting any very great profits out of the State, more especially, as I have pointed out, as during the last few years they have been badly hit through the operations of the Workers' Compensation Act. Like the Leader of the Opposition, I hope the Premier will not try to saddle this State with another trading concern. If it is found necessary to undertake workers' compensation business, well and good, but apparently some other method of dealing with the miners has already been adopted.

Mr. Lambert: You had no compunction about saddling the State with another banking concern.

Mr. ANGELO: That is for the benefit of the State. I know to what the hon. member is referring. This little banking institution has let out in Western Australia three times as much as it has received. If every other company did the same, I would welcome it. I hope this Bill will not be passed in its present form. If it is found necessary to do a certain class of insurance, let us discuss a Bill on those lines.

Mr. Kenneally: Let the State do the unprofitable portion of the business and give the profitable part to the companies.

Mr. ANGELO: I do not think there would be any unprofitable part, provided the Government would bring in an amendment to the Workers' Compensation Act, not to deprive the employees of the benefits they are receiving, but to curtail the undue advantage which is created in favour of a certain section of the medical profession.

MR. SAMPSON (Swan) [6.3]: On a previous occasion, last year, when the State Insurance Bill was before the House, I stated that in my experience insurance com-

panies did provide all the protection which their policies appeared to provide, and that companies generally could be relied upon to give not only reasonable, but generous treatment to their clients. I daresay before this session closes there will be criticism concerning the work of insurance companies. I desire, therefore, to bring before the House details in connection with an insurance policy with which I was personally concerned. A man who was working for me on my orchard injured his hand. It did not appear to be a serious matter, and he continued working for some time. At a later stage he came to Perth and reported the injury. The man went into a hospital and a lump was removed from his arm. Later on, however, owing to the trouble spreading, his arm and shoulder-blade were removed. A good deal of my business matters are necessarily left in the hands of others. Through an oversight this man had not been insured under the Act. This meant that I would be required to provide the necessary compensation. Upon a renewal notice coming to hand advising that the policy existing upon the orchard would require to be renewed at a certain date, the office received information that there was actually a policy in existence. The insurance company was thereupon notified of the accident. By this time several weeks had elapsed. The unfortunate man had lost his arm and shoulder-blade, but the insurance company had not an opportunity of watching the progress of the case, as would have been done had notification of the accident been sent before. There is a condition in all policies that notice of an accident shall be given within seven days, but in this case notice was not given for several weeks. As it was realised that there was a claim under the Act as a consequence of this accident, it was decided to pay the compensation provided. I then interviewed the company and a promise was made that the matter would be looked into. It was urged that, a policy having been actually taken out, there was some justification for consideration in respect to the compensation that had been paid. The company looked further into the matter. At the time when the claim was lodged the manager was absent in the country. The claim was accordingly forwarded to the head office in one of the Eastern States, though this would not have been necessary, I was advised, had it not been for the absence of the manager from Perth. I was informed that the matter was being looked into, and that I would be

notified later as to the action the company would take. A few days went by, when I was notified by the manager of the company that the full amount that had been paid by way of compensation would be refunded. Accordingly, the amount of £700 was repaid. During the period when the case was under consideration, I discussed the matter fully with a firm of solicitors, who are held in high repute and were eminently qualified to advise me as to my legal position. I was advised that in view of the definite conditions under which the policy had been issued I had no legal recourse against the company. I could enforce no claim under the policy. The insurance company was not legally required to pay anything, but they recognised my moral right. They admitted that there was a policy in existence, but notwithstanding that the conditions had not been observed they decided to pay the full amount of £700. This case is not only vouched for, but it can be verified by the fullest evidence at any time. The company is the Employers' Liability Assurance Corporation, Ltd., Perth Branch, and the manager in Western Australia is Mr. C. H. M. Agg. This affords a complete reply to the statements that are frequently made that insurance companies are anxious and ready to take full opportunity of evading their responsibilities. I claim that the action in this case provides proof that not only are they not anxious to avoid their responsibilities, but that they are prepared to go further and afford greater consideration than the policy itself sets out. Here is an indication of the high moral standard that exists in connection with insurance work.

Mr. Mann: When did that accident happen?

Mr. SAMPSON: The man met with the injury during last April, and 16 weeks elapsed before the insurance company received a claim under the policy. It is only right I should make this statement to the House. The company behaved as companies should behave, and as I believe most companies do behave. They did not take advantage of the condition expressed in the policy. They paid the full amount. It was not a trifling sum, but was one of the largest sums payable under the Workers' Compensation Act. That being so I claim that the commercial community in Western Australia and the private community too, will be well advised to stand up for those insurance companies that provide such protection. There is no

need for intrusion on the part of the Government into an avenue that is so well served already.

Mr. Lambert: You insure with the Manufacturers' Insurance Company, do you not?

Mr. SAMPSON: I do not insure with the Chamber of Manufacturers' insurance department, but the insurance companies give the same discount that the Chamber of Manufacturers permits, subject to the insured being a member of that Chamber. That is generally known. I have never had occasion to complain concerning the treatment I have received from insurance companies. I said last year that the treatment I had received was better than was set out in the policy. There were two previous payments made to me under certain policies, but these were trivial amounts. This particular amount was a large one, and provides a striking commentary upon the high and honourable way in which insurance companies in this State, and certainly the Employers' Liability Assurance Corporation Ltd., treat their clients. I shall oppose the second reading of the Bill.

On motion by Mr. Davy, debate adjourned.

Sitting suspended from 6.15 to 7.30 p.m.

ANNUAL ESTIMATES, 1927-28.

In Committee of Supply.

Debate resumed from the 13th October on the Treasurer's Financial Statement and on the Annual Estimates; Mr. Lutey in the Chair.

Vote—Legislative Council, £1,667.

HON. SIR JAMES MITCHELL (Northam) [7.30]: I should like, before I forget it, to acknowledge the compliment the Premier was good enough to pay me in the concluding words of his speech when he referred to the part I played in connection with the development of our agricultural resources. Since the Budget speech was delivered by the Premier, we have had a visit from Colonel Amery, the Secretary of State for the Dominions in the Imperial Government. I hope his visit will bear good fruit. I have no doubt that Colonel Amery was impressed with what he saw in Western Australia. It was not much, but he could not have seen much more in the limited time at his disposal. He visited Denmark, Mt. Barker, and proceeded to York, Bruce Rock

and round the loop line. I know he was impressed by what he saw. During the course of his journey, he saw many Englishmen who have done very well. Many of those men came from the cities of England and had had practically no experience of farming before they settled on the land here. In the old days, of course, they came out with their families and went straight on the wheat lands. I believe it is a fact that one man at Walgoolan had never seen wheat growing when he went out to do his clearing work. Colonel Amery realised the enormous area of our State and the great value of it in Empire matters. He appreciated how satisfactory is the production emanating from the work carried on by so few people. There are very few of us in Western Australia, but we have done a great deal, and continue to do marvellously in the way of production. I do not know just how our production compares with that of people elsewhere, but I doubt if any other people are producing more real wealth than we are in this State. The great thing that should have impressed Colonel Amery was the fact that there is so little done and so much to do. Colonel Amery knows what the importance of peopling the country means; he knows the need in the Old Country for foodstuffs and he also appreciates to the full the need for Empire development and the peopling of this continent of ours. It is as important to us now as it was in England a hundred years ago, that we should increase our population. In the Old Country a hundred years ago when they had a population of 14 million people, there was some talk about the country being overcrowded. Now there are 45 million people in the Old Land, they should no longer hesitate to help in the work that they know has to be done. Undoubtedly we must build up our population so that we may live here in safety. There is no doubt about it; the most strenuous efforts should be made, before it is too late, to people our country so that we shall have a population adequate to enable us to defend Australia. So long as we have the British navy strong enough, we shall be able to live in safety. We do not know that the Old Country can continue to maintain the two-nation standard, but if she can, it will be all right. We can no longer regard our country as a sort of Piteairn Island, and say that it shall hold just the few who are here. We can no longer shape the policy of Western Australia merely to provide for 380,000 people. There are many reasons

why our population is so much smaller than that of the Eastern side of Australia. I believe that the great reason for it is that much of our country has been misunderstood. We can readily realise that people who landed on our shores at Fremantle in years gone by, wandered about the country a bit without proceeding far inland, and then left our shores altogether, would depart in the belief that the whole of the western portion of Australia was more or less sandy. Fortunately for us there has been a change and the value of this State has been recognised, not only by the people who are living here, but by those who are in the Eastern States and also by the people throughout the Empire. I do not propose to refer in detail to the Estimates. It has been my custom to say all I desired to say in a general statement in reply to the Budget speech of the Premier. We have various departments in connection with which I think it would be advisable to make more than passing comment, and I shall reserve what I wish to say until we are dealing with the various departments to which I refer. The gross production of the State is valued at £27,000,000 which seems to me to be all too little. The total revenue collected amounted to £9,800,000 and I shall show how that position was arrived at. It is interesting to note that 20 per cent. of our gross production is taken in taxation. That fact should make the people hesitate and think. It takes 20 per cent. of all the money necessary to produce the wealth of the State to satisfy our taxation imposts. If a thousand acres of land are cropped, 20 per cent. of the total cost of the work, including the cost of production, has to go out in the form of taxation. The same applies to all other works. That should set us thinking. It has to be realised that the taxation imposed by the State is not the only taxation imposed that the people have to bear. As a matter of fact, the Federal Government collect three times as much as is collected by the State Treasurer. There is indirect taxation as well as direct taxation. Then the local governing authorities have to maintain our roads in a state to meet the change over in transportation from the slow, respectable horses to the fast motor cars. There is a great deal that goes out in the form of additional taxation. The Minister for Works knows the difficulties confronting local governing authorities in keeping the roads open in a condition fit to cope with the heavy motor traffic. The taxa-

tion I refer to means 20 per cent. of the gross production of wealth. That is a serious matter, and the people are awakening to the position. They should endeavour to increase national income and we should endeavour to decrease taxation by every means, by the practice of economy to the fullest possible extent. Every Government likes to meet the wishes of the people, but it is not always possible to do so. Furthermore, it is not always good for people that their requests for public expenditure should be met. There is nothing so likely to retard the progress of the country as heavy taxation. On an average we have a fairly high standard of living, but we can have that only at considerable cost. Our imports last year were valued at £18,000,000 and our exports at £15,000,000. That cannot continue indefinitely. We must pay for our imports either by borrowing money or by sending out commodities that we are able to produce. Fortunately, for us the £15,000,000 largely comes from products representing annual crops. Thus we can send that much away each year, but in addition there must be economy on the part of the Government, our local authorities and the individual as well. That must be practised until the national income is considerably increased. Of course, money that is retained in the State can be used over and over again by means of circulation within the State. It can be made to represent many times over the amount it nominally stands for. But money that we send out of the country merely serves to make one purchase and that is the end of it. Sometimes when I notice the people's banking figures, which amount to something like £16,000,000 and listen to the Minister for Mines when he tells that we have produced 160,000,000 sovereigns. I wonder where the money has gone. We have eaten a good deal of it.

The Minister for Mines. Not the sovereigns.

Hon. Sir JAMES MITCHELL: No, but the sovereigns' worth. We have sent the money away to bring in various commodities that we have required. On top of that there is production that has to be catered for. We would not require to keep the 160,000,000 sovereigns within the State, but it would be a comfortable thing for us if we had £30,000,000 on deposit at the banks. It is difficult to know just where the money has gone. If we have a factory in the country area making £200 worth of butter, we have the £200

within the State and the butter as well. But if we purchase the butter required from the North Coast of New South Wales, we have the butter, but the money is sent to New South Wales instead of being kept here. We can live happily and comfortably enough, but we will not make the progress that is necessary, unless we can export considerably more than we import. In a primary producing country we ought to be able to do that, but the fact remains that large quantities of supplies are imported from the Eastern States. We have to pay for the goods plus the tariff, whatever it may be. I think it is calculated that we pay £2,000,000 more for products purchased in the Eastern States than we would do otherwise. I know the talk about economy is not usually well received, particularly, of course, when for so long the people have been able to enjoy themselves fairly freely. So all along the line it seems we are getting very much more than we used to, but also we are paying very much more than we did. We cannot have a tariff and pay that tax only once on the goods imported. We have to pay a great deal more to transport everything. Everything we do is much dearer because of the tariff, and so everyone must have more money than before if we are all to continue to live on the same scale. However, we have no control over the tariff; if we had we would make a very much better job of it. Our people are leading fairly contented and happy lives, but if it is to continue we must increase our national income. There is no doubt about that. Only by these means can we banish the fear of unemployment, and only by these means can we banish the fear of unprofitable trade in some directions. By trading I do not refer only to the man who brings in materials and other requirements and sells them off at a profit—I refer to trade in our own products. But if I were to make a choice of the many things I should like to do to help this country it would be to banish for ever the fear of unemployment. That is certainly one of our principal tasks when we are considering the Estimates. It is not possible for any Government to do all that can be done in this direction. It rests upon the work of many individuals in many directions. We want this work properly directed, properly influenced. It cannot always be controlled, but everyone can help to bring a state of affairs in which there will be no fear of unemployment. I want to say to the Premier again, as I have said before, that the

party for which I speak is more than willing to co-operate with the Government at any time in any matter that is for the good of the State. Unfortunately, apparently there is no chance of doing away with the party system. In England they have been trying for 200 or 300 years to accomplish it, but without success, and there seems to be no chance of breaking away from it. However, anything that can be done to co-operate with the Government in any work to assist the people of the country, this party, I can assure the Premier, is perfectly willing to do it. The Premier's Budget and every other Budget leaves in the minds of the people a great deal that is difficult to understand. I am certain no one can understand how it is that from the production of twenty-seven millions of wealth, we can take £9,877,596 as the State's revenue. I do not know that it would not be well to entirely alter our system of preparing the Budget. Of course, it would be a little difficult to change over, and it would be so easy to be misunderstood. I do not know why all parties should not get together and resolve upon changing the system. It must be shocking to wake up to a revenue of £9,877,596 and yet find so little done with it. Of course, it is quite impossible to accept it all as revenue. The truth is that 53 per cent. of this amount represents the gross cash earnings of the public utilities and is not revenue at all. It costs as much to earn as it repays. That 53 per cent. has to come off the revenue, for it represents services rendered, good value given for the money we get. Then 13 per cent. represents transfers, really cross-entries, interest paid month after month and interest collected as a recoup at the end of each half-year. So we find that 66 per cent. of this £9,877,596 must be written off as something that is not revenue. The only real revenue is 34 per cent. of the gross amount, and even then there are some deductions over which the Premier has no control. That 34 per cent. represents £3,240,825 and that should be the amount set before the public as the revenue, a very different thing from £9,877,596. When the people see this larger amount they naturally think we can do a very great deal for them. Some of this £3,240,825 has to be used to make good the shortages in earnings under some of the headings making up the 66 per cent. But the proper economical and effective use of real revenue is our mission to-night. We can and naturally will criticise some of the management connected with the earning

of this money, apart from taxation. Our interest and sinking fund bill amounts to £3,489,308. Of that, the investments earned directly £3,025,846, leaving to be charged to revenue £463,462. That £463,462 is not all charged against taxation. Some of it comes from investment in one way or another, something, if not very much. However, it is this amount that has to be watched, for it has been in connection with earnings of this invested money and the cost of it that we have encountered trouble in the past. It is because of this we have had deficits. The deficits have been almost entirely due to the fact that our business concerns and public utilities during wartime and for years afterwards did not earn sufficient to pay their way, including interest. So this £463,462 is this year a little greater than it was last year, and it is here that the Premier requires to be watchful to see that this invested money does carry its load. Since we have given up our right to indirect taxation there is no means of recovering losses of this kind, or at all events no easy means, particularly if, as I think the Premier will agree, 20 per cent. of gross taxation is heavy. So I do not see where we can recover if by any chance we lose any considerable sum in our public utilities. Salaries and wages paid by the Government are fixed by boards and tribunals, and so the Treasurer has no control over that expenditure, which represents a very considerable amount. We are therefore reduced to the criticism of the few items and the management generally of our finances. I know that such criticism will for the most part fall on deaf ears; because if there is one thing the House dislikes it is finance in detail. It is a pretty dry subject and although it is in itself government, still it is not a wildly exciting theme, nor one that appeals very much to members. Yet they have to face the music and endeavour to get behind this question, particularly since we have to deal with the Financial Agreement very shortly, a document that will affect the finances of the State one way or the other for the next 57 years. Everybody, even those sitting behind the Government, are ready to demand that our finances shall be well managed by Ministers. I think also that members demand that there shall be absolute frankness in the preparing and submitting of the accounts, which are really accounts of the Governor's stewardship. There are a few items to which I take exception and which I think ought to be questioned. Under the migration agree-

ment we are getting money at 1 per cent. We have had £2,250,000 up to the end of last year. For that we are paying 1 per cent., or £22,500. The amount charged up to group settlement is at the full rate of interest, the rate we pay on ordinary loans. That represents about £104,000, but the balance should be credited to a special account to cover losses and should not be taken into revenue, for it is not revenue. As a matter of fact, the interest is not collected, but is debited up to the work. All work should be debited up with a proper rate of interest. It is right in the case of railway construction that we should charge just what we pay for the money, that the money should go back into revenue, but where we are collecting more than we pay, an amount should be set aside, particularly when we know that we must make considerable losses. We have borrowed already at this low rate £750,000 in December of 1923 and £1,500,000 in 1926. Possibly a quarter of a million in interest on this money has been paid into revenue since those dates. The Premier has set aside £150,000 which may be used to restore his position, and I hope he will treat another £350,000 in the same way when he gets his agreement through. I do not think the Premier mentioned in his Budget speech just how the suspense account in respect of soldier settlement stands at the moment. However, we shall get that when we get the Auditor General's report. Now I wish to say a few words about group settlement. For all mismanagement of the wheat belt settlement I have always been held responsible to the full, and I suppose I shall be held responsible for a very long time to come for all that happened in relation to the group settlement scheme. I do not object. I happened to be in office when the wheat land in the back country was settled and I was held responsible. I was responsible for the inauguration of group settlement and I do not mind being held responsible for all I had to do with it. But group settlement depends firstly upon the land, secondly upon the settler, and thirdly upon the Minister, and so whoever happens to be Minister must be held responsible.

The Minister for Lands: If the land is not there, and the settler is not right, the Minister can do nothing.

Hon. Sir JAMES MITCHELL: I think the success of group settlement depends upon the land, the settler and the Minister in that order. I have been told ten thou-

sand times that I as Minister was responsible for land settlement. The Minister cannot make the land but he can misjudge it. The trouble lies not with the land at all; it is the expenditure. In the old days we were told that we settled land that was unsuitable for wheat growing. A few blocks were unsuitable and the people who had them were transferred to better blocks, but there were very few of them. Those were the days of cheap wheat. Since then conditions have changed. Not so long ago, when we were building railways through wheat country, we carried them almost from good arable to good arable. If we are laying down railways to-day we adopt a route as nearly straight as possible because, with the increased price of wheat, a good deal of land that could not be used when wheat was 3s. 6d. a bushel can be used now. The whole position in the wheat belt has changed owing to the higher price of wheat. If a man puts wheat into his barn at 5s. a bushel he cannot sell it at 4s., any more than a draper can take a coat into his shop at 20s. and sell it for 15s.

The Minister for Lands: I think you will find that 90 per cent. of the clients on the Industries Assistance Board are on poor land.

Hon. Sir JAMES MITCHELL: A great deal of that land was settled when the Minister's friends were previously in office. During the drought year the land yielded good crops and the people were encouraged to take it up. Still, it does not matter when it was settled. There are not so many of the old settlers still on the Industries Assistance Board. As to those who are still on the board, it may be due to the men or it may be due to the land: probably there are several reasons why they are still on the board. Dealing with group settlement the trouble is not so much the land as the expenditure. The Minister told us that 500 group settlers had to be moved to other blocks. Some of the people who had notice to move do not seem too keen to go. However, if their blocks are unsuitable they must be put on other blocks.

The Minister for Lands: You would not attempt to take on one of those blocks yourself, and you know that land.

Hon. Sir JAMES MITCHELL: I do not know what the Minister is talking about.

The Minister for Lands: The land in the Peel Estate and in the Busselton area.

Hon. Sir JAMES MITCHELL: I did not select the land, but anyhow I would not take the Minister's judgment.

The Minister for Lands: But I would take your judgment.

Hon. Sir JAMES MITCHELL: The point is I believe in the South-West. It is not only the land that counts in production; the climate also counts and the climate perhaps more than the land. I believe that land was never more carefully selected than for the group settlement scheme, because it was selected by a special official, surveyed, and settled.

The Minister for Lands: That is not correct. A lot of settlers were here before the land was ready for them.

Hon. Sir JAMES MITCHELL: I shall not allow the Minister to say that my statement is not correct. Someone has said he is wiser than wisdom who knows that he does not know. The Minister would do well to remember that. I have not had charge of the scheme for $3\frac{1}{2}$ years, and many of the blocks that have to be abandoned were settled after I left office. The Minister can speak of those blocks but he cannot speak of the method of selection while I was in charge. In 1922-23 there were 1,278 settlers and the expenditure on group settlement was £502,579. In 1923-24 there were 2,296 settlers—the highest number we have had—and we spent £818,972. I was not in control during the last $2\frac{1}{2}$ months of the year 1923-24. When the expenditure totalled £1,321,551 there had been cleared 21,613 acres, ploughed 16,625 acres, and put under grasses 1,184 acres. Those are the figures Mr. Angwin gave and I think the present Minister said it cost £60 to £90 per acre to grass the land. He admitted that the figure was wrong and that he would correct it.

The Minister for Lands: I did correct it in "Hansard."

Hon. Sir JAMES MITCHELL: No one sees "Hansard." It went out to the public that the cost of grassing the land was £60 to £90 an acre.

The Minister for Lands: I am prepared to make any correction in the House, but it does not alter the position that the settler has to carry the liability of the acreage.

Hon. Sir JAMES MITCHELL: I am speaking of the work done to the end of 1923-24 when the expenditure totalled £1,321,551. More than half of the work of clearing 25 acres on each block had been done up to that time and a great many of the houses had been erected. A good many of the settlers were growing crops before I left office in 1924. Mr. Angwin often visited the

group settlements with me at that time. In 1924-25 the expenditure was £983,951, in 1925-26 it was £1,197,714, while last year it was £1,428,486. This is the astounding part that last year's expenditure represents an average of £698 per settler. I was told in my time that the sustenance allowance of 10s. per day was far too liberal and would be too great for the scheme to carry. If we deduct the full 10s. per day, or £156 for the year, from the £698 average for each settler, we have £542 per settler spent on other things. I believe all the cottages were erected prior to last year.

The Minister for Lands: All the cottages have not yet been erected.

Hon. Sir JAMES MITCHELL: Practically the whole of them were erected.

The Minister for Lands: What is the good of talking that stuff? Sustenance was paid but no machinery or stock was purchased.

Hon. Sir JAMES MITCHELL: What is the use of the Minister talking such stuff as that. He can have his say afterwards. I am explaining how much was actually spent and what was done for the money. Was I responsible for spending £698 on each group settler last year? Of course not. I shall not take any responsibility for the last $3\frac{1}{2}$ years.

The Minister for Lands: Neither shall I.

Hon. Sir JAMES MITCHELL: Of course not. The Minister will take no responsibility for what happened yesterday.

The Minister for Lands: Yes, I shall; I am doing it.

Hon. Sir JAMES MITCHELL: Then the Minister is doing it badly. We have spent altogether £4,863,100, and about £66,000 has been paid off. Of this £1,100,000 was spent in my time and I think we got value for it. The £1,428,486 spent last year may include other things than work on individual blocks; I do not know. The wheat belt blocks were not charged with the cost of railways, or roads, or anything of that kind. Whether in the £1,428,486 is included the cost of the Norseman-Salmon Gums railway I do not know, but it is utterly impossible that each group settler could have drawn £698 last year. If the Government bought 12,000 cows they would spend well under £200,000 on them. If they bought State implements for the groups they would know what they paid for each implement. The Government could not spend on 2,048 group settlers more than £50 each for implements and drays, and that would amount to £100,000. In 1924-25 there were 2,229 settlers; in

1925-26, 2,244; and in 1926-27, 2,048. If we take all the cattle, horses, and plant purchased to date it would not be possible to spend a great part of £1,428,000 on them. It would be utterly impossible to spend anything like £698 on each individual farm inclusive of the £156 sustenance for the year. Therefore if the gross expenditure does include other work, we ought to be informed of it. At any rate, the Government cannot go on spending £698 a year on each of those blocks. There is no doubt about that. It is the highest amount by a long way expended in any one year. It will be found that most of the cottages were erected before last year. When the clearing was done, the big expenditure, apart from the purchase of stock, was over. I cannot understand how the Government could have spent all that money. It could not have been spent on the individual blocks. Some of the settlers were ready to farm their blocks years ago. It is useless for the Minister to argue that some of the land is no good. It is not the land, but the expenditure that is the trouble.

The Minister for Lands: Tell us how it is not the land. Why don't you go down to the Peel Estate and tell those fellows how stuff can be grown there?

Hon. Sir JAMES MITCHELL: I did not think the Minister needed advice from anyone.

The Minister for Lands: Deal with the Peel estate, and tell us what happened there.

Hon. Sir JAMES MITCHELL: Why does not the Minister tell us?

The Minister for Lands: I have told the settlers that it cannot be done.

Hon. Sir JAMES MITCHELL: If the Minister says it cannot be done, most likely it can be done. I listened quite calmly to the Minister while he was making his statement. I have not been in charge for 3½ years and I do not know the particular block to which he is referring. At any rate I am not replying to the Minister's statement. I am putting up my statement of the facts.

The Minister for Lands: That is not fair, because all the time Mr. Angwin was here, you applauded him for what he did.

Hon. Sir JAMES MITCHELL: I am not saying anything about Mr. Angwin or what he did. I have had nothing to do with group settlement for 3½ years. Undoubtedly the Minister in his statement tried to make me responsible for all the happenings. I am not even criticising. If the money has been spent on railways, roads and other things, then it is not properly chargeable to each block. I hope the Premier will be able

to tell us how the money has been distributed. Has the Norseman-Salmon Gums line been built from this fund? I understand some of the wheat blocks in that district are to be given to British settlers. We ought to be told whether that is so. The public ought not to be informed that the £1,400,000 has been spent on group settlers when it has been spent, and legitimately spent, on migration. Has the Minister settled the miners at Southern Cross and not, as was intended, in the district between Norseman and Salmon Gums? If, as I understand, it is the intention to give one-half of the blocks on the area in question to British settlers, the public ought to be told so. In my opinion our wheat lands should in the first instance be reserved for our own people. The public are entitled to explanations on these points, and the position should be made quite clear. Under the migration agreement we are to get ten millions for settlement and work, and on all this money there is a rebate which means about £3,850,000, which is to be used to cover losses. We get a rebate on money used for railway construction as well as on money advanced to settlers, and it is an enormous allowance. With all due respect to the Premier, I consider that we ought to hurry up and use the money. To-night I have been at some pains to show that our national income should be increased. We spent some £6,000,000 in settling soldiers on the land; but those soldiers have increased the national income, and thanks to that fact we have been able to get near squaring the ledger. Thank God the work of soldier settlement had to be done quickly; and in settling the soldiers quickly, we brought the State into a sound financial position. This money, I repeat, ought to be used with the least possible delay. Migrants now coming here in numbers must go to the South-West because to-day we can only offer wheat land that is fairly good, land that can be safely used. Tremendous numbers of our own people want land, and they are entitled to get it before other people. People who have been here for some years, and certainly sons of our farmers, and for that matter sons of our townspeople, have a first call on our wheat land; and they will utilise it, although admittedly it is difficult to induce our people to go in for dairying and close cultivation. There was a fearful outcry when it was announced that half of our wheat lands were to be given to migrants. If we have wheat land that our own people do not require, certainly let it

go to the migrants. It will probably be found that something like 5s. per bushel will be obtained for our wheat this season, in which case we shall be able to use lands which could not be looked at with wheat still at 3s. 6d. On the other hand, if wheat falls to 3s. we shall have to produce twice the crop we had last year. As regards the South-West, we must develop that territory just as we have developed the wheat belt. After all, is it not a fact that though wheat has gone up in price, so has butter, and so have potatoes, and all sorts of produce, including bacon, eggs and so forth? These foods can be grown profitably in the South-West, and they must be grown to feed our people. We send away millions annually for foodstuffs, and we should produce those foodstuffs ourselves. During the last 30 years Western Australia ought not to have bought a single onion, or a single potato, or even one pound of butter. We must produce our own food. It is not good that we should live on the products of land no better than ours, and in fact not as good as much land in the district of the member for Albany. Money we send away for butter remains in the East, and is lost to us for all time. The improvement in the financial position of the State is due to the fact of our settlers having produced so much. We shall endeavour by every means in our power to open up the country between here and Albany. I am of opinion that that country is just as wonderful in its way as are the wheat lands in theirs. I own that many people do not agree with me, but probably I know as much about it as anybody else in the Chamber. The group settlement idea was devised to overcome the difficulty of development in the South-West. Group settlement has been described as the only way of doing that work, and I believe it is. In my opinion we can, with economical management, settle tens of thousands of people in the South-West under this scheme. Certainly we can settle ten times as many people there per mile of railway as in other parts of this country of immense distances. The towns that must spring up as the result of South-Western settlement will absorb considerable numbers of people and show a profit to us all round. I do not know why we should not proceed with the development of the South-West hand in hand with the development of the wheat belt. Not by bread alone doth man live, and there is no reason why he should do so. The South-

West is the land flowing with milk and honey, but the cow has to be milked. Is it not our duty to handle the situation? As to gold mines, we have a claim at Wiluna, just beyond the electorate of the member for Cue. When I was in office the promoters of the mine were given a letter stating that if their tests resulted satisfactorily—our own Mines Department said the mine would be a good one and could do profitable work—a railway would be built. The present Premier upon entering office confirmed that promise. The line will be built. We do not hesitate where a gold mine is concerned.

The Minister for Mines: The company have spent £176,000 on the mine now.

Hon. Sir JAMES MITCHELL: A great deal more will have to be spent. Of course, the mine will not be worked as long as a potato patch in the South-West. We ought to be thankful that we have this new country to develop, and we should not shirk the work. The time has gone by when we should doubt the value of South-Western land or hesitate to develop it. I remember when it used to be said that in this country wheat could not be grown. We can and do grow wheat. It was also said that Western Australia could never grow apples. Codlin moth apples from the East were let in because of that cry. As a consequence, codlin moth apples got into the metropolitan area and ruined the fruit trees there. Never before in the history of Western Australia has this State had money for development purposes over a period of five years at one per cent. Can we not screw up the energy to use that money? We shall have to see about it. I do not know that I need dwell upon that subject much longer; I shall have another opportunity to refer to it when the Lands estimates are being considered. I am glad to see that a number of surveyors are at work classifying land and cutting up areas for settlement. I hope we shall be able to make available considerable areas east of the rabbit proof fence towards the coast, between Salmon Gums and—

The Minister for Mines: Newdegate.

Hon. Sir JAMES MITCHELL: No, higher up than that—that stretch of country south of the railway towards Bruce Rock. We should be able to find good country there, but I do not know how much. A good deal of it was inspected in my time.

Mr. Lindsay: You will want more railways when you speak of country south of Southern Cross.

Hon. Sir JAMES MITCHELL: I am talking about new land. In the country north of Ejanding, Pithara and Dalwallinu, surveyors are at work. For over 40 miles from Ejanding the land has been practically all taken up. Even beyond that I know that a great deal of land has been taken up, and when the line runs from Moolering east, a good deal more land will be made available. I hope the whole of that country will be surveyed and that the land will be thrown open for selection. Of course, we shall have to prepare to build more railways. Last year the Premier debited "Miscellaneous Services" with £150,000. On account of the interest held in abeyance, this year the amount is £350,000. Of course we know that no services at all have been rendered. We find also the item "Savings Bank, sale, £40,000." When we come to that I shall have something to say about it. With regard to the suggested new Government offices, I hope we shall not do anything until we can face the question in a comprehensive way. I mentioned this afternoon that last year the contribution to the workers' insurance fund, paid by the railways, was £13,000, while for the year it is expected to be £28,500. The responsibility, therefore, must be much greater. There is another extraordinary happening in connection with public utilities. It is a question of management, and the utilities I think are managed well. I doubt whether the railways could be better managed than is the case at the present time. Generally speaking, the people in charge of our business concerns are doing excellent work. The loss in 1922-23 was £507,009 on the public utilities. That came down in 1923-24 to £23,709. The earnings of all the public utilities went up by £498,000, and the loss was reduced by £484,000. The deficit in the year 1921-22 was £732,000. In 1923-24 the deficit was £229,000 and part of that was the £23,000 loss on public utilities. Then we come to the next three years. The £582,000 represented the increased earnings of the public utilities and the loss was greater by £1,000 than for the year ended the 30th June, 1924. It is a serious matter, when we come to think of it, that the improvement was not continued. The earnings increased but the result was worse. There is something wrong about that. It is in connection with these concerns that we have to be mighty careful, otherwise our revenue must go to the bad. It was due largely to the loss of trade during the war and the after-

math of the war, that we had these losses and the deficit.

Mr. Kenneally: It was not due to the Government of the day.

Hon. Sir JAMES MITCHELL: It was due to the Government of the day that the result was so good in connection with the trading concerns in 1923-24. I am much obliged to the hon. member for reminding me of that. It is due to the present Government that there has been no improvement since then.

Mr. Kenneally interjected.

Hon. Sir JAMES MITCHELL: They got rid of me because they did not like my colour; I was not quite red enough.

Mr. Rowe: You are redder now.

Hon. Sir JAMES MITCHELL: I hope that the member for East Perth will see that the result of the last few years is not satisfactory. The sinking fund on the trading concerns comes to £1,500,000. That naturally takes some earning, but it is due to the influence of the Government that the result has not been quite as good as in the days of my Government. It is a wonderful thing when the earnings of the railways have, in nine years, more than doubled. This increase has been due entirely to the wonderful activity displayed by the people in the country, an activity that has brought about increased production. Not only do we get freight on wheat, but trade follows the crops, and it is an enormous advantage to railway system. I hope that in the next nine years the result will be as great. Without production we cannot have these earnings. I do not suppose any other part of the Commonwealth can show anything approaching it. When we get a crop of over 30,000,000 bushels, it means some trade. I hope we shall go beyond that this year, and there seems every prospect of our doing so. May I for a few moments deal with the sinking fund as it affects the deficit. We have created a deficit of £6,280,000; we have paid £4,380,000 of that into the sinking fund. We paid interest on the amount, too, from 1911 to the present year, so that the contribution to the sinking fund and the interest paid on the sinking fund, which has gone into the hands of the trustees, is greater than the deficit. If we had financed as the other States have financed, we should have had no deficit at all. Wherever we go we hear about the Western Australian deficit, but we hear very little about the sinking fund. The total accretions to the sinking fund

since 1911-12 when the first deficit occurred, represent £9,000,000 as against our £6,000,000 deficit. During the war and in the years after the war whilst we were re-establishing the country, there was no possible chance of paying to the sinking fund to meet the charges and interest and sinking fund on our great investments. Therefore we are very lucky to have been able to put aside £9,000,000 while we were creating a deficit of £6,000,000, and whilst the Treasurer in his balance suffers because of the payments to the sinking fund, there it is, the property of the State.

Mr. Griffiths: What is the amount of the sinking fund to-day?

Hon. Sir JAMES MITCHELL: It is something over £9,000,000.

The Premier: It is £9,000,000 odd.

Hon. Sir JAMES MITCHELL: The total sinking fund after paying off the 2½ million pounds on the Coolgardie water scheme on the 31st March was £8,756,000. It is over £9,000,000 to-day. That has all accumulated since 1911.

Mr. Griffiths: I ask because it was referred to in another place as £11,000,000.

Hon. Sir JAMES MITCHELL: It was over £11,000,000 before we paid off the 2½ million pounds early in the year. All the States of the Commonwealth combined have not a sinking fund of £11,000,000. Last year the loan expenditure was £4,113,000. Practically 48 per cent. of that was used for agricultural purposes. That includes £1,428,000, money spent under the migration agreement. I doubt if it represents money spent on advances to farmers. I believe it refers to money spent on railways, but we shall find that out. The Agricultural Bank had very little money last year because money is being repaid from old loans. It would be better if the people who own land and owe the bank money cleared further areas after paying their interest, than that they should repay what they owe to the bank at this stage. It only means that they will come to the bank for further advances for clearing. This clearing not only produces work for the moment, but produces permanent work. There is always work to do once the land is cleared. I hope that the authorised railways will be actively undertaken. There is the line to Yorkrakine, in which the member for Avon is interested. I hope the line in which the member for Toodyay is interested will be built. Then there is the Dale River line, the line between the South-

Western and the Great Southern railways, and the other lines that have been authorised. I think altogether about 500 miles of railway have been authorised, and it would cost about £2,000,000 to build them. I should not hesitate to build them. It would be money well spent. Out of the £4,000,000 authorisation the Premier could not do better than spend £1,000,000 on the construction of railways. The great need of the world at the moment is for new railways to be built. Railways have not been built about the world much since 1914, with the result that land has not been developed. Our opportunity has come for the settlement and development of land, but this cannot be done without railways. We can and should build these lines without any delay, particularly the Yorkrakine and Dale River railways, and railways that will open up new territory such as the Boyup Brook-Cranbrook and the Bridgetown to Mt. Barker railway. I have already referred to the Wiluna railway. I am sure that will be fully justified. I am not going to refer to mining to-night. We shall have an opportunity of dealing with that later. The Minister had better be prepared for criticism. Unless something definite is done, we shall have to turn the Government out.

The Premier: Do not be rash.

Hon. Sir JAMES MITCHELL: I know I shall have the support of the member for Menzies, the member for Cue and three or four others on the opposite side of the House.

The CHAIRMAN: The hon. member is not in order in making threats.

Hon. Sir JAMES MITCHELL: I am not making threats. I am endeavouring to show the Minister how wise three or four members sitting opposite to me are, and that they are likely to support me.

The Minister for Mines: I do not think you will get men who are interested financially in mining to turn me out.

Hon. Sir JAMES MITCHELL: I dare say the Minister knows better than I do about the people who are financially interested in mining. We are paying under the Workers' Compensation Act. If he gives them all they want, of course they will keep him in office. If he has money to spend and gives them all they want, they will wish that he should remain where he is. The best thing the Minister has is the good opinion he holds of himself. He may not have very much cash, but he has that good opinion of himself.

The Minister for Mines: It is a good asset.

Hon. Sir JAMES MITCHELL: If he were a little more modest, I should say he was perfectly justified in holding that opinion. He has spent a great deal of money on mining without producing any results. We and the rest of the people will want to know what results he has to show.

The Minister for Mines: I am pleased to be able to say that the results are better than they have been for the past five years.

Hon. Sir JAMES MITCHELL: That was not so yesterday.

The Minister for Mines: Yes, it was.

Hon. Sir JAMES MITCHELL: The Minister is not paying workers' compensation premiums for all industries. He is not paying it for the timber industry and others. Of course he will get a lot of support if he is paying the whole of the gold-mining premiums.

The Minister for Mines: I am not doing so. It is only in the case of the Third Schedule I am doing it.

Hon. Sir JAMES MITCHELL: The Minister is so emphatic. He is wrong in this case, as usual.

The Minister for Mines: If you can tell me that there are mining diseases in the timber industry, I will admit you are right.

Hon. Sir JAMES MITCHELL: The Minister is wrong. I do not know that I need deal further with the Lands Department. I have already expressed approval of the fact that surveyors are out at work, and I hope they will be able to survey a great deal of land. I believe it would be better if some of our miners who are suffering from phthisis were put on to sheep propositions where the work would be very much lighter for them. I thought years ago when we first spoke of protecting the miners that this would be done. In the Great Southern district there is land to be had for sheep raising at a fairly cheap rate, and these men could be placed in a position there to help themselves. I doubt if they would be strong enough to clear the land or to farm it as our wheat farmers do. This side of the House is willing to afford any assistance to those people. If I can be of any help I shall be only too willing to give it. It is better to place them in a position to earn their own living than it is to pay them from any fund, as we shall be doing month by month. A great deal can be done for them without any great cost ultimately to the State. If we can select the

right places whereon to settle them, taking into account the varying state of the health of the men, we cannot do better than adopt this principle. I hope that work will not be made a party matter. I now wish to refer to the long service leave in connection with the railways. What has been done? On the Estimates must be found an amount to cover the cost of this long service leave. It is provided for by vote. I understand we are not to face the question of fixing the long service leave definitely in this House, but that an agreement is to be registered in the Arbitration Court to last for three years. That seems to be unsatisfactory. I believe this House will unanimously approve of the principle of long service leave. It would be very much better if the cost of the leave could be converted in some way into a retiring allowance. That would be very much better for the men and the State. It will not be long, I think, before they ask for this to be done.

Mr. Withers: Why did they not ask for it in the first place?

Hon. Sir JAMES MITCHELL: They were badly advised.

Mr. Withers: They advised themselves.

Hon. Sir JAMES MITCHELL: The country has voted twice on the question. The people concerned were promised long service leave in 1924. It was part of the policy of the Government. They did not grant it, but in 1927 the men again voted for the Government who had promised it.

The Minister for Mines: And on both occasions you and your party opposed it.

Hon. Sir JAMES MITCHELL: I ought to ask the Minister to withdraw that statement. We would have to spend endless hours listening to the withdrawals of the Minister if we asked him to withdraw every time he was wrong. He is wrong in this case.

The Minister for Mines: You and every member of your party voted against it.

Hon. Sir JAMES MITCHELL: And every member of the Minister's party voted for it but did nothing. After 3½ years they have not done a tap. They bought the votes of some railway people twice in connection with the matter, and even now they have not got what they were promised. I can tell a tale about one of the Minister's supporters. I was introduced to him. When he heard I was from Bunbury he thought I was the member for Bunbury. Of course I apologise to the hon. member for the mistake. He said, "Shake them up, they will

not give us our long service leave. I voted twice for them to give it to us, and now they are not doing so." I replied that I certainly would shake them up.

Mr. Withers: I shall have to make a noise about it, too.

Hon. Sir JAMES MITCHELL: I want to answer the emphatic Minister for Mines, who always knows everything and is never wrong. I told the people at Northam that the promise already made to railway men that they would get long service leave should be honoured, and that I thought the best way of carrying out the promise would be to add the cost of the long service leave to the retiring allowance. I told them that at Northam and throughout the country during the last election. I hope the Minister will apologise and be more careful in future. It is the way of the inexperienced to contradict.

The Minister for Mines: You must have been terribly misrepresented.

Hon. Sir JAMES MITCHELL: Yes, by my opponents.

The Minister for Mines: No; by the Press, and by members of your party, and by your own speeches.

Hon. Sir JAMES MITCHELL: I do not think the Minister ever read a speech by anyone except himself. The hon. gentleman gets annoyed by my references to long service leave. He says it was not the promise of long service leave but the promise of State insurance, given in a whisper, that brought back his party to office.

The Minister for Mines: And you are opposing State insurance.

Hon. Sir JAMES MITCHELL: The Minister makes everything a party question. I am endeavouring to impress upon him that there is a right and a wrong way of granting long service leave. The necessary amount does appear on the Estimates, and when the Estimates are passed the necessary amount will be provided. But if there is to be long service leave, it must be continuous; it cannot be fixed up for three years, and then for another three years. No doubt it would be splendid to be able to say at a general election, "If you put the other fellows in you won't get long service leave."

The Minister for Mines: Are you afraid that you will get back next time and that your party will insist on long service leave?

Hon. Sir JAMES MITCHELL: Some hon. members, when they interject, give themselves away. The Minister has disclosed

the object in making a three-years agreement and not fixing up the matter of long service leave permanently. He will say that if he gets back the men will get long service leave. The present method of handling the question is an absolute disgrace, and I should think the men must feel highly uncomfortable about it. I hope that before the next election they will say they are ready to accept a retiring allowance in some shape in place of long service leave. In any event, the people have said the men should have long service leave; and therefore the men must get it. If it is something to be kept dangling before the men at elections for the next 20 years, that is another matter. I believe, however, that the men will understand what that means. At present I have no more to say on the Estimates: we shall have the departments, and shortly thereafter the Loan Estimates. We are facing a great opportunity of developing our country. There are 10 millions of money at a very cheap rate available to us. Undoubtedly we have land awaiting development, and we can get people from the Old Country to fill up some of our vacant spaces. If we are to live safely in this country, we must have a definite migration policy. I know we cannot introduce migrants while we have unemployed, but we are bound to have unemployed until we do bring in numbers of migrants for land settlement and thereby create work throughout the State. We have a responsibility to the people of this State and to the people of Australia, and we ought to see that development is not retarded, but encouraged until all our lands have been turned to profitable use. What would this country be to-day were it not for our wheat production? Why should we be content to take 20 millions annually from the soil of this country when the amount, with but a slight increase in the public debt and with 200,000 people added to our numbers, might easily be three times 20 millions? It is necessary for the Old Country to send people to the Dominions, and it is our duty to take some of them into Western Australia. We have the opportunity and we have the room. We can utilise those people. It is only a matter of proper organisation here and of proper organisation in England. With a right handling of the situation we shall change the face of Western Australia not only for the people who come to it but for all the people who are in it. Western Australia can be made the best place on God's earth for the worker and for

all classes; but work and organisation are needed towards that end. Let men and money be applied to our soil, and all will be well. Are we longer to treat this country as if we were not responsible for its settlement and development, as if we had no responsibility to the people? Children yet unborn will have the right to ask whether we did our duty so that they might possess a white man's country. I hope we shall not make the development of Western Australia a party question; I sincerely trust that we shall come together in this great work, and that it will be done, and done very soon.

Progress reported.

House adjourned at 9.11 p.m.

Legislative Council.

Wednesday, 19th October, 1927.

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

QUESTION — MILK SUPPLY, CHILDREN'S HOSPITAL.

Hon. A. J. H. SAW asked the Chief Secretary: 1. Has the dairy herd at the Claremont Hospital for the Insane, which supplies the milk to the Children's Hospital, recently been submitted to the tubercular test? 2. On what occasions has this herd previously been tested? 3. Will the Minister lay on the Table of the House the files relating to these tests? 4. Will he lay on the Table of the House the American Journal of Public Health for 27th August, Vol. 17, No. 8, now in the possession of the Health Department?

The CHIEF SECRETARY replied: 1, Yes; following the usual practice animals showing clinical signs were isolated and submitted to the test. 2, On the 12th May, 1922; 27th March, 1925; 24th June, 1926; 5th July, 1926; and 27th July, 1926. 3, The file will be made available for the perusal of the hon. member if he desires at the office of the Minister for Agriculture. 4, Yes.

BILLS (2)—THIRD READING.

1, Forests Act Amendment.

2, Stamp Act Amendment.

Passed.

BILL—ELECTORAL ACT AMENDMENT.

Second Reading.

Debate resumed from the previous day.

THE CHIEF SECRETARY (Hon. J. M. Drew—Central—in reply) [± 36]: In an early stage of his speech, Mr. Harris said: "It is quite possible that an amendment to the Federal Electoral Act may be introduced in the Federal Parliament at an early date, and the State Government should be quite sure that in that amending legislation there will not be something that will conflict with anything we may do." The Government are aware that such a Bill has been introduced into the Federal Parliament and, as the result of special inquiries, the Chief Electoral Registrar has ascertained that it does not in any way alter the present procedure in regard to enrolments or objections, so that the position is not affected by this happening. Regarding the reconciliation of boundaries of Federal divisions and State electorates, the importance of this matter was fully stressed when I moved the second reading of the Bill, and I then made it plain that it is anticipated there will be an alteration in the State electoral boundaries before the Commonwealth undertakes its next redistribution scheme.

Hon. E. H. HARRIS: It was not made too plain then.

The CHIEF SECRETARY: I hope I shall not be misunderstood. This does not imply that we will alter our boundaries to suit the present Federal divisional boundaries as, with our fifty districts and their five divisions, we will, of course, give more attention to community of interests than to actual numbers. Our rapidly-developing