

A committee, consisting of the Minister for Railways, the Minister for Lands, and Mr. Mann, drew up reasons for disagreeing to certain of the Council's amendments.

Reasons adopted and a message accordingly returned to the Council.

### ADJOURNMENT—SPECIAL.

#### THE MINISTER FOR LANDS (Hon.

W. C. Angwin—North-East Fremantle) [10.55]: I move—

That the House at its rising adjourn until 3 p.m. to-morrow.

Question put and passed.

*House adjourned at 10.56 p.m.*

## Legislative Council,

*Wednesday, 15th December, 1926.*

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The PRESIDENT took the Chair at 3 p.m. and read prayers.

### QUESTION—RAILWAY, NORSEMAN-SALMON GUMS.

Hon. J. CORNELI, asked the Chief Secretary: 1, When was the Norseman-Salmon Gums railway commenced? 2, When is it expected to complete that section? 3, Are the funds for the construction of the railway subject to the special

loan terms of the Commonwealth migration agreement, i.e., one per cent. interest? 4, If not, what are the terms of the loan?

The CHIEF SECRETARY replied: 1, 1st November, 1925. 2, Rails are expected to be through early in February, 1927, and the section complete by the end of June, 1927. 3 and 4, This has not yet been finalised.

### QUESTION—KING'S PARK, MOTOR TOLL.

Hon. H. SEDDON, for Hon. E. H. Harris, asked the Chief Secretary: 1, Has the Governor-in-Council, on the recommendation of Cabinet, approved of the dark-age toll system being imposed by the King's Park Board on vehicles entering the park, it being a Class A reserve? 2, Under what authority has such power been exercised? 3, Do the Government intend to approve of the application of the toll system at Point Walter and similar Class A reserves? 4, Are the Government satisfied that they have legal power to impose such a toll charge on a Class A reserve? 5, If so, does legal power exist to impose a toll charge on pedestrians in a like manner to the charge on vehicles?

The CHIEF SECRETARY replied: 1, By-laws of the King's Park Board imposing a license fee have been approved by the Governor in Executive Council. 2, Under Parks and Reserves Act, 1895. 3, Requests from controlling boards would in every instance receive consideration. 4, Yes. 5, Yes.

### QUESTION—SANDALWOOD, REGULATIONS AND PERMITS.

Hon. H. SEDDON asked the Chief Secretary: 1, Have the Government renewed the permits to remove sandalwood from Crown lands? 2, Has any allocation of orders been made to pull sandalwood for the year 1927? 3, If so, what number and for what quantity? 4, Have the permits and orders been issued under and subject to the existing regulations? 5, In what respect do the existing regulations differ from the regulations of 1923, which, on the following motion by the then Leader of the Opposition (Hon. P. Collier), dated 7th November, 1923, were objected to: "That the amended regulations under the

Forests Act, 1918, published in the 'Government Gazette' of Tuesday, 30th October, and laid on the Table of the Legislative Assembly on the same day, be disallowed?"

The CHIEF SECRETARY replied: 1, Existing licenses expire 31st January, 1927. 2, No. 3, Answered by No. 2. 4, Yes. 5, Regulations are similar, but conditions of licenses have been amended to deal more effectively with illegal pulling on Crown lands, and provision made for increased orders to prospectors. Arrangements have been made for the selection of persons to receive orders by boards, on which all parties interested are represented.

### MOTION—NORTH-WEST.

#### *Commonwealth Proposal for Surrender.*

**THE CHIEF SECRETARY** (Hon. J. M. Drew—Central) [3.6]: I move—

That, in the opinion of this House, the proposal of the Commonwealth Government for the surrender of all the territory in Western Australia north of the 26th parallel of south latitude, contained in a letter from the Prime Minister, dated the 12th August, 1926, is not in the best interests of Western Australia, and therefore is not acceptable to this House.

For national reasons, which must be obvious to all, the Federal Administration are desirous of taking over the whole of the North-West territory from the 26th parallel upwards. The motive is a praiseworthy one—one which enlists general sympathy from the very outset. But the scheme submitted to the Government by the Federal Ministry in justification of the transfer has been rejected by Cabinet, firstly because of lack of definiteness in certain essential respects, secondly because it is considered inadvisable, at this stage at any rate, to part with the control of the whole of the area desired by the Commonwealth Administration. In May last the Government received a brief letter from the Prime Minister of the Commonwealth requesting the surrender of the North-West from the 26th parallel upwards to the Federal authority. There was not any clear intimation as to what the Commonwealth intended to do with the territory, and we wrote asking them to put up a scheme. The feeling among the Cabinet was that any well-conceived and reasonable proposals in that direction were entitled to serious consideration, and we suggested that the Com-

monwealth should submit a scheme. In reply to this request a further communication was received, in which the terms of the surrender were set out. What our Government were particularly concerned about was the plan of development which the Commonwealth had in mind; and in the absence of such a plan we were desirous of knowing to what extent financially the Commonwealth were prepared to go in opening up the resources of the country which they proposed to take over. One could not expect that they should be in a position to say, "We will spend so much on this, and so much on that, and so much on something else." Details would require time and investigation for their working out. But the Commonwealth Government should be in almost as good a position as the State Government to say whether the North-West would lend itself to development; on what ways, broadly speaking, it should be developed; and at any rate they ought to be able to give an assurance as to the minimum sum they were ready to spend in an effort to increase the population and wealth-production of the region they were anxious to possess. I have said they ought to be in almost as good a position as the State to form a sound conclusion on these points. It would be different if the North-West were a territory to which they were strangers. But that is not so. They have officials in almost every portion of it. Its greatest industry at present is the pastoral industry, and the Commonwealth Government should have more than a remote acquaintance with the extent and possibilities of that industry. Commonwealth meat inspectors are in attendance every year while the Wyndham Meat Works are in operation, and Commonwealth veterinary pathologists have for some years past been interesting themselves, sometimes on the spot, in the question of diseases among stock in the Kimberleys. The Federal Land and Income Tax Department, with an experience dating back some years, could speak with some authority on the importance of the North-West. In spite of this, the scheme of development submitted by the Prime Minister abounded in generalities. Let me read from it—

Scheme of development. The problem of development of this large territory requires special treatment under some continuous policy. The Commonwealth Government believes this task is one that should be undertaken by a

body of specially chosen men clothed with ample powers. Parliament has recently approved of the appointment of a Commission under the Northern Territory Act, the chief function of which is to devise developmental schemes. This Commission is clothed with large powers, including the borrowing of money, for which the Commonwealth Government accepts responsibility. In the event of the North-West territory being surrendered, the powers of this Commission would be extended to embrace that area. One of the first considerations of the Commission will be that of means of communication. It is believed that this is the foundation of any scheme of development for the north and north-west of Australia. Not only will it enable the pastoral industry to be greatly extended, but it will afford an opportunity for opening up mineral resources as well. Matters to which the powers of the Commission extend include railways, roads, water boring and conservation, and ports and harbours.

It will be seen that all this is of a purely non-committal character, which might mean a great deal, or something of little consequence. A Commission, appointed under the Northern Territory Act, will go into the whole matter. The Commission have large powers. They can borrow money; and if they do borrow money, the Commonwealth Government will accept responsibility. We are told about the further powers of the Commission, which extend to the building of railways, construction of roads, and expenditure on water boring, ports, and harbours. There is not a line to bind the Commonwealth to do for the North-West any more than the State is doing at the present time. In the third paragraph of his letter the Prime Minister says—

In making this offer, the Commonwealth Government is prompted by national reasons. Beyond a few isolated towns on the coast, settlement to-day consists mainly of huge pastoral holdings; yet it is well known that much of this territory is capable of producing wealth far beyond its present output. The Commonwealth Government considers that in the national interests, proper development of this area should be no longer delayed. In its very essence the problem is one for the National Government. Moreover, it is understood, from statements made by representatives of your Government, that the task is practically beyond the present resources of Western Australia, and that there is little hope of the State giving assistance for many years. The Commonwealth Government fully realises that the task of development is one not to be lightly undertaken, and it believes that success can only be made possible by the initial expenditure of large sums which will not be reproductive for many years.

In that paragraph Mr. Bruce declares "it is well known that much of the territory is capable of producing wealth far beyond its present output"; he says he "fully realises that the task of development is one not lightly to be undertaken," and he confesses he is aware that "success can only be made possible by the initial expenditure of large sums, which will not be reproductive for many years." If he had added that, in view of his knowledge of these possibilities, his Government were prepared to spend a minimum of, say, five, ten, 15 or 20 millions in endeavouring to bring about the development, we should have something concrete on which to arrive at a determination.

Hon. Sir Edward Wittenoom: They propose to have a council to recommend them.

The CHIEF SECRETARY: Yes, I am coming to that. However, he avoids committing himself even in the slightest way, and tells us that the whole of the responsibility is to be thrown on the shoulders of a Commission—as indicated by Sir Edward Wittenoom—which could, if it wished, ignore the very commendable reasons that have prompted the Prime Minister to seek the surrender of the North-West to the Commonwealth authority. I have endeavoured to show the indefiniteness of the proposals with regard to the financial lengths to which the Commonwealth will go in endeavouring to develop the North-West. I now submit an objection in reference to the area that the Federal authorities desire to bring under their jurisdiction, an objection that, however, in view of recent information it should not be necessary to press. My speech to-day is not merely directed against the original proposals submitted by the Commonwealth Government, but is also in defence of the attitude taken up by the State Government towards those proposals.

Hon. J. Cornell: Did the State Government submit any objections to those proposals?

The CHIEF SECRETARY: Yes, by letter.

Hon. J. Cornell: Is it available?

The CHIEF SECRETARY: I have a copy of it here. The proposals seek the surrender of all the territory in Western Australia north of the 26th parallel of south latitude. A glance at a map of the State will show that this takes in, not only Carnarvon and Onslow, but Peak Hill, Mt. Gould, a large extent of rich pastoral country on the Mur-

chison—which is in communication with the port of Geraldton—and, as the saying goes, is within a stone's throw of Meekatharra. Meekatharra is the present terminus of a railway that serves a considerable area of country north of the 26th parallel, and its road board utilises a large proportion of its share of the Federal-State grant in attending to the arteries of traffic that converge on that centre from country north of the 26th parallel of south latitude. A private company, with practical encouragement from the Government, is now laying a line of rails between Meekatharra and Peak Hill to open up the immense manganese deposits discovered at that centre. The proposals stipulate that the Commonwealth Government, if an agreement were come to between them and the State, would take steps to preserve all existing rights under State laws. But no Act of Parliament could possibly provide for all contingencies that might arise, and it would be risky indeed to part control of any territory that is served by ports and railways south of the 26th parallel, and the expansion of whose industry must be a matter of keen concern to the State Government. Carnarvon and the adjacent country is also in close and regular touch with the seat of the State Government, not only by sea, but by motor car in conjunction with rail. Not only that but the conditions, climatic and otherwise, at Carnarvon are entirely different from those existing in the tropical north. There is no community of interests, so far as I can see, that would suggest that Carnarvon should be included in a scheme designed principally to meet the conditions obtaining in the Kimberleys. In the opinion of the Government it would not be wise at the outset at any rate—to hand over to the Federal authorities a stretch of country so extensive and so diversified in its capabilities that the one plan of settlement would not be likely to prove a success. The view we take and the view accepted by the Commonwealth Government, is this: that as national reasons are impelling the Federal Government to action, they should first concentrate on that portion of the North-West that demands the earliest attention, and that requires such an expenditure of money to develop it as the State cannot possibly find. The portion I refer to is all the country lying north of the 20th parallel of south latitude. Success in peopling that enormous area would undoubtedly justify a further surrender of territory by Western

Australia and warrant the formation of a new State in the North. Now we come to the method of administration. It is on the lines of the old Crown Colony Government, which ruled Western Australia for many years up to the time autonomy was granted.

Hon. J. J. Holmes: Not a bad form of government either.

The CHIEF SECRETARY: In regard to local administration the Prime Minister's letter reads—

It is proposed that a form of Crown Colony Government shall be set up for the purposes of local administration. The system would be somewhat similar to that in operation in Papua at the present time. There would be (1) a Government Resident; (2) an executive council; (3) a legislative council; (4) a member in the House of Representatives without a vote. The Government Resident would be charged with the duty of administering the Government on behalf of the Commonwealth. To that end he would be clothed with large powers, including delegations from the Governor General. The Executive Council would consist of a small body of four members to advise and assist the Government Resident. It would be composed of the Government Resident, two nominated members of the Legislative Council and one elected member of the Legislative Council. The Legislative Council would be a small body of nine members. The Council would be presided over by the Government Resident who would be the presiding officer with a deliberative vote. Four members would be chosen by the electors of the present four State electorates, and four would be nominated by the Commonwealth. The Council would make ordinances for the peace, order, and good government of the Territory.

That is the method by which the territory will be governed, and it is probably the only safe method that can suggest itself in the absence of sufficient population in the North to justify the creation of a new State. The territory is to have a member in the House of Representatives, but he is to be without a vote. He may speak, but, when a division is called, he cannot take part. If he had a vote he could make his presence felt in the Federal Parliament in the event of his territory being carelessly administered.

Hon. G. W. Miles: Did you not suggest that he should have a vote?

The CHIEF SECRETARY: We indicated that he should have one. In the absence of voting power the only influence he could be expected to wield would be the outcome of sympathy with his disconsolate position. I recognise that there may be constitutional difficulties in the way of giving representatives of these territories a vote in the Federal Parliament, but if it can legally

be done it should be done. Now we come to the question of compensation for the surrender of the territory. The Prime Minister says:—

The debt of approximately £2,700,000 that the Commonwealth Government offered to take over was based on certain figures submitted on behalf of your Government to the Royal Commission on Western Australian finances as affected by Federation. In determining the exact amount of indebtedness the following is suggested:—(1) the debt in respect to transferred properties at present in possession of the Commonwealth Government to be taken at valuation already agreed upon. (2) Other assets to be taken at the amounts expended from loan moneys less sinking fund provisions. Representatives of the Commonwealth and State Governments to confer with the object of arriving at an agreed sum, and the particular debts to be taken over.

The Prime Minister refers to the debt of approximately £2,700,000, which the Government offered to take over. You will see, however, that he says our indebtedness should—

(1) Be determined by the amount owing on transferred properties already agreed upon. (2) Other assets to be taken at the amounts expended from loan moneys less sinking fund provisions. In other words, the Commonwealth wants to take over our public works at the balance owing on them after sinking fund has been deducted. Some of these public works were constructed many years ago, and have since been maintained out of revenue, and may be in as good order and condition as they were five or six years after being constructed, but the contributions to the sinking fund are to be deducted. No assets created out of revenue will be paid for, and it must be remembered that, when the Treasury chest was overflowing, or five or six years after the initiation of Responsible Government, some public works were built out of revenue in different parts of Western Australia, including, of course, the North-West. Still the price we are going to get seems to me to be a matter of secondary importance in view of the great national object the Prime Minister has in mind. What concerns me is whether the Commission which has been given large statutory powers will see eye to eye with the Prime Minister, and with the new Territory practically administered from Melbourne, the last condition of the North-West might not be worse than the first. In the correspondence, up to date, we have no guarantee that anything at all will be done apart from investigation by the Commission to which I have referred. We would not be acting wisely, I submit, unless we

pinned the Commonwealth down to a lump sum of developmental expenditure extending over a number of years. The fact that they are anxious to take the North-West over is proof that they feel it is worth taking over, it is worth making the best use of—which means the expenditure of a large sum of money. Indeed the main argument of the Prime Minister is that the position calls for so much monetary outlay that a satisfactory response is beyond the financial resources of the State. That being so, the Federal authorities should give an undertaking that it is prepared to spend a certain minimum sum in carrying out its scheme. In any case, and for the reasons I have already given, I do not think we would be justified in transferring any of the country that lies south of the 20th parallel of S. latitude. It will, in my opinion, be time enough to consider the question of doing so when the Commonwealth has made a success of the region north of that parallel, and when, in consequence of that success, the territory is ripe for the creation of a new State. It may be asked, "Why did the Government turn down the proposals without awaiting the decision of Parliament?" The reply is that it was incumbent on the Government to declare itself one way or the other on the question. A promise had already been given that the matter would be submitted to the Legislature. In approaching Parliament the Government had to take up some definite stand—give a lead as it were. It would be wanting in backbone if the Government simply threw the proposals on the tables of both Houses and told members to do with them what they liked. We feel, however, we have taken the right view in so far as the proposals up to date are concerned. But the view of Parliament is also desired. This can be freely expressed by all sections of political opinion, because the question is entirely outside the sphere of party politics. In this House, as in another place, hon. members will, I am sure, be able to contribute to the debate much that will be helpful to the Government. For it by no means follows that, because these proposals have been rejected, the last word has been said on the subject. As hon. members know, the Premier received a telegram from the acting Prime Minister and as the result of a Cabinet meeting, the Federal Government are prepared to amend their proposals; they are prepared to make their proposals

apply only to territory north of the 20th parallel of south latitude. That is a much more acceptable proposition to the Government, for it removes the one grave objection to which I have already referred. But in other respects the document is unsatisfactory. This is a copy of the telegram received by the Premier from the acting Prime Minister. It is dated the 14th December and reads—

Your letter of November 26th, in which you set out the views of your Government as to the proposal of the Commonwealth in respect to the scheme for the surrender of the North-West Territory, Western Australia, received. Cabinet has given consideration to your comments thereon, and I desire to inform you that the Commonwealth Government are prepared to amend their proposals so as to apply only to territory north of the 20th parallel of South latitude, subject to a consequential modification as to the amount of loan moneys for which the Commonwealth shall assume liability, being the amount expended in that portion of its territory by the State in its development. In regard to paragraph (a) of your letter, it is impossible without full investigation and inquiry for the Commonwealth to decide what developmental works are necessary in this territory. As indicated on page two of my letter of August 12th, under the heading of the scheme of development, if State agrees to hand over this territory the Commonwealth Government intend to at once direct the North Australia Commission to immediately proceed with these investigations and prepare proposals for the consideration of my Government. Re paragraph (b) the Commonwealth Government being seriously concerned with the problem of peopling the northern portion, the Commonwealth are anxious and willing to proceed with such works of the nature indicated in this question as are found to be necessary and warranted in order to secure development, but in the absence of such investigation, are unable at this juncture to formulate proposals for specific works. Re paragraph (c) in answer to this inquiry, I wish to point out that the offer of the Commonwealth Government of the 12th August contained a specific proposal for the immediate provision of a measure of local self-government to the people of the territory. This proposal will of course require some modification, in view of the restriction of area to be administered. I assume, however, that your question has reference to representation in Federal Parliament. In respect to this my Government are prepared to undertake that when there is in this territory an adult population equal in numbers to the number of electors in the smallest electorate, numerically, in the Commonwealth the representative of the Territory in the House of Representatives shall be given a vote. Further, it is the desire and intention of the Commonwealth that when the total population of either this Territory, or of this Territory combined with that of North Australia, as defined in the North Aus-

tralia Act, warrants the establishment of a new State under Section 121 of the Commonwealth Constitution, action in that direction will be at once taken. The Commonwealth Government believe that the establishment of a State such as this in the North and North-West of Australia would have a powerful tendency for a better political balance of area in the Federal Parliament, and would give to the western half of the Commonwealth greater influence in Federal legislation. Re paragraph (d), this question is answered by the replies to paragraphs (a) and (b). As regards the adjustment of the amount of the Commonwealth's financial liability in respect of the territory north of the 20th parallel of South latitude, in view of the absence of the financial return referred to by you, the Commonwealth are not in a position to give a definite answer to the question in the concluding paragraph of your letter, but on this matter being adjusted to the satisfaction of the Commonwealth and of the State, and on the Parliament of the State of Western Australia taking action before the 30th June, 1927, as provided in Section 111 of the Commonwealth Constitution Act for the acceptance of proposals now submitted to you and the surrendering of territory on terms set out therein, the Commonwealth Government are prepared to seek Parliamentary authority for the adjustment of the grant to the State of Western Australia for the financial year ended the 30th June, 1927.

It will be seen there is nothing definite in regard to the proposition. The Commission will proceed with their investigations, but only after the State has agreed to hand over the territory. It will be too late then to insist on terms. In my opinion it should be done without delay and before the transfer takes place. It is almost certain that in connection with a matter of so much moment negotiations will be continued. I hope that the motion I have submitted will be carried in its present form. It will be an endorsement of the action of the Government up to date, and I feel sure that no matter what views hon. members may have on this question they will come to the conclusion that what the Government did was justified by the results to date.

**HON. J. J. HOLMES** (North) [341]: I regret that a motion such as this dealing with so important a matter should have been left for consideration to practically the last day of the session. I do not know that there is any more important question before Western Australia or before the Commonwealth at the present time. This is not only a State matter and a Commonwealth matter, but an Empire matter. We know, and it is known also by everyone who has looked into the

question, that the emptiness of the North has been a matter of grave concern to the statesmen of the Empire for many years past, and every year that passes brings more urgent reasons for dealing with the question. Immediate steps should be taken to fill those empty spaces. At the time of the last general election the present Government sent their ambassadors north to make promises as to what they would do if they were returned to power. I will say this, that so far as small matters are concerned, the Government have given more attention to them than has ever been done by any Government we have ever had since the days of Sir John Forrest. There are, however, questions of greater importance such as the peopling of the empty spaces. This is supremely important. Having secured representation in the North, about the first announcement the present Government made—and my memory is pretty good—was that the subject was too big for the State to handle, involving as it did considerable expenditure. That statement was made by a Cabinet Minister, but no sooner had that announcement gone forth—presumably it came under the notice of the Federal Government—than the Prime Minister, with, I believe, the statesmen of the Empire behind him, opened up negotiations with the State Government presumably on the basis that if it was too big a problem for the State to tackle, it should be handed over to the Commonwealth. No sooner had we reached that stage than the Prime Minister was accused of attempting to steal a portion of our territory, and one Cabinet Minister went so far as to say that while there was blood running in his body he would not have the people in the North sold like so many sheep. That leads me to the offer that was subsequently made by the Commonwealth Government. I do not like the motion as it stands, and I do not think the House should pass it. If we pass it in its present form it may create the impression that Western Australia is against parting with the northern portion of the State.

Hon. J. Cornell: There is no doubt that impression will be created.

Hon. J. J. HOLMES: I do not want that feeling to get abroad. All sorts of side issues have been introduced, and we are told that not only will the territory be parted with, but that trade that rightly belongs to Western Australia, will be taken from this State. That suggestion is all moonshine. Geographical considerations command trade.

It is immaterial whether the northern parts of the State are controlled by either the Federal Government or the State Government, for trade will always drift to its natural geographical centre at Fremantle. Do not let us get led off the track with these quibbles as to trade, or the question whether the representative of the North in the Commonwealth Parliament shall have a voice but no vote. That, too, is a mere side issue. Let us suppose that was the position and the Prime Minister stated that he would alter it; what difference would one vote make in a House constituted as is the House of Representatives? Then there is the question of certain moneys spent out of loan, and certain other moneys spent in the early days out of revenue. Are we going to quarrel about such matters as these? They represent a mere bagatelle. If we analyse the position, we will find that there is more money spent on revenue works and paid for out of loan funds, than have ever been undertaken and paid for out of revenue alone. Here again is a mere side issue. Let us get down to bedrock and admit at once that this problem is too big for us. Do not let us say we will turn down the offer altogether, as is indicated in the motion. Rather let us say that this is a basis for negotiations and proceed along those lines. Then we shall do something. The Minister himself has said that the task is beyond the possibilities of the State; he also said the matter should be dealt with without delay. How can we deal with it without delay if we pass a motion such as that submitted to us to-day, and thus create a wrong impression? Let the Government proceed, as it is their duty to do, with the negotiations with the Federal Government until they reach a stage when an agreement is secured that, in the opinion of the State Government, Parliament will approve. When that stage is reached, we can deal with the whole position. The Minister said it was not desirable to part with the whole area originally suggested, which was north of the 26th parallel. In a subsequent telegram that was read this afternoon, the Acting Prime Minister agreed to fix the southern extent of the area to be taken over at the 20th parallel and added that in that event the offer would be subject to certain adjustments. The Minister told us that the Commonwealth were anxious to get possession of our territory in the North. I do not think the Commonwealth are anxious to do so at all. I consider the Commonwealth have

their hands pretty full already with the Northern Territory. On the other hand, the Commonwealth Government look at the problem from a national standpoint, backed in their attitude by the statesmen of the Empire. They have awakened to the fact that something must be done with our empty North. The Minister said that the Commonwealth Government did not, apparently, propose to do any more than the State Government had done.

The Chief Secretary: I did not say that. I said there was no indication that they intended to do more.

Hon. J. J. HOLMES: I have already said that the State Government have attended to the small matters, important though they have been to the people in the North. On the other hand, the State Government have indicated that they cannot do more, because the task is beyond the financial resources of the State. We know that the Commonwealth authorities have the money and the Federal Government, whether they like it or not, realise that something must be done to fill our empty spaces.

Hon. H. Stewart: You say they have the money, but how much of it has been borrowed? They have a big debt.

Hon. J. J. HOLMES: The Commonwealth can raise more money when they want it by means of the tariff. They can cause millions to roll in just when they please. Certainly the Commonwealth owe a lot of money, but they are doing what the State is not doing. The Commonwealth are providing a sinking fund for all their liabilities and when they lend money to this State—

Hon. H. Stewart: The Commonwealth have only just begun to do that.

Hon. J. J. HOLMES: —they stipulate that payment shall be made into a sinking fund to liquidate the debt. The Auditor General's report shows that while the Commonwealth Government made that stipulation, we have not been paying into the sinking fund. I do not mind how much the Commonwealth borrow provided they make provision for a sinking fund to liquidate the debt.

Hon. J. Ewing: We have the best sinking fund arrangements in Australia.

Hon. J. J. HOLMES: That sinking fund was established by whom?

Hon. J. Ewing: By our State Governments.

Hon. J. J. HOLMES: Yes, by a State Government ten or 15 years ago. That sinking fund will disappear as the original loans fall due. There is no such provision for later loans when they have to be met. Let the hon. member wait until we are dealing with the Appropriation Bill, and he can hear all about it! I do not claim that the present Government have been the worst offenders. The Mitchell Government, with which Mr. Ewing was associated, were perhaps 50 per cent. or 100 per cent. worse.

Hon. J. Ewing: You should not say that.

Hon. J. J. HOLMES: I consider the truth is the best that can be stated.

Hon. H. Stewart: How much have the Commonwealth Government got in their sinking fund now?

Hon. J. J. HOLMES: We have got ten millions in our sinking fund.

Hon. H. Stewart: The Commonwealth have not got that.

Hon. J. J. HOLMES: The Commonwealth have not been in existence for a hundred years like we have.

Hon. W. J. Mann: The Commonwealth took up the sinking fund idea from Western Australia.

Hon. J. J. HOLMES: The Minister said that the Commonwealth did not propose to do more than the State. I have followed up that statement by giving the reason why the State Government cannot do any more, because they have not got the funds. We know the Commonwealth Government are in a position to raise the necessary money to people and develop the northern parts of the State, if given the opportunity under conditions favourable to both the Commonwealth and the State alike. We know that an attempt was made a few years ago to improve matters in the North. During the time of the Mitchell Government, when Mr. Colebatch was Minister for the North-West, a Commissioner for the North was appointed. That was done with the approval of every member representing the North, with the exception of myself. I was supposed to be wrong: at any rate, it was thought I was wrong at the time. I would not be a party to the appointment of that commissioner who was to be a commissioner in name only. He represented merely an additional buffer between the representatives of the North and Ministers of the Crown. That officer had no authority to spend money and was only able to deal



with petty matters such as those I have already referred to. At the time I said that if the Government desired to appoint a commissioner with my approval, he would have to be an officer who would have power to spend money and not be one who would be a commissioner in name only. Since then the appointment of the Commissioner has been terminated and there has been no such officer since then. Certainly that experiment was not a success.

Hon. C. F. Baxter: It meant that £10,000 a year was wasted.

Hon. J. J. HOLMES: There are big problems to be dealt with in the North, especially in that portion North of the 20th parallel. Last night Mr. Baxter referred to the production of cattle in the Kimberley districts. A large portion of that part of the State is fit only for the production of cattle but until we can fence against vermin, we will not be able to introduce sheep there. With the absence of timber in the North, sheep will represent a big problem, from the standpoint of fencing. The difficulty in the Kimberleys is not due to the breed of stock there. Last night Mr. Baxter referred to the inferior breed of cattle produced in the North. The present condition of the cattle industry there is not due to anything of the kind. It is due to the tick problem that first took possession of East Kimberley and now has extended to the West Kimberley district as well.

Hon. F. Rose: Cannot that pest be stamped out?

Hon. J. J. HOLMES: It was stamped out in America. If the Commonwealth Government know their business they will start out to eradicate the tick pest as was done in America.

Hon. G. W. Miles: They can cope with the pest by means of birds.

Hon. J. J. HOLMES: It will mean the expenditure of a vast sum of money, but if we are to produce cattle for marketing overseas, or even for the local market in the South, we will never be able to do that and produce satisfactory cattle, no matter what breed may be introduced, until we eradicate the tick pest.

Hon. E. Rose: Have the Government done anything in that direction?

Hon. J. J. HOLMES: They say they have no money.

Hon. E. Rose: I referred to the Commonwealth Government.

Hon. J. J. HOLMES: I can take hon. members back to the time before tick made its appearance in the Kimberleys. In those days we could see in the yards at Fremantle as fine a type of bullock as could be found in any other part of the Commonwealth. To-day that type of bullock is not to be seen, and certainly they are not brought to Fremantle. Hon. members can imagine what takes place. Cattle become immune to tick fever, but never to the tick themselves. Just imagine what happens to an animal from the time it is a calf until it is four years old. From its earliest days it is smothered in tick and during the four years its blood is sucked almost continuously by tick. The result is that the young cattle do not grow as they should, and the fat stock are not available for market. There need be no mistake about the question at all. We can give up regarding the Kimberleys as a cattle-producing part of the State until such time as we eradicate the tick pest. As to the buffalo fly pest, I think that can be dealt with by means of a parasite.

Hon. G. W. Miles: And by the introduction of starlings.

Hon. J. J. HOLMES: The eradication of the buffalo fly has been partly accomplished in Queensland. The only way to get rid of the tick pest is to fence off areas, get off the livestock with the tick and remove them to some other part and deal with the difficulty in that way. The tick, having then no host upon which to attach themselves, automatically die out, and then, with the advantage of dipping as well the cattle can be brought into clean country and thus we push the tick infested cattle further out until the whole area has been cleaned up.

Hon. W. T. Glasheen: Will the cattle tick live on kangaroos?

Hon. J. J. HOLMES: I do not think so. Some people may regard this as a small matter. The people in the North who are dealing in cattle look for some assistance along these lines. If it is possible to eradicate tick by any other means, then the work should be undertaken, but it will involve a vast expenditure, much beyond the limits of the financial resources of the State. There is another point which might be described as the nigger in the woodpile. A scheme for the development of the northern parts of the State may mean the importation of some class of labour to assist in that task. It may mean an amendment to the Land Act in order to enable the Government

to part with some of the land and thus make possible the granting of large freehold areas to people with capital, who will eradicate the pests and make the country revenue producing and profitable to the State and to themselves. We understand there is to be some definite policy laid down by the Commonwealth Government, and the Minister has told us that this question must be dealt with without delay. I do not think much good will be done by passing the motion; I think much harm will be done if the impression gets abroad that Western Australia is against parting with any portion of the State and is against the Federal proposals. I do not want that impression created because I believe that the people of the State are anxious to see the North developed. In view of the fact that the State Government have said they cannot finance it, it is their duty to make the best possible terms with the Federal Government and then submit the proposal to Parliament, instead of attempting to proceed by way of an abstract motion such as has been submitted to us to-day. I am sorry that I have not had time to go fully into the matter, but I thought I would take this opportunity to state briefly my views. I trust the motion will not be carried, but will be amended in the direction I have suggested.

The PRESIDENT: Under the Standing Orders, the debate must be interrupted at this stage unless the Council otherwise orders.

Resolved: That motions be continued.

**HON. J. CORNELL** (South) [4.0]: Without meaning to be offensive to hon. members, the House, or the people of the State generally, I think it can be truly said that this is a subject that will separate the big men from the small men, or the sheep from the goats. Apart from the war, no subject of such great importance has come before the people of Western Australia since the question of Federation. The individual who thinks that one-third of Australia, which in area is almost equal to the United States, is going to be properly developed as one State, should be recommended to a mental hospital. Such an extensive territory never has been and never will be developed as a single State. If Western Australia is to be developed as it should and must be, it can be only along the lines of more States within the present State of Western Australia. The proposal to surrender or transfer the North-

West to the Federal authority is one that has my whole-hearted support, and has had it for many years. The decision is one that should rest finally with the people whose interests lie in the North-West and who are domiciled there. I, living in the southern part of the State, would resent the interference of northern citizens on any question as to how the south should be administered or developed, and similarly I consider that it is the people of the north who should decide the question of transfer.

Hon. J. R. Brown: There are not enough of them to decide it.

Hon. J. CORNELL: It would not matter if there were only two.

Hon. J. R. Brown: You would give the North-West away.

Hon. J. CORNELL: If the people of the North are honestly of opinion that this transfer should be made, their opinion should be respected and given effect to.

Hon. J. R. Brown: No one else would think so.

Hon. J. CORNELL: If the people of the North were brought under the Federal authority they would not become hostile to the other part of Western Australia. To hear the discussions both inside and outside the House, one would be inclined to think that the Federal Government was not only a foreign but a hostile power. I hope that we are all Australians first of all and Western Australians afterwards. The fact of the North-West being transferred and becoming Federal territory will not in any way interfere with the citizenship of the people. The question of trade was raised by the Leader of the House. I cannot see in what way the trade of the southern or any part of Western Australia can be affected one iota by the transfer of the North to the Commonwealth Government.

Hon. G. W. Miles: It will be increased.

Hon. J. CORNELL: It is an old saying that trade is like soap. It knows no flag and breaks down all barriers. The trade between the North and the South would continue as before and the people of the South would participate equally, regardless of whether the North was under the Federal authority or the State authority.

The Honorary Minister: You might say the same thing of the Northern Territory of South Australia, because the "Bambra" goes there.

Hon. J. CORNELL: It is a peculiar fact that the people of the southern portion of Western Australia, and indeed of the south-

ern portion of the whole of Australia, take a sort of worm's eye view of the northern part of the continent. However great an asset to the Empire the southern part of Australia may be, I am of opinion that there is an equally great asset remaining to be exploited in the North. An apt analogy cannot be drawn between the administration of the northern part of Queensland from Brisbane and the administration of our North-West from Perth. The seat of government is doubly distant from the North-West as compared with the seat of government from the northern part of Queensland. Undoubtedly there are many factors in favour of handing over the North to the Federal Government. It has been stated that the Commonwealth activities in the Northern Territory of South Australia are not all that could be desired, that population has decreased since South Australia handed over its Northern Territory. If we only told the plain story of our North-West during the same period of time, it would be found to be almost the same as the story of the Northern Territory.

Hon. G. W. Miles: Quite right.

Hon. J. CORNELL: What can be said of the Northern Territory under Federal administration as regards the loss of population and of trade may equally be said of the North-West of this State. The fact that that is so shows that there is something radically wrong. There is a far bigger question than that of trade or State barriers or petty jealousies involved in the proposal to hand over this territory to the Federal Government, and that is the question of defence and the ability to rise to the occasion and find the necessary money in the hour of need. If we Australians in the southern part of the continent do not take united action through the National Government to speed up the development of the resources in the North and endeavour to people it as it should be peopled, someone else will do it for us. I agree with Mr. Holmes that the passage of the motion in its present form will create an impression that we have definitely turned down the proposal to transfer the North-West to the Commonwealth. I listened carefully to the speech of the Leader of the House, and I am satisfied that he does not want that impression to be conveyed by the motion. Still, I am convinced that if the motion be carried in its present form, that construction will be placed upon it.

The Chief Secretary: Have you read the motion?

Hon. J. CORNELL: Yes. I suggest an amendment on these lines—

That the proposal of the Commonwealth Government is too indefinite, and therefore it would not be in the best interests of Western Australia to accept the proposal in its present form.

If we passed an amendment such as that, we should turn down the present proposal but would indicate that we are rejecting no more than the proposal of the 12th August.

Hon. A. Lovekin: You can hardly say that the proposal is indefinite.

Hon. J. CORNELL: From the Western Australian point of view, it is indefinite. An amendment on the lines I have indicated would show that, if a more definite proposal were submitted, we would be prepared to continue the negotiations.

Hon. J. R. Brown: The two Governments are still negotiating.

Hon. J. CORNELL: I think the feeling of the House is that, while the present proposal is not acceptable, we are prepared to negotiate and in fact would welcome any further proposals that might lead to a satisfactory conclusion.

The Chief Secretary: The Government desire that the matter be discussed in order that they might know the views of hon. members.

Hon. J. CORNELL: In conclusion, I desire to say that, had proper negotiations only been indulged in when Federation was proposed, a federated Australia would never have become an accomplished fact. The negotiations between the Western Australian Government and the Commonwealth Government on this proposal have really amounted to paper negotiations. If any tangible conclusion is to be arrived at, it will be accomplished only by representatives of the Federal and State Governments meeting around a table, thrashing out the details and arriving at some definite conclusion which can be placed before two Parliaments. I shall not support the motion in its present form but, if a more acceptable amendment is tabled, I shall give it my support.

**HON. SIR EDWARD WITTENOOM** (North) [4.13]: My views on this subject have been submitted to this House before, and therefore I shall be extremely brief in my remarks to-day. I, too, enter a protest, as did Mr. Holmes, against the absurdity of bringing down an important motion like this in the last day or two of the session, because it is a matter that should be dis-

cussed at great length. I said on the previous occasion that I would be in favour of handing over that portion of our territory north of the 20th parallel, provided the Commonwealth were prepared to give good terms. I was largely influenced in that decision by the fact that the proposals made by the Commonwealth Government for governing the North were much in the nature of what existed in Western Australia when I first entered Parliament in the year 1884 and Western Australia was a Crown colony. The Government then was constituted very much after the manner in which it is proposed to constitute the administration of the North. So many members were elected and so many were nominated, and the Governor had the right of veto. Western Australia went along for a good many years under that system of Government. I was in Parliament from 1883 to 1886 or 1887, and it continued until 1890, with very good results. In a case where people have to decide for themselves, particularly when they live in a portion of the Commonwealth which those who dwell in the temperate regions cannot thoroughly understand, it is better that they should be left to deal with the matter in their own way, and that the portion of the country in which they live should be handed over to them. I move an amendment—

That all the words after "1926" be struck out, and the following inserted in lieu:—  
 "Should form a basis for determining a scheme that will be in the best interests of the people of the territory concerned."

Hon. A. Lovekin: Does that not rather commit us to the 26th parallel?

Hon. Sir EDWARD WITTENOOM: I do not think so. It only forms the basis for determining a scheme.

Hon. A. Lovekin: It practically endorses the 26th parallel.

Hon. G. W. MILES: I second the amendment.

HON. J. NICHOLSON (Metropolitan) [4.17]: I hope the amendment will appeal to the Leader of the House. When one examines closely the motion submitted from another place, there can be no question as to its tenor, and the serious effects which the rejection of these negotiations might possibly have. I take it that the letter received from the Prime Minister, referred to in the motion, is more or less a suggestion for negotiations in the shape of leading

to a final agreement. I am sure all members agree that this is one of the greatest questions the Government can possibly deal with. It is a serious thing for one hastily to exclude, as it were, this territory constituting a large portion of the State from the jurisdiction of the State. But we are not excluding it entirely from our sphere of influence. We are still united by the bonds of Federation. It is not like passing the territory over to some foreign or outside power. If it were a question of negotiating for the disposal of this great and valuable territory to some power hostile to us, there could be no question as to the motion presented by the Chief Secretary. I feel sure in that case the motion would be presented in stronger and more emphatic terms than those before us. Every member is desirous of doing the best he can for this great land. We are confronted with a national task. One does not wish to say too much as to the position. We all realise the importance and immediate need of populating and developing that territory, otherwise we can hardly estimate what the results may be. We must not turn this down lightly, nor must we in the course of these proceedings do anything that might cause a deaf ear to be turned to the accomplishment of that which everyone of us wishes to see, namely, the opening up and development of the North-West. I feel that the amendment will at least pave the way to further negotiations, and will probably induce the Federal Government to appoint some body to negotiate further, or make investigations or inquiries at the hands of the State Government. Probably it might be arranged as the result of the amendment for the Federal Government to appoint certain representatives and the State Government to appoint others, and for a complete inquiry to be made, as well as a visit to be paid, to that great territory. As a result of this its possibilities could more readily be understood. I do not suggest they are not understood, but by a certain section they are not as fully understood nor is its value realised as fully as should be the case. There would be brought home to us a truer conception of what the territory is, what its possibilities are, and what might be done in certain circumstances. It may be said that the Federal Government have not achieved everything that we imagined they might have

achieved in the Northern Territory. We know that the Government have of late been making valiant efforts towards formulating a scheme, which I believe will ultimately result in the Northern Territory being developed in a marked way. Coincident with the Northern Territory development, what could be better than to work hand in hand with these latitudes north, say, of the 20th or 26th parallel, I do not care which? That matter can be adjusted between the representatives appointed on behalf of the two Governments. A decision could be arrived at on quite an amicable basis. I see no likelihood of loss of trade to the southern portions of the State by reason of the territory being controlled by the Federal Government.

The Chief Secretary: Who spoke of loss of trade?

Hon. J. NICHOLSON: I think Mr. Holmes referred to that subject. I do not think there would be any risk of loss of trade. Mr. Holmes said that the geographical position of the southern portions of the State and the geographical position of the Northern Territory were such that they were bound to be associated and allied closely together, notwithstanding by what Government they might be controlled. Having regard to the whole of the circumstances, I view the amendment with favour and intend to support it.

HON. H. SEDDON (North-East) [4.25]: The motion outlined by the Chief Secretary scarcely meets the position. I am inclined to think that in view of the later information received, the Government would not be desirous of seeing the motion carried in its present form. I agree with members who have suggested that in the best interests of the territory, as well perhaps in the best interests of the State, the question of subdivision would have to be seriously considered if the State is to be developed as most of us wish to see it developed. As regards the form of government proposed, I would point out that this is the usual form adopted in the British Empire, when it is desired to grant some form of self-government to a territory. The usual procedure is to appoint a form of government something like that outlined in this case, as a basis upon which there is afterwards inaugurated the bicameral system, which is recognised as the basis of most of our Empire Governments. With regard to the need for the subdivision of Western Australia, it must be recognised

that our burdens are very heavy, and necessarily heavy. The outlying districts are not able to receive the development to which they are entitled, largely because of the fact that the centre of administration is so far away. As a result of this the district does not receive prompt attention to its needs, nor are its needs so well understood as they are by local residents. Local conditions determine the best method of developing the country. The people who live there and are acquainted with the local conditions are naturally the best judges as to the course of development to be pursued. The natural division of the State into territories seems to be indicated by trade influence. When we examine Western Australia and see how the various industries have developed, largely on territorial lines, we see that there is a natural division outlined. The development of the South-West is very largely a dairying development. The development of the wheat belt is defined within certain geographical limits.

Hon. H. Stewart: It extends from Tanu-hellup to Ajana, near the 26th parallel.

Hon. H. SEDDON: Its limits east and west are largely determined by the rainfall. When we come to the northern and eastern parts of the State we find that the dominating interest is the pastoral industry. Consequently it has its own peculiar problems, which are best understood and best handled by those who are familiar with them. All members are agreed as to the urgent necessity for populating the North-West. The northern part of Australia has always been a source of weakness, owing to the trend of events in the eastern world. The urgent necessity of populating that territory, and of providing adequate means of defence up there, represent questions of the utmost importance. Most members agree with the idea that some steps should be taken along the lines proposed by the Federal Government. I intend to support the amendment, because it appears to me that the position at present is too premature to warrant us in rejecting the proposal. All the indications are in favour of accepting some scheme, perhaps not that outlined by the Federal Government, but something along lines to be mutually determined after thorough investigation, discussion and negotiations. In the circumstances, I think the Government would be well advised, after taking the opinion of both Houses of Parliament, to proceed with the negotiations, and see if a scheme cannot

be evolved which is in the best interests of the people concerned. I support the amendment.

**HON. H. STEWART** (South-East—on amendment) [4.30]: It seems to me that if we are going to carry an amendment, we may as well, if it is possible, arrive at a position which will put us further forward in regard to future negotiations. We have heard from the Leader of the House the latest information regarding the present negotiations. The Federal Government have submitted a tentative offer with a view to taking over our territory north of the 20th parallel. I wish to limit the amendment in that direction. If an amendment on the amendment now before the Chair is in order, it will lead to a discussion that will prove useful. Members of the House who can speak only on the broad view will be given some definite information, and those who are conversant with the various aspects of the question will be able to express their ideas as to how much territory should be considered in the matter of transfer. Consequently enlightenment will be gained, and we shall be further forward as to discussing the subject with other people with whom we may come in contact. The amendment on Sir Edward Wittenoom's amendment which I propose to move is that after the word "scheme"—

The **PRESIDENT**: Order! I may point out to the hon. member that the amendment before the Chair is that all the words after "1926" be struck out. If those words are struck out, another amendment will be proposed to insert words which have already been indicated by Sir Edward Wittenoom. Perhaps Mr. Stewart should defer his amendment until the words proposed to be struck out have been struck out.

**Hon. A. Lovekin**: On a point of order. As regards the amendment before the Chair I take it, Mr. President, that you will follow the ordinary practice of so putting the question that no other member will be deprived of the opportunity of moving an amendment. I want to move an amendment after the word "House." If you put the question of amendment after the figures "1926," we shall be committed to "1926" and shall not be able to go back.

**Hon. H. Stewart**: Since that point has been raised, I should like to suggest that if the mover of the amendment were prepared to withdraw it temporarily at this

stage, Mr. Lovekin would be afforded the opportunity he desires. I shall not proceed with my remarks indicating my suggestion with regard to Sir Edward Wittenoom's amendment.

**Hon. Sir Edward Wittenoom**: I ask leave to withdraw my amendment.

Amendment by leave withdrawn.

The **PRESIDENT**: I think Mr. Stewart is speaking.

**Hon. H. STEWART**: I was speaking to the amendment, and therefore cannot speak further at this stage.

**HON. A. LOVEKIN** (Metropolitan) [4.36]: In order to give every member an opportunity of proposing amendments, I move—

That all the words of the motion after "House," in line two, be struck out, with a view to the insertion of other words.

That will permit of any other words which may be considered suitable being inserted in lieu. If Sir Edward Wittenoom desires to move his amendment later, he can suggest those words and thus get the amendment in. In the meantime I propose to move the insertion after "House" of words which I think will meet the majority view of the House.

**Hon. H. Stewart**: On a point of order. If all the words after "House" were struck out and Sir Edward Wittenoom then proposed to move his amendment, he could not have the same words reinstated. Is not that the position?

**Hon. A. LOVEKIN**: A very slight variation of the words would meet the situation.

**Hon. Sir Edward Wittenoom**: I have withdrawn my amendment unconditionally.

**Hon. G. W. Miles**: What are the words proposed to be inserted?

**Hon. A. LOVEKIN**: The words proposed to be inserted are, "it is desirable that negotiations with the Commonwealth Government be proceeded with for the surrender of all the territory north of the 20th parallel of south latitude to the Commonwealth of Australia, and that the result of such negotiations be submitted for the further consideration of this House."

**Hon. Sir Edward Wittenoom**: When?

**Hon. A. LOVEKIN**: At an opportune time.

**Hon. G. W. Miles**: In six months' time?

**Hon. A. LOVEKIN**: When the results are ready.

Hon. G. W. Miles : Suppose they are ready in two months?

Hon. A. LOVEKIN: The matter will be in the hands of the Government, who can call Parliament together. The amendment seems to me to leave the door open for further and fuller consideration of this most important subject. Sir Edward Wittenoom asks, "When?" We cannot say when until the negotiations are completed and the Government are in a position to make some submission to the House. Therefore we must leave the time in the hands of the Government. The amendment leaves the point indefinite. As mentioned by Mr. Holmes and emphasised by Mr. Cornell and others this is one of the most important questions that have ever come before the House. We want as much time and as much inquiry as we can get before we make a final decision. The question is much further-reaching than the mere matter of the interests of Western Australia. If I may be allowed to explain, I may say that a little time ago I was in Japan, which is a country where almost every square inch of land must be utilised for the feeding of the people. Japan has 18,000,000 acres of cultivable land, and she attempts to feed four people for every acre. Her population is increasing at the rate of 700,000 a year, and obviously there is a congestion. The Japanese do not know where to find relief in order to obtain food for their people. So far Japan has been able to make good her food shortage by selling manufactured goods, cotton goods, silk products and other articles, and with the proceeds buying food. Recently a tariff wall has been raised against not only Japan but other countries, making it difficult to sell manufactured products. When I was in Japan there was great complaint by the people of India, who said that Japan, at the Washington Conference, had agreed to limit her working hours in factories to eight per day and was not carrying out her obligations but was working 11 hours per day seven days in the week. The permanent Minister for Foreign Affairs, with whom I had a conversation of three hours one morning, told me it was impossible for Japan to carry out her obligation, because, if the working hours were reduced, Japan would not be able to sell her products, especially her cottons, in the Indian market, and then would not be able to buy food and make good her shortage. The Japanese, therefore, must look around for further territory in order to

grow food for their rapidly increasing population. So far they have made inroads upon Korea and Manchuria. If one comes to make careful inquiries, one finds that what has been appearing in the Press about the troubles in China and so on is not altogether what it seems. Japan must have further territory. She must peaceably penetrate, if she can, Korea and Manchuria, in order to acquire it. If one were to go deeply enough into the subject, he would find that the acute diplomacy of Japan is keeping the Chinese leaders, who are all aspirants for power, fighting against one another internally whilst she (Japan) gets a hold on these countries to meet her necessities, the further growth of food, and to provide for the future increase of her population. We must take a world-wide view of this position, and look to the time—it must come—when the Chinese leaders will compose their differences and unite for the benefit of China. When that happens, Japan will no longer be able to penetrate Manchuria but will have to look around for other lands from which to feed her population. In Japan it was put to me in this way: The Japanese soldier is always worth five Chinese soldiers. There are 70 million people in Japan, but there are 400 millions in China. So if one Japanese soldier goes under against five Chinese soldiers every time, in the finish there will be no Japanese, but any number of 'Chinamen. I was impressed that that was the situation. Of course, the newspapers put up a lot of camouflage, but at the back of it all will be found that that is the true position of affairs to-day, and that Japan has to look for other territories from which to feed her increasing population. And, probably, she will have less territory in the future than she has to-day, because a good deal of her northern parts will go into that huge vortex of the sea, which is near by, and so it will be even more necessary for Japan to look around for other territory. And all the time it must be remembered that she is within eight or ten days' steam of the north coast of Australia. Hard pressed for food, she will want more territory. Moreover, there will not be in the future the conservative Government that has ruled Japan in the past. Up to the present their members have been elected on a property qualification, and in December last there were only 3,000,000 voters. Since then the franchise has been extended to every adult Japanese male, which has meant the adding of 10,800,000 voters to the rolls. We can envisage a country governed by the re-

representatives of 10,800,000 coolies and industrialists, a country wanting food although working 11 hours per day on seven days of the week, when there is within four or five days' steam a territory having less than one man to the square mile. It is obvious that some request will be made for the use of that land. I think the request will be made in a gentlemanly way.

Hon. J. J. Holmes: Do you think Britain could refuse it, with those people starving?

Hon. A. LOVEKIN: Even if Britain wanted to refuse it, she could not help herself. The cultured Japanese with whom I conversed were, some of them, Oxford graduates, quite sympathetic with Great Britain and by no means opposed to Australia. They were all conservatives. However, I do not think a Government elected by 10,800,000 industrials working long hours and wanting food will be too particular as to the terms in which they will put up a request. At any rate, it is highly probable they will do as we do with another place sometimes, namely press their request. A good many people are under the impression that even if Japan took such action, Great Britain and America would come to our aid. But if we sought the aid of America, in the East she would have to pass Honolulu and go around all those islands lying to the north of Australia. Let me say parenthetically that if you want to see how the East views White Australia, you have only to call at Thursday Island, where all the colours of the rainbow are represented. America, if she desired to help us, would not be able to afford protection to the north of Australia against a hostile Japan. And, coming down the western side, from Kobe to Penang one finds 500 or 600 islands, nearly every one of which would make an admirable base for Japanese submarines and warships. As a matter of fact, with a hostile Japan, Great Britain could never get into the Singapore base, which is eight or ten miles down the Malacca Strait from Singapore. That being so, how could she render protection to northern Australia?

Hon. J. J. Holmes: Is that your opinion, against the Admiralty experts of the world?

Hon. A. LOVEKIN: The Admiralty experts have abandoned the Singapore base scheme, and are building a floating dock.

Hon. Sir Edward Wittenoom: Let us get on to the Federal Government and the North-West.

Hon. A. LOVEKIN: I am pointing out how important this question is. I think that

in the near future we shall have to put a new interpretation on the White Australia policy. Under that policy at present we prohibit everything. I do not think we shall be able to continue to do that. I do not think it will be possible with safety to Australia to continue the interpretation of White as prohibition; we shall have to interpret it as regulating, not prohibiting. Also the Northern Territory, so far as we know, is useful for the production of cattle. May be, if the land were so applied, very fine sheep could be grown there. But cattle and sheep production do not postulate great populations. Where are we to get defence from and the people northern Australia? That is a matter that must be taken into account in these negotiations. I have made these remarks with a view to putting another sidelight on another very big question. I wish to point out the need for the fullest investigation and for ample time. That is why I proposed the amendment to the Chief Secretary's motion that we do not approve of the proposal for the taking over of the territory north of the 26th parallel. I think if we go as far as the 20th parallel it is enough for the purposes of negotiation; and if we authorize the Government to proceed with the negotiations and then to advise the House afterwards, it will be better than turning down the whole thing. Let us leave it open, so that it can be considered from all points of view, and let the final proposal come down to the House so that we may discuss it. For get not, the decision we may make is one that will have to last for all time.

Hon. H. Stewart: You mean all north of the 20th parallel?

Hon. A. LOVEKIN: Yes. All that my amendment does is to ask the Government to proceed with the negotiations on the basis of the 20th parallel.

Hon. J. Ewing: They have already decided to do so.

Hon. A. LOVEKIN: Apparently they have. If the House asks the Government to proceed with the negotiations they have entered upon, it is as far as we ought to commit ourselves at present.

**HON. H. STEWART** (South-East—on amendment) [4.55]: I made my suggestion largely out of consideration of courtesy to the Government. Sir Edward Wittenoom's amendment is the certain words should be struck out and I suggest the insertion of a few other



words. Sir Edward proposes to strike out all words after "1926," and insert "should form a basis for determining a scheme that will be in the best interests of the people of the territory concerned." My suggestion was that Sir Edward Wittenoom's amendment should be modified by the incorporation of certain words. After the word "scheme" in the words proposed by Sir Edward to be inserted, I want to see the words "for transference of territory north of the 20th parallel of south latitude." By this we should be accepting a large portion of the Government's motion. Sir Edward Wittenoom's amendment would not then be so drastic. I thought that if we retained the larger portion of the wording in the Government's motion, it would meet with the approval of the House.

**THE CHIEF SECRETARY** (Hon. J. M. Drew—Central—on amendment) [5.0]: I hope the House will come to a definite decision and either support the action taken by the Government or oppose it. Sir Edward Wittenoom's amendment gets us nowhere, in fact it puts us back to where we were.

Hon. J. J. Holmes: The motion does not get us anywhere, either.

**THE CHIEF SECRETARY**: The point at issue is whether the starting point shall be the 26th parallel or the 20th parallel. Mr. Lovekin, I consider, put up an amendment that is well worthy of consideration.

Hon. A. Lovekin: Yes, I ask you to go on.

**THE CHIEF SECRETARY**: Sir Edward Wittenoom suggests that the basis should be the original proposal.

Hon. Sir Edward Wittenoom: I have withdrawn that amendment.

**THE CHIEF SECRETARY**: That was further amended by Mr. Stewart.

Hon. H. Stewart: There is no amendment excepting Mr. Lovekin's.

**THE PRESIDENT**: Perhaps the Chief Secretary will allow me to make the position clear. The amendment before the House now is, that all the words after "House" be struck out with a view to inserting other words. The question is that the words proposed to be struck out be struck out. Mr. Lovekin has indicated that if the words are struck out he will move to insert other words. Those words are, "It is desirable that negotiations with the Commonwealth Government be proceeded with for the surrender of all territory north of the 20th parallel of south

latitude to the Commonwealth of Australia, and that such negotiations be submitted for the further consideration of this House."

**THE CHIEF SECRETARY**: I am satisfied with the amendment.

Amendment (to strike out all the words after "House") put and passed.

**THE PRESIDENT**: The question now is that the following words be inserted in lieu of the words struck out—

It is desirable that negotiations with the Commonwealth Government be proceeded with for the surrender of all territory north of the 20th parallel of South latitude to the Commonwealth of Australia, and that such negotiations be submitted for the further consideration of this House.

**HON. G. W. MILES** (North) [5.5]: Personally, I would like to see the words "26th parallel" inserted.

**THE PRESIDENT**: It is competent for the hon. member to amend Mr. Lovekin's amendment by inserting those words.

Hon. G. W. MILES: Judging by the feeling of the House I do not think there is much hope of getting that carried. The State has been neglected north of the 26th parallel just as much as it has been neglected north of the 20th parallel. The Commonwealth are prepared to develop that part of our State. Indeed, I know that both parties in the Federal Parliament are anxious and willing to be given the opportunity to do so. I have no desire to go into figures again; I dealt with them extensively in my speech in August last. It is in the interests of the southern part of Western Australia that we should allow the Commonwealth to develop our North. It would mean the expenditure of between 10 and 20 millions by the Commonwealth and perhaps as much by private enterprise. After all, the 20th and the 26th parallels are only imaginary lines. As has been pointed out, it will be years before any works in the North will be reproductive, and it has also been pointed out that if the Commonwealth take over that territory, we shall have at our disposal the North Australia Commission, two members of which I know hold opinions similar to mine in regard to the opening up of that country. I congratulate the Government on not accepting the terms suggested in the first proposal. If we go on with the negotiations I think it will be found that the Commonwealth will be prepared to spend up to 30 millions in that part of the State spread over the

next 10 years. The Government acted wisely in arriving at a decision before approaching Parliament; they could not have done anything else but come to a decision. But it is regrettable, as other members have pointed out, that the House was not given an earlier opportunity to discuss the question, as it is one of the most important since the establishment of Federation that the State Parliament has been called upon to consider. Mr. Lovekin has indicated the seriousness of the position and all members are agreed upon that point. This area must be developed and peopled and the work must be put in hand immediately. I hope the House will not agree to the 20th parallel, but that they will compromise by agreeing to the 23rd, which is the Tropic of Capricorn. I have this information from the North, that if the people there are given the opportunity to say whether they want the territory handed over under certain conditions, a big majority will vote in favour of the transfer. I am told that five out of six of the governing bodies between the 20th and the 23rd parallels are agreeable to the transfer to the Commonwealth, and I venture to say also that those between the 23rd and the 26th are of the same opinion. I hope the House will agree to insert the 23rd, which is a compromise.

The PRESIDENT: If the hon. member wishes to do so, he may move to amend Mr. Lovekin's amendment by striking out the 20th and inserting the 23rd. Now is the time to do it; it will be too late after the words have been inserted.

Hon. G. W. MILES: Shall I have an opportunity to speak generally on the motion when it is amended?

The PRESIDENT: Yes, but it will be too late to amend it then.

Hon. G. W. MILES: I move an amendment—

That "20" be struck out and "26" inserted in lieu.

HON. J. J. HOLMES (North—on amendment) [5.10]: That amendment, I am afraid, will lead to complications. If the hon. member made it "commencing at or north of the 26th parallel" that would get over the difficulty.

Hon. A. Lovekin: But the 26th has been turned down.

Hon. G. W. Miles: I will agree to this suggestion.

The PRESIDENT: The amendment now reads—

That the figure "20" be struck out, and the following words inserted in lieu:—"commencing at or north of the 26th parallel."

Hon. A. Lovekin: The Government have already turned down the 26th, and we have no desire to lend colour to any belief that the House has the 26th in its mind. It would be unwise.

THE CHIEF SECRETARY (Hon. J. M. Drew—Central—on amendment) [5.12]: I ask the House to exercise care in connection with an amendment of this kind. The question has been thoroughly considered by the Government and negotiations have proceeded with the Commonwealth, and I may say that unanimity almost has been arrived at between the parties as to the parallel of latitude. We have got to that stage after six months of negotiations. If the amendment be carried, nothing but confusion will result.

Hon. G. W. Miles: That may be the opinion of the Government, but it is not the opinion of this House. If it should be decided that the 26th should be cut out, well and good. I think it should be the 26th.

The PRESIDENT: Order! The hon. member is out of order. He has already spoken and he is not entitled to reply as the mover of an amendment. I think he has said all he wants to say.

HON. J. EWING (South-West) [5.15]: So far as I can see the Government have dealt with a letter submitted by the Prime Minister. They did not agree with the terms of that communication, and have referred the matter to this House for confirmation. To me the question whether it shall be land north of the 20th parallel or north of the 26th parallel has no bearing on it at all. The question is whether we are prepared to part with any of the territory, and the position as it was set out by Mr. Lovekin is quite clear.

Hon. J. Cornell: He refers to land north of the 20th parallel.

Hon. J. EWING: I was referring to what Mr. Lovekin said regarding Japan and other places, which was interesting and informative. The question is whether the Government are going to proceed with their negotiations and if they are, the suggestion is that they may consider an offer for

taking over the area from the 20th parallel or anything north of that line. What has not been decided is whether we are going to part with any of the State or not. Apart from that point we are beating the air the whole time.

**HON. H. STEWART** (South-East—on amendment) [5.16]: I intend to vote against the proposal regarding the 20th parallel. To my mind it would not be extending the support to the Government that they should have at this stage of the negotiations, if we restrict them at all. The basis outlined originally has been altered. During an earlier part of the session Sir Edward Wittenoom went fully into this question. At this stage it is quite sufficient to extend support to the Government in connection with the negotiations. Of course, if the Federal Government were to take over the smaller area, I consider they would have quite sufficient territory to deal with to demonstrate their bona fides regarding developmental activities.

**HON. J. CORNELL** (South—on amendment) [5.17]: The object of the amendment on the amendment is to make the negotiations general in character, and not circumscribed as they would be if Mr. Lovekin's amendment were agreed to. It is definite regarding the territory that may be handed over to the Commonwealth.

Hon. J. Ewing: There is nothing definite about it at all.

Hon. J. CORNELL: It will commence at the 20th parallel and extend northwards.

Hon. J. J. Holmes: Yes, that is fixed, and we will stand to the Government to that extent.

Hon. J. CORNELL: Even if we carry the amendment, it will not tie the hands of the Government or of anyone else. I do not know that any decision we may arrive at will make the position in the future less restricted, but if we are not careful we will create the impression that this State will be opposed to taking over any territory north of the 26th parallel.

Hon. A. Lovekin: Yes, as against the 20th parallel proposal.

Hon. J. CORNELL: If hon. members representing the North do not desire to part with any of that territory I will not advocate any alteration, but if they suggest the

offer should start from the 26th parallel I can see no definite objection to the qualification that the negotiations should start from that point or from some other part north of it.

Amendment on amendment put and negatived.

**HON. H. STEWART** (South-East—on amendment) [5.19]: I suggest to Mr. Lovekin that he amends his amendment by excluding the reference to "all lands."

Hon. J. Cornell: You would not surrender some and keep other parts?

Hon. H. STEWART: If the hon. member will listen to what I have to say, he will probably agree with me, as Mr. Lovekin does. If the hon. member will look at the map he will see that at Condon there is a small protuberance—it can hardly be called a peninsula—that juts out just north of the 20th parallel and then turns in again and is separated from the whole compact block of territory to the north by a small bay. If the amendment were to be agreed to in its present form, it would mean that there would be a small isolated piece of land that would be Commonwealth territory and it would be abutting on the main part of the State, that would still be State territory. Mr. Lovekin has looked at the map and realises that the slight alteration in the amendment is necessary.

Hon. J. Holmes: But this is merely an abstract motion.

Hon. A. LOVEKIN: I agree to the suggestion made by Mr. Stewart and, with the leave of the Committee, will amend my amendment.

Amendment, by leave, amended accordingly.

Amendment put and passed.

Question, as amended, agreed to.

## BILL—TIMBER INDUSTRY REGULATION.

### *Assembly's Message.*

Message from the Assembly received and read notifying that it had agreed to amendments Nos. 2, 3, 5, 6, 7, 9, 12 to 16 inclusive, 24, 32, 33, 35, 40 and 42, made by the Council; had disagreed to amendments Nos. 8, 11, 17 to 23 inclusive, 25 to 31 inclusive, 34, 38 and 41; had made two amendments con-

sequential on the acceptance by it of amendments Nos. 13 to 16 inclusive and 24; and had further amended Nos. 1, 4, 10, 36, 37, 39 and 43.

On motion by Honorary Minister, consideration of messages postponed to a later stage of the sitting.

## BILL—GOVERNMENT RAILWAYS ACT AMENDMENT.

### *Assembly's Message.*

A message having been received from the Assembly notifying that it had agreed to amendments Nos. 4 and 5 and disagreed to amendments Nos. 1, 2 and 3 made by the Council, the message was now considered.

### *In Committee.*

Hon. J. Cornell in the Chair; the Chief Secretary in charge of the Bill.

No. 1. Clause 2—Strike out the word "repealed" and insert in lieu thereof the following: "Amended by omitting the words 'deducted from any salary, wages, or emolument due to such person, or may be.'"

The CHAIRMAN: The reason given by the Assembly for disagreeing to the amendment is: "Because this section of the Act has not been used for years, and is obsolete."

The CHIEF SECRETARY: I move—

That the amendment be not insisted on.

I trust the Committee will not insist upon the amendment. The question was fully debated and upon further consideration, I hope members will not seek to include a provision of this description in the Act. There is no necessity for it. The Commissioner has the power now and can exercise it at any time. We cannot discover that any such provision appears in any other Act.

Hon. J. J. HOLMES: The reason given by the Assembly for disagreeing to the amendment is an insult to Parliament, who decided that not only could these men be prosecuted, but that they could be fined. We have been told that this provision has caused dissatisfaction. If the Commissioner has power to prosecute, of course it will cause dissatisfaction. The House refused to allow the Commissioner to be judge and prosecutor at the same time, but desired that he should be in a position to prosecute when necessary. I hope members will insist on the amendment. It cuts no ice to say there

has been no prosecution by the Commissioner for years. If we had a Commissioner with a life appointment instead of an appointment for a limited period, he would probably take advantage of the power to prosecute. Because he has to be subservient to the Government of the day, it follows that he knows on which side his bread is buttered and does not prosecute.

Hon. H. Stewart: Has not he power to prosecute passengers who damage Government property?

Hon. J. J. HOLMES: Yes, and he should be in a position to prosecute employees in the same way.

Hon. H. SEDDON: It appears that exception is taken to the provision, not so much on the ground mentioned by Mr. Lovekin, as from a feeling that it is oppressive in its application. Frequently accident or damage is due to an employee's being rushed in his work and to his having to neglect certain work to carry out other duties. The employees themselves would not object to the section being retained, provided the power were exercised only when a man was guilty of wilful or malicious neglect. Possibly that aspect will appeal to the Committee.

Hon. A. LOVEKIN: The Commissioner should have power to prosecute employees and recover the value of the damage done. It is all very well to argue that the provision has not been used. For that there may be another reason apart from the one given by Mr. Holmes. The fact of the section being in the Act may cause the men to be more careful and thus obviate damage that otherwise might be done. Members might as well argue that certain provisions of the Criminal Code, not having been enforced for years, should be eliminated.

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

Ayes	..	..	..	7
Noes	..	..	..	18
				—
Majority against	..	..	..	11
				—

### AYES.

Hon. J. R. Brown	Hon. J. W. Hickey
Hon. J. E. Dodd	Hon. W. H. Kitson
Hon. J. M. Drew	Hon. H. Seddon
Hon. E. H. Gray	(Teller.)

## Noms.

Hon. C. F. Baxter	Hon. A. Lovekin
Hon. A. Burvill	Hon. J. M. Macfarlane
Hon. J. Ewing	Hon. G. W. Miles
Hon. W. T. Glasheen	Hon. J. Nicholson
Hon. V. Hamersley	Hon. E. Rose
Hon. E. H. Harris	Hon. H. A. Stephenson
Hon. J. J. Holmes	Hon. H. Stewart
Hon. G. A. Kempton	Hon. H. J. Yelland
Hon. Sir W. Lathlain	Hon. W. J. Mann

(Teller.)

Question thus negatived; the Council's amendment insisted on.

No. 2. Clause 3—Delete.

The CHAIRMAN: The reason for the Assembly's disagreeing to the amendment is that it is not in conformity with industrial conditions under arbitration awards.

The CHIEF SECRETARY: I move—

That the amendment be not insisted on.

The amendment refers to the period that would qualify an employee to approach the appeal board. Previously it was 12 months and the Bill sought to reduce the term to six months. That was struck out by the Council in order that the 12 months period might be retained. Any employee who has been six months in the service is entitled to the rights and privileges of a permanent employee and should have the right of appeal also. The following award clauses show the position:—

The W.A. Amalgamated Society of Railway Employees' award. Clause 5 (a) No worker after six months' continuous service shall leave the department until the expiration of fourteen days' written notice of his intention so to do, without the approval of the Commissioner. (b) Fourteen days' written notice shall be given by the Commissioner to any such worker whose services are no longer required, and the reason for dismissal shall be given.

Clause 14 (d). After six months' service an employee shall be entitled to the passes mentioned in Subclause (a) (one "station to station" and two return journey passes) in proportion to length of service. Should any worker through sickness be unable to use his station to station pass on the occasion of his annual leave, he shall be entitled to use such pass on the occasion of taking leave without pay during the year in which the same is due.

Clause 15 (a). After six months' service any worker shall be allowed first or second class privilege return tickets at one-half the ordinary single fare with a minimum charge of 1s. for adults and 6d. for a child, to be issued as provided in Clause 14 (a) and (b).

There are other clauses all indicating that after six months' service a railway employee is regarded as a permanent hand.

Hon. H. Seddon: The loco. agreement contains a similar provision.

The CHIEF SECRETARY: Consequently he should have the right of appeal.

Hon. J. J. HOLMES: The amendment should be insisted on. We have heard a great deal about Parliament wishing to usurp the functions of the Arbitration Court but the pendulum has swung the other way because we are told that the Arbitration Court award does not harmonise with the Act. Consequently we are asked to alter the Act and make it harmonise with the court awards. It is recognised in private enterprise that a man must serve 12 months before he is entitled to holidays. A similar provision appears in the Government Railways Act, but the clause we rejected proposed that an employee should be regarded as permanent after six months' service.

Hon. H. SEDDON: An employee after six months' service is on all fours with a permanent employee, except in one particular.

Hon. H. Stewart: In respect of all concessions?

Hon. H. SEDDON: Practically, with the exception of the right of appeal.

Hon. A. Lovekin: Where did he get them?

Hon. H. SEDDON: The Arbitration Court has provided that after six months' service he shall get practically the same conditions as the permanent man. All that the clause sought to give him was the right of appeal after six months instead of 12 months. That is the point on which the whole thing swivels.

Hon. A. LOVEKIN: If the Arbitration Court cares to give these concessions, we cannot help it, but I do not think this House should, in an Act of Parliament, make an employee permanent after six months' service. That is unjust to members of the community who have to pay the taxes in order to give these men privileges that no one else gets.

Hon. W. H. KITSON: Some members are placing a wrong construction on the term "permanent." A permanent employee in this case could still be dismissed in accordance with the terms of the Arbitration Court awards. All the Bill does is to give him the right of appeal after having been employed in the department for six months.

Hon. H. Seddon: He has not that right now.

Hon. W. H. KITSON: No. The object of the clause is to bring railway employees into

line with everyone else in the matter of appeals against unjust treatment meted out to them. That is all the clause does.

Hon. A. LOVEKIN: No one wants to see an injustice done to the employees. I have no objection to the appeal, but do object to creating permanent employees in this way. If the matter goes to a conference, the amendment of the Council may be discussed.

Hon. J. J. Holmes: What is the good of going to a conference when four-fifths of the members are opposed to giving way?

Hon. A. LOVEKIN: The matter may be tightened up so that employees do not become permanent after six months' service.

Hon. J. E. DODD: I hope the amendment will not be insisted upon. The debate has revealed conditions in connection with the Arbitration Court and certain special Acts of Parliament that are altogether wrong. There should be only one authority to deal with industrial matters, but having constituted the court, we have given it power to override special Acts. That is not right. As a matter of justice we cannot deny employees after six months' service the rights that are given to employees after 12 months' service. The Commissioner would still have power to discharge any men he did not want. What skill is required on the part of numbers of railway employees in order that they may become permanent men? Surely a fettle working under a hot sun all day should have the same right of appeal as a man who is working in a shed.

Hon. H. SEDDON: Every man in the service can be dismissed at a fortnight's notice. The amendment to the Act will not affect that position, but it will give these men a right of appeal after six months' service.

Hon. A. Lovekin: But the award may be altered.

Hon. H. SEDDON: The alteration will apply throughout the service. Everyone should have the right of appeal in the event of unjust treatment.

Hon. H. STEWART: No one has objected to giving the employees the right of appeal. It is contended that if the amendment were carried it would only give to employees of six months' service the same right of appeal that is given to employees of 12 months' service. If the Government wanted to extend this right to temporary employees, why did they not bring in a clause to that effect? They now want every employee of six months' standing to be regarded as a permanent hand. The clause would have a far reaching effect, and is

either insidious in character or crude in its wording.

Hon. J. J. HOLMES: If these men do not require any experience to become permanent employees, why should they be employed for six months before being made permanent? We shall be establishing a vicious principle if we allow employees to become permanent after six months' service. It should be someone's duty to draw the attention of the President of the Arbitration Court to the fact that Parliament has laid it down that a man must serve 12 months before he is permanently employed. The court has exceeded its jurisdiction in going behind an Act of Parliament in this way.

Hon. W. H. KITSON: The privileges Mr. Holmes speaks of are granted by the Arbitration Court.

Hon. J. J. Holmes: Without any right.

Hon. W. H. KITSON: The men are entitled to these privileges. The only difference is that at present a man must be 12 months in the employ of the Railway Department before he is entitled to appeal regarding certain matters. The desire is to amend the Act so that there shall be a right of appeal after six months' employment. When an Arbitration Court has been dealing with matters of this kind for a number of years, and has laid down that privileges shall be available after six months, we should allow the right of appeal after six months. In doing so, we shall not impose on the Commissioner anything that he does not desire, and no extra cost is involved.

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

Ayes	..	..	..	9
Noes	..	..	..	18

Majority against .. 9

#### AYES.

Hon. J. R. Brown	Hon. J. W. Hickey
Hon. J. E. Dodd	Hon. W. H. Kitson
Hon. J. M. Drew	Hon. H. Seddon
Hon. E. H. Gray	Hon. G. Potter
Hon. E. H. Harris	(Teller.)

#### NOES.

Hon. C. F. Baxter	Hon. W. J. Mann
Hon. A. Burvill	Hon. G. W. Miles
Hon. J. Ewing	Hon. J. Nicholson
Hon. W. T. Glasheen	Hon. E. Ross
Hon. V. Hamersley	Hon. H. A. Stephenson
Hon. J. J. Holmes	Hon. H. Stewart
Hon. G. A. Kempton	Hon. Sir E. Wittenoom
Hon. Sir W. Lathlain	Hon. H. J. Yelland
Hon. A. Lovekin	Hon. J. M. Macfarlane
	(Teller.)

Question thus negatived; the Council's amendment insisted on.

No. 3. Clause 4, Subclause 1, paragraph (e), delete "and" in line 1, and insert after "deputy" in same line the words "and his substitute":

The CHAIRMAN: No reason is given for disagreeing with this amendment.

The CHIEF SECRETARY: I move—

That the amendment be not insisted on.

Hon. H. SEDDON: The object of the amendment is to bring all the representatives of the employees on the appeal board within the scope of election, instead of one of them being appointed. The amendment is far more democratic than the original provision, and I hope the Committee will insist upon it.

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

Ayes	..	..	..	..	6
Noes	..	..	..	..	21

Majority against .. 15

#### AYES.

Hon. J. R. Brown	Hon. W. H. Kitson
Hon. J. E. Dodd	Hon. E. H. Gray
Hon. J. M. Drew	(Teller.)
Hon. J. W. Hickey	

#### NOES.

Hon. C. F. Baxter	Hon. W. J. Mann
Hon. A. Burvill	Hon. G. W. Miles
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Hon. G. A. Kempton	Hon. Sir E. Wittenoom
Hon. Sir W. Lathlain	Hon. H. J. Yelland
Hon. A. Lovekin	Hon. E. Rose
Hon. J. M. Macfarlane	(Teller.)

Question thus negatived; the Council's amendment insisted on.

Resolutions reported and the report adopted.

*Sitting suspended from 6.15 to 7.30 p.m.*

### BILL—LOAN, £4,370,000.

#### Second Reading.

Debate resumed from 10th December.

HON. H. STEWART (South-East) [7.30]: Under the item "development of Agriculture" we see £1,500,000 for group settlement. I recently asked for certain in-

formation as to group settlement for the purpose of seeing what the position was as compared with what it was two years ago. About this time in 1923, after some £450,000 had been spent on group settlement, from returns similar to those recently asked for I compiled a table, which will be found in "Hansard" for 1923, on page 1975, which showed in terse form the position then existing. In prefacing my remarks at that time I read out a statement made by the Leader of the House, Mr. Colebatch, in 1922 when, on the 5th September, he gave certain information in regard to the proposed group settlement scheme. He pointed out to us what the position then was. In dealing with the agreement that had been concluded by the then Premier, Sir James Mitchell, he said:—

When the agreement came to be finalised, the Premier realised that if we were going to have an average cost of £750 per settler, we must not definitely pin ourselves down to £750 as a maximum.

So the maximum made in the agreement was £1,000 per settler. That, of course, has since been modified. When I went into the position three years ago and tabulated the information, I took all group settlements that had 20 settlers on them and considered the acres cleared, the average cost per acre, the number of houses erected on the groups and the acres per member, and showed that the acreage cleared per member on any of the groups was exceedingly little. The total cost at that time led one to the conclusion that whereas the original estimate was for a maximum of £1,000, it was clear that the cost per settler would run from £1,300 to £1,500 or even £1,800. After that three years' experience I have drafted out from information laid on the Table of the House a comparable table which puts on record certain figures that show those sections of the community interested in this matter that it requires plenty of attention and thought to see that further efforts are made to get as efficient an organisation as possible and reduce to the utmost the cost with which individual settlers in the groups will be loaded in order to give them the best start in this work. Group settlement, incontestably, has improved the condition of individual settlers on that class of country as compared with the experience of settlers under the old time methods in similar country, either in this State or in the heavy rainfall areas of Vic-

toria and Tasmania. In the early days the clearing of such country was a heartbreaking process in which many failed. There was no possible hope of success under the old conditions, no chance of the original settlers winning through and having during the process reasonable living conditions for themselves or even for their sons. Those conversant with the Gippsland and Northern Tasmanian settlers will agree with that. Group settlement gives the people engaged in the work at present a much more reasonable chance of better living conditions whilst they are in the process of settlement. However, the spending of something like three millions on group settlement within the last 2½ years has led me to prepare this table, from which I will draw some illustrations, taking the same groups that were fully manned in 1923 and comparing the progress made since that time, so that it may be on record in clear and concrete form. Before I deal with specific examples I want to draw attention to the fact that during the last three years of administration there have been slight modifications made, until the position is now altogether different from what it was prior to the advent of the present Government. Efforts are being made to reduce the cost of settlement in the interests of the settlers. The Minister for Lands, when speaking to the Empire Parliamentary Delegation in November, said:—

It is proposed in establishing new groups to adopt a modification of the system. The settlers will be placed on sustenance of 10s. per day for three months only. This will enable them to become adapted to the work. They can then be placed individually to work on their own blocks, being paid under the piece work system. Each settler will know from the start approximately the liability that will attach to his block. The estimated cost of preparing a farm is from £1,800 to £2,000.

Through the return supplied to the House I find that up to the 30th June in the successive years 1923, 1924, and 1925, the position in respect to the number of people engaged as group settlers resident on the group, was as follows:—In 1923 there were 1,273 settlers, and in 1924 there were 2,296 settlers. That was approximately the position when the change of Government occurred. In 1925 there were 2,229 settlers, and in 1926 there were 2,244 settlers. That is to say, there were fewer settlers on the blocks, whether at one year or at two years subsequent to the change of Government. That position, we know, has arisen to a large extent because of the necessity for

finalising agreements. Those agreements are rather in the interests of the ratepayers of the State than were the previous agreements. The later agreements cancelled the previous agreements and put this State on a better footing than it was previously. Although the number of settlers is somewhat less, the work has gone on. I have not the information to enable me to total up the number of acres cleared, but I have here listed about 15 groups that in 1923 were manned with a full complement of settlers. This information is tabulated in "Hansard." The position now is that on Group No. 1 there are 370 acres cropped, and 20 settlers in the group. I cannot get the more recent costs per acre, because since my motion asking for information was carried the department has not been able to give me the information I require. There has been no desire since the return was authorised to do anything but provide the information as far as possible, but the information has to be collected to a certain extent from the group. If in a big system like this there was thoroughly efficient administration such information as I ask for ought to be in existence, tabulated in the office as a guide to efficient management. I say the same in respect of the railways. Information like this should be tabulated and dissected as a guide to the best method of running huge undertakings. But apart from that, my desire is not to indulge in any adverse criticism, but simply to express thanks for the information given and put into concrete form. As an illustration the general expenses in the groups amounts to 9 per cent on £2,940,000. That has to be added to the total cost per settler in the table. I have prepared a tabulated statement showing the group number, the locality, the acres cropped, the average crop per acre in 1923 and advances under bill of sale. These advances have been made for stock, plant, etc., in regard to which the settlers have a limited time to pay. There is also the average cost of the home, the number of acres cleared per group, the acres cleared per member and the total cost per member per group. I will take two or three of the items as illustrative of the groups at Manjimup, Jarnadup, Augusta, Peel Estate and Denmark. In group 1 there were 571 acres cropped. The original average cost to clear was £29 per acre. The average cost per home was £200. The area cleared was



612 acres. The number of acres cleared per member was 30, and the total cost per member came to £2,238 with nine per cent. to be added. That would be roughly speaking £2,400 per member with 30½ acres cleared. They had in 1923 an area of 8¼ acres cleared. If we take the cost of the present clearing at the old price of £29 per acre, it means that the value per settler works out at £884. Those who are conversant with agriculture will understand my point. If we lump the items clearing, home, sundry advances, dairy, etc., we get a total of something like £1,200. The question then arises as to where the other £1,200 went. It is a very large sum. Where has it gone? In sustenance?

Hon. J. J. Holmes: Thirty acres cleared at £40 an acre.

Hon. H. STEWART: I have added £134 for sundry debtors and £250 for the cost of the home, making £380. I add another £70 to cover the cost of the dairy and one or two other items which will bring the total of say £450 odd to about £880 for clearing, or a grand total of approximately £1,400. We are given £2,238 as the total, but against that we can only make it £1,400, leaving £800 unaccounted for and 0 per cent. of the total should be added as a proportion of the general expenses. The desire is that a number of the groups should be disbanded and that is the point where the Agricultural Bank has to come in to take over the holdings. Summarised that is the position. Here are 20 holdings in Group No. 1 with 30 acres cleared. The highest sundry debts for stock and plant amount to £134, there is a house worth £250 and a dairy, and yet £2,400 including the general expenses, is the total debt. One who possesses knowledge of agriculture should realise the need for utilising every means available to reduce that indebtedness to the lowest possible figure in the interests, not only of the settler, but of profitable production.

Hon. J. Ewing: You are quoting the worst case in the group settlements.

Hon. H. STEWART: My desire is not to put up adverse criticism.

Hon. J. Ewing: It is adverse criticism of the worst kind!

Hon. H. STEWART: If the hon. member likes I can take an illustration from Denmark, Jarnadup, the Peel Estate or Pemberton. The position is not very different in any of those settlements. I have been

to some of the groups and seen the pastures, the homes and the surroundings. I was pleased with the progress and the evidence of development that I saw. I read in this morning's paper the opinion of Mr. W. Banks Amery telegraphed from Melbourne. Mr. Amery said—

Melbourne, December 14. After a tour of 2,000 miles through the south-western districts of Western Australia, Mr. W. Banks Amery, British Government Migration Representative in Australia, has returned to Melbourne imbued with a sense of the unqualified success of the group plan of settlement. Speaking on his tour to-day, Mr. Amery expressed amazement at what had been done in the last few years, and of the confidence communicated to him, largely by the group farmers themselves, in the future prospects of the settlers. The success of the system, Mr. Amery said, was to be learned from a tour around the district, and from the lips of the settlers themselves.

True, a lot has been done, but one cannot judge the correct position by looking at certain areas of pasture. One can only judge what is taking place by getting an idea of the costs and putting them into concrete form as a sensible man would do in order to strike his balance.

Hon. J. Ewing: What an advertisement you are giving the State!

Hon. H. STEWART: How would an hon. member, say Mr. Rose, care to own a property of 100 acres, 30 acres of which was cleared and carrying an indebtedness of £2,238? Those gentlemen who are energetic and are trying to draw me aside from the simple statement that I am endeavouring to make, not antagonistically, should agree with me that we should strive to bring about settlement as economically as possible. We should not dwell in a fool's paradise, and declare that having arrived at the facts we should hide them. The group settlements have been in operation now for about five years.

Hon. W. J. Mann: Some have been in operation only 12 months.

Hon. H. STEWART: Yes. What I meant was that it was five years since they were first started. But the groups I have taken to illustrate my arguments had been in existence for three years. There is no desire on my part to do anything but put on record certain facts.

Hon. J. J. Holmes: You want to know what the harvest is going to be.

Hon. H. STEWART: We cannot sum up the whole position at this stage. We can

only make a progress report, and my desire has been to tabulate certain information so that those who may care to have it shall find it on record. If they can get any good from it, then my purpose will have been served. If the information is of any value to the Minister, he can refer it to his colleagues, and ask them whether or not it points to a moral. By way of another illustration I might be permitted to allude to Group No. 5 at Manjimup. This consists of 547 acres. The average cost of clearing, on the old figures, was £18. The advances under bill of sale amount to £133 per member. The average cost of the cottages is £235. The average number of acres cleared is 32. In 1923 that average was 10½ acres. Roughly speaking it appears that in each case the number of acres cleared each year has been in a fair proportion to what it was

in the first year. In some cases it was more. The total indebtedness per settler in that group, not taking into account the 9 per cent. for overhead charges, was £2,111. If we multiply the number of acres by the whole cost of clearing, the cost of the clearing work stands in at £576. I have not added the various debits, simply because I do not wish to make the position too obvious. When we note that there are dangers facing us, we must be careful to see that every endeavour is made to continue the settlement at a minimum cost. We must not imagine that all the methods have been perfected and that the system is incapable of further improvement. Rather should we take the figures that I have quoted and use them as an incentive to further effort in the interests of the State and the settler. The table to which I have referred is as follows:—

#### GROUP SETTLEMENT AS AT 30th JUNE, 1926.

Approximate figures compiled from Paper No. 224 laid on the Table of the Legislative Council.  
General expenses amounting to 9 per cent. on £2,940,000 have to be added to figures in "Total cost" column.

Group No.	Locality.	Acres Cropped.	Acres Cleared.	Amount owing per member.			Clearing.		
				Advances under Bill of Sale for Stock, Plant, etc.	Average Cost per Home.	Total Cost, 9 per cent. to be added for General Expenses.	Acres Cleared.	Average Cost per acre.	Approx. average Cost of Clearing per holding.
1	Manjimup ...	571	612	£ 134	200—250	£ 2,238 (839)	30½ (81)	£ (29)	£ 884
2	Jarnadup ...	427	523	150	235	2,171 (750)	26 (8)	(28)	725
8	Augusta ...	547	814	158	"	2,312 (850)	40½ (13)	(31)	1,255
5	Manjimup ...	647	648	133	"	2,111 (750)	32 (10½)	(18)	516
8	Pemberton ...	672	682	150	"	2,217 (700)	32 (7)	(20)	640
10	Manjimup ...	470	571	114	"	1,847 (600)	27 (7)	(22)	594
19	Do. ...	424	500	116	"	1,767 (500)	25 (4½)	(16)	400
29	Peel Estate ...	1,450	1,641	241	235	1,942 (540)	82 (28)	(2)	164
30	Do. ...	1,437	1,788	258	"	1,998 (400)	81 (18½)	(4)	324
35	Do. ...	1,359	1,800	233	"	1,898 (300)	90 (29)	(8)	270
39	Do. ...	682	1,329	133	"	1,713 (305)	60 (16)	(3½)	210
40	Denmark ...	281	764	117	274—314	1,471	38	(15)	570
41	Do. ...	328	461	60	"	1,334	22	(19)	418
50	Peel Estate ...	641	893	124	235	1,586	42 (9)	(4)	168

Figures in brackets are taken from 1923 Parliamentary Paper No. 81 (see *Hansard*, 1923, p. 1975.).

**HON. J. NICHOLSON** (Metropolitan) [S.O.]: I do not propose to speak at any great length because the Bill has been dealt with fairly fully by the Leader of the House and by other hon. members. The measure contemplates raising a large amount by way of loan and also the appropriation of certain loan moneys. Usually we have in conjunction with such a Bill either the Appropriation Bill or the Supply Bill. It is difficult to restrict attention to the Loan Bill, without encroaching upon matters that really relate to the Appropriation Bill. As we have particulars of the Loan Estimates before us, there are a few matters disclosed in the details of those Estimates that I can refer to under the heading of this Bill. The Leader of the

House, when dealing with the Appropriation Bill, referred to some items that I may also be justified in commenting upon at this stage. Under the heading of General Loan Funds, on page 3 of the Loan Estimates, there is set out the expenditure that was provided for in 1925-26, which amounts to £4,078,000. The amount actually provided for was £4,700,000 odd and the amount expended was £4,078,686. The estimate for 1926-27 is £4,832,347. There is a very interesting comparative table shown in the Estimates to which I will draw the attention of members representing country provinces. I do so because at times we hear the remark that members representing metropolitan constituencies are inclined to be forgetful of the needs of country districts.

At times we are almost charged with the crime, so to speak, of trying to divert money to the metropolitan areas at the expense of country districts. From time to time it has been demonstrated that such a charge is not justified. The statement contained in the Loan Estimates serves to exemplify the truth of the statement that the country districts are well supplied indeed. Members representing country districts should take into account the fact that the allocation of those moneys is supported by metropolitan members as well as themselves.

Hon. J. Ewing: The country feeds the city.

Hon. J. NICHOLSON: I am delighted that there are cities to be fed, and it is pleasing to know that the hon. member realises that fact. If there were no city, there would be no country, and vice versa. The hon member should realise that what we should aim at in this State, irrespective of whether people are foolish enough not to do it elsewhere, is for the country and the city to go forward hand in hand. Unfortunately we sometimes note instances of a curious but unjustifiable hostility displayed and, I am sorry to think, it obtrudes itself here.

Hon. G. W. Miles: Are you apologising for yourself?

Hon. J. NICHOLSON: Perhaps I am supplying an apology for the hon. member. He will probably realise that he may have been found wanting in that direction himself. I wish to see the country progress and that can only be secured by our united efforts.

Hon. W. T. Glasheen: Would you like to shift some of the city population to the country?

Hon. J. NICHOLSON: I would like to see more and more settlement going on in the country. I have never hesitated to urge people to settle on the land and to keep on developing it. I am not forgetful at the same time of my duty to the province I represent. The table I have referred to in the Loan Estimates shows some striking items of expenditure, including the vote for the development of agriculture totalling £2,123,750.

Hon. G. W. Miles: What is wrong with that?

Hon. J. NICHOLSON: Nothing at all. There is no other vote that comes within reasonable reach of that, and the vote this year is £42,906 in excess of the amount set out in the previous year's Estimates. In addition to that, there are shown in the detailed statements large sums of expenditure

under the heading of roads and bridges, public buildings, etc. In nearly every instance it will be found that large sums have been provided for the benefit of the country. Even in connection with water supply and sewerage, districts to receive their fair share include Albany, Bridgetown, Brookton, Bruce Rock, Geraldton, Narrogin, Pingelly, and so on.

Hon. G. W. Miles: Why should they not receive their fair share?

Hon. V. Hamersley: Are you jealous?

Hon. J. NICHOLSON: I am only too pleased to see that the country is receiving such excellent consideration that the outer parts of the State are not being neglected.

Hon. V. Hamersley: Where do you find those items in the Estimates?

The PRESIDENT: Order! I ask hon. members to allow Mr. Nicholson to proceed with his speech.

Hon. J. NICHOLSON: Numerous items of expenditure are set out under the heading of roads and bridges, and these provide for development of the country districts. Thus hon. members will see that the £4,832,000 that is provided for such estimated expenditure for 1926-27 is largely for expenditure in country districts.

Hon. W. T. Glasheen: And you are getting a 30,000,000 bushel harvest for it.

Hon. J. NICHOLSON: I am delighted to know that and I hope the hon. member's anticipations will be exceeded. I believe that in one estimate published in a newspaper the figures exceeded by 5,000,000 bushels those mentioned by Mr. Glasheen. Of course we cannot say whether that increased estimate will be realised or not. Again, large sums of money are being expended in connection with our immigration activities. That money is mainly provided for increasing settlement on the land.

Hon. V. Hamersley: But it is only spent as loans.

Hon. J. NICHOLSON: I am dealing with the General Loan Fund. If the hon. member means that the people in the country districts are to bear the brunt of the loan, I could understand his interjection.

Hon. V. Hamersley: So they do.

Hon. J. NICHOLSON: The main part of the interest on that loan will have to be borne by the people in the metropolitan area. I hope, therefore, that Mr. Hamersley will not be forgetful of his obligation towards the people in the city.

Hon. V. Hamersley: He owes them nothing.

Hon. J. NICHOLSON: These matters should not be forgotten, and I wish to make the position clear to hon. members.

Hon. W. T. Glasheen: Do you ever pass on your portion of any extra costs?

Hon. J. NICHOLSON: No, we cannot do that. I was pleased to hear what the Chief Secretary said about the salaries of the officers of this House. It showed that the Leader of the House was not forgetful of the interests of this House or of those associated with it. He showed that by the care he exercised. The position has now been rectified. Certain large sums are provided in the Estimates for administration purposes. In dealing with that phase we must remember that they necessarily involve salaries throughout the various departments. In that respect we know that many heads of departments have not had extended to them that consideration to which they are entitled regarding the salaries paid to them. It is true that a method of appeal is provided for the Civil Service. Some members of the Civil Service who were able to appeal have done so, but there are other members who are not entitled to exercise that right. I refer chiefly to such members of the community as judges, magistrates and others, who are not in a position to appeal.

The PRESIDENT: Would not the remarks of the hon. member be more applicable to the Appropriation Bill than to the Loan Bill?

Hon. J. NICHOLSON: I thought the matter of increases of salary was referred to under the heading of administration. However, I can leave it until a later stage.

The Honorary Minister: Surely you will not go all over it again?

Hon. J. NICHOLSON: If the President will allow me, I can finish my remarks on that point with a few words.

The PRESIDENT: Perhaps if the hon. member does so, it will save time afterwards.

Hon. J. NICHOLSON: Judges and magistrates have not the opportunity to appeal that is open to other Civil Servants. I hope the Minister will not be forgetful of the claims of the dignitaries of our bench in a service which we desire to see respected. I wish to deal briefly with the item "Other State Undertakings." I regret that I was not here last evening to hear the debate on the Bill, but I understand that Sir Wm.

Lathlain commented on certain matters dealing with State Sawmills, State Brickworks, and other undertakings. According to a report of his remarks, it would appear he indicated that the estimated expenditure provided for the State Brickworks was £50,000. That was probably a mistake. The estimated expenditure on brickyards for the year ended the 30th June, 1927, is £10,000. The total provision made for brickyards from 1912 to 1926 inclusive was close on £50,000—to be precise £49,017 12s. 3d. I cannot understand the need for making provision for £10,000 for State Brickworks.

Hon. J. Ewing: For a new kiln.

Hon. J. NICHOLSON: I understand that when a similar amount was provided last year it was to meet the expense of a new kiln.

The Chief Secretary: Are you dealing with the Loan Bill?

Hon. J. NICHOLSON: Yes.

The Chief Secretary: It is impossible to follow you if you are dealing with the votes.

Hon. J. NICHOLSON: I understand Sir William Lathlain was dealing with the Loan Bill when he referred to these matters.

Hon. J. Ewing: That is right.

Hon. J. J. Holmes: It is on page 4 of the Loan Bill.

Hon. J. NICHOLSON: The items in the schedule to this Loan Bill are:—Brickyards, £10,000; State Steamships, £110,000; Sawmills, £50,000; Agricultural Implement Works, £20,000. The expenditure provided from 1912 to 1926 totalled on three different occasions £10,000 a year, namely, in the years 1912, 1915 and 1926. In 1913 the provision was £6,000, in 1919 only £2,000, in 1920 only £1,000, and in 1924 it was £8,017 12s. 3d. I understand that the amount provided last year represented the sum necessary to instal an extra kiln. The Loan Estimates state that the progress made for expenditure during the year ended 30th June, 1926, was the completion of a new kiln and provision of new plant. The progress anticipated to be made during the current financial year is thus stated, "Purchase and erection of new machinery and power plant, and erection of four new cottages for married men and additions to single men's barracks." I understand that the machinery and plant requirements were covered by the vote of £10,000 last year. In the schedule we find an unexpended balance of loan authorisations at the 30th June,

1926, amounting to £11,006. Provision is now being made for another £10,000, and I cannot see what justification there is for it.

Hon. J. Ewing: To provide another kiln.

Hon. J. NICHOLSON: A new kiln was provided for last year.

Hon. J. Ewing: It is intended to put in another.

Hon. J. NICHOLSON: There is no proposal to put in a kiln in addition to the one provided last year. No clear explanation of that item has been given, and I suggest that such a large sum is not required. I believe the State Brickworks are working two shifts on two kilns at present, but they have machinery for only one shift. The amount that will be required to provide the additional machinery necessary is only about £8,000. Yet there is £11,000 unexpended and £10,000 provided, so apparently provision is being made far beyond what apparently is actually necessary.

Hon. J. Ewing: There is only £11,006 over and above the £10,000.

Hon. J. NICHOLSON: The brickworks are earning money and have succeeded in paying to revenue fairly substantial sums. With the aid of that revenue surely a lesser sum of capital expenditure should be required, and the balance might be devoted to some other purpose. It was suggested by the Premier at various times as well as by the Minister for Works, that they desired to see secondary industries established by private enterprise. If they wish to attract private enterprise to undertake the establishment of industries, surely they cannot expect people to invest money here when they see a great expansion contemplated of Government trading concerns. I think it would be wise on the part of the Government if, instead of extending those works, they restricted their efforts and encouraged private enterprise to relieve them of the responsibility and trouble of conducting trading concerns. If the Government pursued such a course they would be giving effect to their own utterances on the public platform, and the result would be beneficial to all concerned. There are private firms seeking to establish brick-yards, believing that the Government are not desirous of expanding their works. At the present time works are being re-started at Cardup that have been idle for a considerable time, and the kiln there is being supplemented by a new one. Another new company have established themselves at Maylands with a Hoffman kiln. At present there

are five kilns operating, including those of the State Brickworks, and with three new ones now being added there will be a total of eight kilns. Surely an extension of the Government works is not justified, and if that is so the item is not necessary. I call attention to one other phase of State industries generally. I find that the total estimated expenditure on State undertakings is £259,500. That money, which is being diverted towards the establishment and extension of these undertakings of the Government, is misplaced energy, and detrimental to the advancement of the various desires which have been expressed by members of the Government. I shall be interested to hear what the Leader of the House may have to say on these questions. I hope something may be done to apply the money in some other direction than in that indicated by these State undertakings.

**THE CHIEF SECRETARY** (Hon. J. M. Drew—Central—in reply) [8.31]: As it is possible for a speech such as that delivered by Mr. Holmes to have an injurious effect on the credit of Western Australia on the London money market, it is necessary that I should reply to those portions of his address likely to have that tendency. I clearly understand that Mr. Holmes' shafts are not directed specially at the present Ministry. He is having a shot at all. But in doing so, he may harm the State. As all that he has said is capable of satisfactory elucidation, I feel that the duty devolves upon me of defending the whole of the Governments which have been in power during the lengthy period covered by the hon. member's utterance.

Hon. J. Nicholson: You have a big task in front of you.

**THE CHIEF SECRETARY**: I have an easy task. A stranger or some outsider would be apt to conclude from Mr. Holmes' speech that the State was on the downward path, and that things generally could hardly be worse than they are at the present time. However, it is to a certain extent comforting to know that the hon. member does not cast all the blame on the existing administration for such a condition of affairs, but distributes his censure impartially between it and its predecessors.

Hon. J. J. Holmes: I think I said yours was the best Government we had had for some years.

The CHIEF SECRETARY: We all recognise that Mr. Holmes takes a great interest in finance, and it would be surprising indeed if the opportunity offered by the presentation of the Loan Bill failed to provoke the exercise of his powers of criticism. The hon. member sounds a loud note of warning to the members of the Legislative Council and the people of the State. To strengthen that note of warning he has drawn very largely on information gleaned from the Auditor General's report, but has not met with any appreciable measure of success. The Auditor General supplied the facts and figures and Mr. Holmes has supplied the comments, and he has certainly arrived at conclusions which I do not think the Auditor General would endorse. Many of the remarks in the Auditor General's report are informative, and merely repeat, or draw attention to, transactions which have already been recorded in other publications, and which do not reflect discreditably on any administration. So far as ordinary criticism is concerned, there is no necessity to treat it seriously, but certain statements have been made, which if left unchallenged might do the State injury. The principal complaint is that the law governing the various sinking funds has been evaded by different Governments, and needless to say this is quite incorrect. If there is one thing on which this State can pride itself, it is that through all the bad times it has experienced and during the currency of the war it has always made full and ample provision in connection with its sinking fund. That is a proposition which cannot truthfully be denied.

Hon. J. J. Holmes: What about the Treasury bills?

The CHIEF SECRETARY: Treasury bills are floated under a special Act, and have never borne a sinking fund. Parliament has endorsed that position. No sinking fund, so far as I know, has been provided for these.

Hon. J. J. Holmes: There are 20 millions sterling worth of them.

The CHIEF SECRETARY: The fact that we are in a sound position from the financial point of view has been recognised by financial experts both in the Eastern States and in England, by men whose interests insist on their being fully acquainted with every phase of finance. I can quote no

better authority than Mr. J. R. Collins, the financial adviser to the Commonwealth Government in London. In giving evidence before the Royal Commission appointed to inquire into the effects of Federation on the finances of Western Australia, he said, on page 5962 of the Commission's report—

I had for a long time been under the impression that one of the chief financial disabilities under which Western Australia was suffering related to the provision of sinking fund in excess of the amount of sinking fund provided in the other States.

On page 5963 he said—

I recognise the legal compulsion of the matter and also the moral obligation, but the fact remains that Western Australia's difficult financial position has been brought about by her desire to pay off her public debt more quickly than the other States considered it necessary to pay off theirs.

Hon. J. J. Holmes: Why worry about what I said?

The CHIEF SECRETARY: The hon. member is a great authority, and his words are frequently quoted on the public platform in Western Australia.

Hon. J. J. Holmes: You have done it yourself.

The CHIEF SECRETARY: I admit that, in my ignorance. The hon. member builds up a speech with the object of indicating that we have not made sufficient provision. That we are making ample provision is fully demonstrated by the fact that financial men in London are now asking that borrowers should establish a sinking fund along lines similar to those followed in Western Australia for many years. Governments of the Eastern States are, I am given to understand, coming into line. Our sinking fund provision has been made year in and year out, and the sums set aside have not been held by the Government. They have been handed over to the trustees, free from all political control. Those trustees have invested the moneys in whatever securities they deemed wise, preferably in the State's own stocks. I am informed of this by the responsible officers of the Treasury.

Hon. J. J. Holmes: Then the Auditor General's report on page 6 is not true.

The CHIEF SECRETARY: I cast no reflection on any of the Auditor General's statements.

Hon. J. J. Holmes: You dispute his report.

The CHIEF SECRETARY: I do not dispute his facts. There is very little comment in the Auditor-General's report. He is simply performing his duty in recording the different transactions that have taken place during the period of the different governments. On the 31st March last, the date when the sinking fund accounts were made up, there was £10,654,493 in the fund. This is an amount greater than the whole of the sinking funds of the different States put together. I refer to the amount held by the trustees of our sinking fund.

Hon. J. Ewing: We ought to be proud of it, too.

The CHIEF SECRETARY: We are. I think Mr. Holmes is proud of it, too. The next three loans due on the London market are:—Goldfields Water Scheme Loan £2,500,000 due January, 1927. Crown Agents for the Colony, £998,353, due 1934. Great Southern Railway purchase, £1,100,000 due in 1936. In each case the sinking fund, without any further contributions, but allowing for the income on investments, will be sufficient to meet the whole of the principal borrowed, without recourse to conversion loans of any description. This is a record no other State can claim, nor can they reach it even approximately. Mr. Holmes has stated that, on certain transactions with the Commonwealth, we have not kept up to our obligations. He is in error. Even if we did wish to avoid our responsibilities in that respect, which we did not, the Commonwealth which borrowed the money on our behalf, and which is responsible for the sinking fund, would see that we honoured our agreement. I do not intend to deal with the hon. member's statements in detail further than to say that the law is being observed, and will continue to be respected.

Hon. J. J. Holmes: The Auditor General says you have not paid anything to the sinking fund since 1917.

The CHIEF SECRETARY: I am giving the facts.

Hon. J. J. Holmes: Then you must get rid of the Auditor General.

The CHIEF SECRETARY: Mr. Holmes has stated that the amounts asked for under this Bill will not be used for the purpose for which they are to be borrowed, and that a total of £6,000,000 already raised—by our predecessors I presume—has been diverted to purposes other than those for which it was intended. Neither statement is justified, nor is either correct. I assume that the hon. member refers to the accumulated deficit which

has been funded. It is rather extraordinary that one who follows finance as closely as Mr. Holmes does should not be aware that the funds used for that purpose were raised for that specific object, in the same way as is proposed for the works detailed under this Bill. A reference to the Public Accounts would have disclosed this fact. It should be generally known, if it is not, that the Bills for the funding of the deficits passed this House, and, I have no reason to doubt, were agreed to after due consideration. There remains a small balance unfunded, and the Treasurer, in his Budget speech, set out his proposals regarding the method of its treatment. Mr. Holmes remembers having drawn attention previously to the use of trust funds for financing trading concerns, although he is doubtful as to when he did so. It is immaterial; I remember it also, but took no notice of it at the time. I did not take it seriously. But this is the second or third time that he has come up with a similar proposition. There is something in the term "trust fund" that leads to the impression that dealings with the fund, if out of the usual routine in any way, savour of the misapplication of the fund. When people hear of trust funds being drawn upon by a Government, they are apt to conclude that something bordering on criminal action has been perpetrated, at all events something reprehensible. It has been the experience that all Governments have been just as scrupulous in the handling of trust funds as any other trustees. But the term "trust funds" in the Government sense has a very much wider application than it has in ordinary business circles; and Mr. Holmes should be well aware of that fact. The hon. member could have analysed the items included in the trust funds statement, had he desired to do so; and he could have ascertained the nature of the different accounts and found out what had been done with the money. It is there plain enough for anyone to see who takes the trouble to make an investigation. Now let me briefly explain the situation. On the 30th June last the total of the trust fund amounted to approximately £21,000,000. This large sum is made up of two separate classes of transactions. In the first place we have such items as sinking funds, savings bank deposits, insurance companies' deposits, local authorities sinking funds, and items of a similar nature. These constitute what may be described as legitimate trust fund items. And let me inform Mr. Holmes that all these are fully covered

by investments, which at the 30th June last stood at £18,350,000. The details are to be found in the public accounts presented to Parliament. In certain cases there were small balances uninvested at that date, as might be expected, seeing that trust funds cannot always, and frequently should not, be invested up to their full amount, provision having to be made for current drawings and so forth. The second class of transactions constitute items common only to Government accounting systems, and used here for the purpose of accountancy convenience in the office of the Under Treasurer. While they are called "trust accounts," they do not come within the ordinary public definition of that class. They are really more representative of State funds placed in trust for convenience. They usually represent moneys that are regularly moving, or accounts that are provided for the purpose of internal adjustments and transfers; and they correctly constitute a "floating balance" available for public purposes. In no sense are they trust funds as the term is generally accepted.

Hon. J. J. Holmes: The Auditor General refers to them as trust accounts.

The CHIEF SECRETARY: Of course they are called trust accounts. There are two classes of them, as I have already indicated—genuine trust accounts amounting to £18,350,000, and No. 2 trust accounts, which are not really trust accounts at all.

Hon. J. J. Holmes: Will you deny that you took £936,000 without authority?

The CHIEF SECRETARY: We did no such thing. That amount represents an accumulation over long periods from various Governments. It has never been alleged that the present Government took £900,000 out of the No. 2 account.

Hon. J. J. Holmes: Somebody took £936,000 without authority.

The CHIEF SECRETARY: Out of No. 2 accounts, probably. It was never contemplated that the State should not use these funds for the purpose of temporary finance. The practice has been in vogue ever since responsible government was established, and it was the practice in Lord Forrest's time. It was adopted by Lord Forrest from the very start.

Hon. J. J. Holmes: That does not alter the fact that the system is pernicious.

The CHIEF SECRETARY: I do not attempt to censure the hon. member for criticising any system which he considers

vicious, but I do not wish the impression to get abroad that the present Government, or any Government, tampered with trust funds. The only mistake made was in connection with the name; Lord Forrest should have given those accounts a different designation. I may also point out that at the same date, the 30th June, 1926, the cash balance available in the public account was £1,574,400, a tidy sum to commence the new financial year with. One inference to be drawn from Mr. Holmes's remarks, that the Government have been manipulating trust funds for the benefit of the State trading concerns, is therefore without justification. Mr. Holmes dealt with a variety of other matters, all capable of explanation, but with which I will not take up the time of the House. There is, however, one piece of criticism which affects me, and I would like to make an explanation. The hon. member alluded to the loss of £900 on the sale of Wyndham meat. That loss is more apparent than real. During 1925, owing to the scarcity of meat, we imported 1,200 tons of frozen meat from Wyndham and the Eastern States. It was sold to wholesalers under a satisfactory arrangement, and the result was that the market was steadied and the price regulated. There was a profit of £100 on the transaction. In 1926 the Government decided to bring meat down from Wyndham and hold it in cold storage, also for the purpose of meeting any temporary shortage of fresh beef; and we carried out our decision. We could have sold the meat quickly had we so wished. We did not do it, and if we had done it we should not have attained our object. In the end there was an apparent loss of £900, due to storage charges over several months. I say "an apparent loss." Let me explain. In the first place the storage charges were paid to the Fremantle Freezing Works, in which the Government are heavily interested; and in the second place the State Shipping Service were paid £3,200 freight for bringing the meat down. If the meat had not been brought down, the refrigerating chambers of the "Kangaroo" would have been empty. So that, instead of any loss to the taxpayer on the transaction, there was a benefit amounting to £2,300.

Hon. J. J. Holmes: I suppose it did not cost anything to run the refrigerator all the way down?

THE CHIEF SECRETARY: Very little. It will be seen that the transaction was a sound business one, apart from the useful



end served by having the meal on the spot here to cope with a temporary shortage and prevent a rise in prices. As regards the amount of £19,000 referred to by Mr. Holmes, that went into revenue. There is however, about £60,000 debited to the Wyndham Meat Works each year for interest and sinking fund. The interest and sinking fund were a debit to the Wyndham Meat Works, and the item of £19,000 was a credit.

Hon. J. J. Holmes: Why did not you charge all the previous losses to the debit of the works?

The CHIEF SECRETARY: The previous losses have been added to the capitalisation as a charge on the works. The losses by the Agricultural Bank have also been quoted by Mr. Holmes. It should be recognised by a business man that when the great bulk of the farming community in their early stages are financed by the Agricultural Bank under legislation which permits advances to reach almost the amount of the security, and when a few of those who become settlers are inexperienced in agriculture, some losses are inevitable, even under the most careful management. If I wished, I could give instances in which private institutions have suffered immense losses in endeavouring, by advances, to assist industries of various kinds. And those private financial institutions are supposed to be managed by keen business men. The losses have not been in amounts of £500 or £600, but of £20,000 at a time.

Hon. J. J. Holmes: I wish I knew of those banks.

The CHIEF SECRETARY: The anticipated result of this season's harvest amply justifies the policy of the present Government and of past Administrations in this respect. So far as soldier settlement is concerned, the funds in hand are sufficient to cover losses in sight.

Hon. J. J. Holmes: I never mentioned soldier settlement.

The CHIEF SECRETARY: In that case I have to express regret. Mr. Holmes also objects to interest being charged to capital during the construction of works such as the metropolitan water supply and similar undertakings.

Hon. J. J. Holmes: That is what the Auditor General said.

The CHIEF SECRETARY: The metropolitan water supply and concerns of a like nature, if controlled by a board or trust, would raise their own funds, and would consequently provide the interest them-

selves. Does Mr. Holmes contend that the general taxpayer, who derives no benefit from the undertaking, should meet the interest bill in the only way possible, namely, by direct taxation? That is the sequence of the hon. member's criticisms. According to him, the taxpayers of Western Australia should be called upon to bear this particular burden. Among his other statements Mr. Holmes has condemned the group settlers, lock, stock and barrel. He infers that they do not know their jobs, that men who do not know their jobs cannot succeed, and that money was never before put into such a bad proposition as group settlement.

Hon. J. J. Holmes: Nobody knows that better than yourself.

The CHIEF SECRETARY: I shall leave the defence of the group settlers to the members for the districts concerned, but I wish to say that during the short period the groups have been in operation they have shown more progress than some districts of the State which contain good land and have been established over 80 years.

Hon. J. J. Holmes: But 3½ millions was not spent on them.

The CHIEF SECRETARY: In making a reference to the loan raised in New York, Mr. Holmes, quite unintentionally no doubt, put a wrong construction on the matter. Let me now defend Dr. Earle Page. Australia did not get an intimation from the Home Office, as Mr. Holmes implied, that she was going too fast in regard to expenditure. The facts are that the condition of the loan market in London was discussed between the High Commissioner in London and Australia's financial advisers there, and that for various reasons it was considered inadvisable to put a large loan on the London market at that particular time. The position was also discussed fully at a conference in Melbourne, where it was decided that if it was desirable for Australia to go outside London for the time being, the Commonwealth should act for the whole of the States, and that decision was carried into effect. In the ultimate flotation, the London financial advisers acted in conjunction with the New York bankers, and the proceeds were remitted to London. No Australian Government wished to leave the London market. The hon. member's inference that in this case the States were forced to do so on account of their rate of expenditure, and consequent want of credit, is absurd and its absurdity is proved by subsequent experience. As a

matter of fact the net proceeds of the New York loan was £96 10s. 10d. per cent. and of London £96 10s. 6d. New York therefore returned slightly more than London. I could deal effectively with the other matters referred to by Mr. Holmes, from the missing horses down to the allowance to the representative of the A.W.U. But there is no suggestion in Mr. Holmes's speech that anything discreditable has been done, and he is well aware that such is not the case. So this having defended the State against the charge of lax financial methods, which might do harm outside, I will leave the matter at that.

Hon. J. J. Holmes: You are more generous in your remarks than was your predecessor.

The CHIEF SECRETARY: I try to be just. I got a great surprise from Mr. Seddon, who has always impressed me as a gentleman of a remarkably progressive spirit. I certainly cannot account for his speech last night. He said that although we had raised £70,000,000 we had only about £61,000,000 in assets, that the assets of Western Australia did not represent the money spent on them, but represented nine millions less. It was a most astounding statement, and I cannot think where the hon. member could have got his information.

Hon. H. Seddon: From Table 25 of the Public Accounts. It is there shown that the amount spent from loan is nine millions less than the amount borrowed.

The CHIEF SECRETARY: Take railways, on which some twenty millions have been expended. Many of those railways were constructed long before the war, when wages were low and material was very much cheaper than it is at present. If those railways were valued to-day their value would be found to be perhaps 50 per cent. in excess of what it was immediately after they were constructed. Since their construction they have been maintained out of revenue and are as efficient to-day as in their very early stages. Take, for instance, the line between Fremantle and York and Northam. It is in better condition to-day than it was 10 or 20 years ago. Then, too, we must consider the goodwill of the railways. Many of them are earning large profits, and that must be taken into consideration. The same thing obtains in respect of other public works. Then we have to consider the advances from the Agricultural Bank, the votes for the development of agriculture and for water supplies and road construction,

all tending to increase the development of the various industries in Western Australia. The estimated harvest for this year is over 30,000,000 bushels, all due to the loan expenditure of the Government. It is impossible to estimate the value of the assets of Western Australia that have been built up out of loan funds.

Hon. J. Cornell: That is the accrued increment.

The CHIEF SECRETARY: That is so. It is injurious to the credit of Western Australia that a statement like that of Mr. Seddon should be put into circulation. The hon. member himself, surely, cannot put any trust in it. I do not care who may have been his authority. I have always realised from the hon. member's speeches that he is a deep student with a keen intelligence, and I can scarcely think he earnestly believes in some of the propositions he presented last night.

Hon. H. Seddon: I took them from the Public Accounts.

The CHIEF SECRETARY: Mr. Baxter made a sufficient reply to Mr. Seddon when he said that hundreds of thousands of acres were awaiting settlement until railway facilities were provided. I should like to see many more railway Bills coming forward, and a loan Bill, not merely for 4¼ millions but for six millions, in order to build agricultural railways; for they have been largely responsible for the prosperity of the State. I firmly believe that if more railways were constructed there would be more settlement, and I know that more settlement would mean added prosperity. Sir William Lathlain spoke a lot about trading concerns. He generally does come back to trading concerns after using his intellect in more profitable directions. He says the State Sawmills now deal in corrugated iron and sell glass, and have erected joinery works. All that is due to the wisdom and foresight, not of a Labour Ministry, but of a National Ministry. The National Ministry were responsible for the extension of the sawmills, and I pay a warm tribute of appreciation to their wisdom. The National Government did not advertise the State Sawmills to any extent, but we are advertising extensively to let people know that we have joinery works and that we sell corrugated iron, lines that were provided largely by the enterprise of our predecessors. Mr. Cornell referred to the rates for the carriage of wheat between

Ravensthorpe and Fremantle. He said our unalienated lands were a complete set-off to the State's total loan indebtedness. He said also that freight on wheat over the 38 miles of railway from Ravensthorpe to Hopetoun with freight on the State steamer to Fremantle worked out at 1s. a bushel, and that elsewhere for the same distance the average freight was only 6d. per bushel. The manager of the State Steamship Service informs me that the secretary of the Ravensthorpe Producers' Association says the cost is only 10½d.

Hon. J. Cornell: Then he must have given one figure to me, and another to the department.

The CHIEF SECRETARY: The manager of the State Steamship Service works out the freight at 9½d. He says the total distance is 506 miles and that if wheat were transported by rail over that distance it would cost 9d. per bushel.

Hon. J. Cornell: But no wheat is transported by rail that distance in this State.

The CHIEF SECRETARY: Mr. Glyde says—

The cost by rail from Lake Grace, which I understand is the nearest railway point to Ravensthorpe, is 6d. per bushel, but as Ravensthorpe is about 120 miles from Lake Grace the wheat rate, assuming the railway was through to Ravensthorpe, would be considerably more than 6d. per bushel. I calculate it would be 8d. per bushel. As the freight rate on wheat works out at only £1 per ton for the sea carriage from Hopetoun to Fremantle, and as 5d. per bushel as suggested by the Ravensthorpe settlers would be only 15s. per ton right through from Ravensthorpe to Fremantle, you will see that the suggestion they make would mean a very considerable decrease in the freight for the vessel. And in considering this aspect of the case it must be remembered that the cost of stevedoring in loading and unloading the vessel would have to come out of that freight, which would leave but a very small margin indeed for the vessel's net earnings, and therefore the question of a reduction in freight on wheat and superphosphate could not be conceded as a business proposition, and could only be a matter of Government policy.

I think Mr. Cornell will agree that it is not a business proposition.

Hon. J. Cornell: Yes, I agree.

The CHIEF SECRETARY: The matter calls for remedy, but the remedy should be a bonus from the Department of Agriculture. It is a question I will go into as soon as the session closes. As to Mr. Nicholson's remarks about the State Brickworks, I am not aware that our predecessors ex-

tended those works. Anyhow, the question of extension has had to be seriously considered since the present Government came into power. The brickworks, for the year ended 30th June, 1926, made a profit of £4,805, which, added to the profit made since their inception, brings the total to £13,754. Owing to the abnormal demand for bricks during the past year, the machinery installed at the works has been found quite inadequate to cope with the trade, and so it is necessary to extend the plant. Provision is made in the Loan Bill for that purpose.

Hon. Sir Edward Wittenoom: Why not let private enterprise extend it?

The CHIEF SECRETARY: Private enterprise had abundant opportunity to provide such an up-to-date plant as is installed in the State Brickworks, but did not attempt to provide it. The price of bricks was very high, and even then builders could not be supplied with them, and so the Government were forced to step in and set up the State works.

Question put and passed.

Bill read a second time.

#### *In Committee.*

Hon. J. Cornell in the Chair; the Chief Secretary in charge of the Bill.

Clauses 1 to 6—agreed to.

First Schedule:

Item, Agricultural Group Settlement, £1,500,000:

Hon. J. J. HOLMES: According to the Auditor General's report there was expended to the 30th June last approximately 3½ millions of money. Is it intended to spend this 1½ millions this year, or has any of it been spent?

The CHIEF SECRETARY: This amount is no indication as to what will be spent during the current year. The Bill is merely an authority to raise the money. When the Appropriation Bill is before us I shall probably be able to supply the information the hon. member desires to have.

Item, Brickyards, £10,000:

Hon. Sir EDWARD WITTENOOM: There is not the slightest necessity for any further extensions by the Government in connection with this business. I know of three kilns that are in course of erection by private enterprise, and by the time they

are completed they will be able to meet all the requirements of the trade. Therefore I have no hesitation in saying there is not the slightest need for this contemplated expenditure.

Schedule put and passed.

Second and Third Schedules, Title—agreed to.

Bill reported without amendments, and the report adopted.

Read a third time and *passed*.

## **BILL—METROPOLITAN MARKET.**

### *Assembly's Message.*

Message from the Assembly notifying that it had agreed to No. 1 of the Council's amendments, and had further amended No. 2 of the Council's amendments, in which further amendment it desired the Council's concurrence, now considered.

### *In Committee.*

Hon. J. Cornell in the Chair; the Honorary Minister in charge of the Bill.

The CHAIRMAN: The Assembly amended the proviso added by the Council to Sub-clause 4 of Clause 11. The proviso set out, "Provided that the trust shall pay to the municipal corporation of Perth such reasonable cost of constructing, maintaining, and repairing roads immediately adjacent to the market and also such cost of lighting, scavenging, watering and cleansing of such roads as may be mutually agreed upon." The amendment made by the Assembly is to add after "shall" in the first line the words "be empowered to."

The HONORARY MINISTER: I move—

That the amendment on the Council's amendment be agreed to.

Hon. A. LOVEKIN: I hope the Committee will not agree to the amendment. We might as well strike out the whole of the proviso. The trust "is to be empowered" to do these things. It becomes optional then whether they will provide for the scavenging and the cleaning of the streets; they may not do it at all. It is only reasonable and fair that the trust should pay for the cleansing, lighting, scavenging, etc., around the market. The amendment of the Assembly means nothing. We want the trust to pay for these services and it is only right

that they should. I hope the Committee will insist on the amendment.

Hon. V. HAMERSLEY: I hope the Committee will agree to the amendment made by the Assembly.

Hon. G. POTTER: The cost of cleaning up the market and the street surrounding it should not fall upon the ratepayers of Perth who have had taken from them quite sufficient already.

Hon. A. BURVILL: The arrangement suggested by the Assembly is a reasonable one.

Hon. A. LOVEKIN: Mr. Stewart and others thought it only just that the cleaning up of the markets and the streets should be paid for by the users of the markets. They thought it was a fair thing. The Assembly's amendment merely means that the trust may be empowered to do that work. We might just as well leave the provision out altogether, as agree to that.

The HONORARY MINISTER: The Committee can leave it to the trust to observe all the regulations necessary. The Perth City Council will be represented on the trust and their nominee will see to it that the interests of the city are conserved.

Hon. A. LOVEKIN: If it is intended to do the just and fair thing, we should not be ashamed to say so in the Bill.

Hon. G. POTTER: We should make it obligatory upon the trust to do this work in fairness to the ratepayers of Perth. It is idle to say that we can leave it to the trust, because experience shows that any corporation will spend as little as they can outside the well defined limits of their powers.

Hon. J. NICHOLSON: Clause 11 sets out, *inter alia*, that the trust shall be exempt from the payment of municipal rates. If we are to agree to the Assembly's amendment we should be consistent and amend Clause 11 to read that the City Council may be empowered to exempt the trust from the payment of municipal rates.

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

Ayes	..	..	..	10
Noes	..	..	..	9
				—
Majority for	..			1
				—

## ATTN.

Hon. C. F. Baxter  
Hon. J. R. Brown  
Hon. A. Burvill  
Hon. J. M. Drew  
Hon. E. H. Gray

Hon. W. T. Glasheen  
Hon. J. W. Hickey  
Hon. W. J. Mann  
Hon. H. Stewart  
Hon. V. Hamersley  
(Teller.)

## NOM.

Hon. J. Ewing  
Hon. E. H. Harris  
Hon. J. J. Holmes  
Hon. A. Lovekin  
Hon. J. Nicholson

Hon. G. Potter  
Hon. E. Rose  
Hon. H. A. Stephenson  
Hon. G. W. Miles  
(Teller.)

Question thus passed; the Assembly's amendment on the Council's amendment agreed to.

Resolution reported, the report adopted, and a message accordingly transmitted to the Assembly.

### RESOLUTION—RAILWAY GAUGE UNIFICATION.

Debate resumed from the 25th November on the following motion by Hon. G. Potter:—

That the Council concurs in the following resolution transmitted by the Assembly:—  
"That in the opinion of this House the time has arrived when the Federal policy of extending the standard railway gauge should be consummated in Western Australia."

**HON. V. HAMERSLEY (East) [9.45]:**  
No one can find very much fault with the resolution of the Assembly. If we could bring all the gauges of Australia to one standard by an expenditure that would not be too great, it would be distinctly to the advantage of the country. It was unfortunate indeed that all the States did not decide to adopt a uniform gauge when railways were first being constructed. I well remember that there were great discussions when the first railways were about to be built and I recollect the construction of the line from Fremantle to Perth and from Perth to Guildford. That was practically the first section of the system that we now use daily. It was then deemed wise to adopt the 3ft. 6in. gauge, because the country was short of money and difficult to develop, the narrow gauge could be more cheaply constructed, would give satisfactory results and was in use in several of the South African States. It was also pointed out that we could get fair supplies of rolling stock and might even arrange

an interchange of locomotives, and therefore the 3ft. 6in. gauge, it was thought, would be the most useful throughout Australia. There is no doubt that wonderful results are obtained from it not only in this State, but on the system in South Africa. Still, we are faced with the fact that the Australian States are each year building more and more railways and that various gauges are still being adopted. The longer we defer settlement of this problem the more expensive it will be to unify the several State systems. Every year each State is constructing more and more railways, and every year we defer unification, the greater will be the difficulty for the States to come together and introduce a uniform gauge. If possible it would be wise to persuade the Federal authority to support a scheme to provide standard gauge because of the great saving that would result in future. I do not wish to quote the figures compiled by the Commission that some years ago inquired into the matter, because members are aware of the general effect of them; but I wish to call attention to the fact that in 1897 the railway mileage of the whole of Australia was 10,837, in 1913 it was 17,269, in 1921 it was 22,667 and in 1924 it was 27,283 miles. In that short space of time there was a jump of nearly 20,000 miles of railway construction, and it was of various gauges. If we continue to build railways in the same ratio in future, the difficulties will be correspondingly increased. An enormous mileage of railway is still necessary to open up this country and populate it as it should be populated. We must continue to build railways, because we have no waterways to provide transport facilities. Although there is enormous competition by motor vehicles, I feel sure that we shall find no better system than the railway for the haulage of the large tonnage that is every year increasing. Therefore we would save money in the long run if we adopted the uniform gauge now. For the whole of our wheat traffic, log haulage and other heavy freight the 3ft. 6in. gauge is one of the most economical in the world. Not only is it economical in point of construction cost, but the general average of working costs as well as the cost of rolling stock makes it a very satisfactory system. Had that gauge been adopted throughout Australia I believe it would have proved satisfactory to develop the country. The fact remains, however, that other States have greater

mileages on the broader gauge and there are a great many advocates of quicker transit, which of course is possible on the 4ft. 8½in. gauge. Consequently this State would be well advised to urge the unification of the various gauges. Then all the railways that would be constructed in future could be built on the 4ft. 8½in. gauge. It would be impossible for this State to face a proposition of that kind immediately, but it would be a start if we could get an extension of the broad gauge from the Trans-Australian terminus at Kalgoorlie to Perth. We could still carry on for a number of years with our present 3ft. 6in. lines and could gradually connect up with and bring into general use the 4ft. 8½in. gauge. I have thought sometimes that possibly we could get the broader gauge brought from Kalgoorlie to Fremantle via the city, and it might be possible to carry the 3ft. 6in. gauge along the south side of the river so that the whole of the heavy traffic from the wheat areas could be conveyed to Fremantle without passing through the city. That, however, would be only a temporary expedient. If there was any possibility of the 4ft. 8½in. gauge being adopted throughout, no doubt 50 years hence people would realise that the right thing had been done in making the conversion at this time when the system was small. It would be a fine thing for the whole of Australia if all the gauges could be made uniform, not only for developmental purposes, but for the defence of the country in future when we may be assailed by some foreign foe. I hope and believe that day is far distant, but it is always well to be prepared. Perhaps Australia could save expenditure on military and naval requirements and devote the funds to the conversion of the railways to a standard gauge, because it would be a tremendous asset to the Commonwealth in the event of its being necessary to move troops from one part of the Continent to another. If there were any chance of Australia being invaded, there is no doubt that the saving from the one operation made possible by a standard gauge would justify the expenditure of conversion. Enormous sums have been borrowed by Australia for the development of various industries and we have a heavy interest bill to pay. To unify gauges throughout Australia would cost an immense sum of money and entail a still bigger interest bill, but it is worth considering whether the possibility of inter-

changing engines and rolling stock with other States would not outweigh the disadvantage of cost. There may be dry seasons in one part of the Commonwealth when enormous losses of stock were threatened and the rolling stock could be hurried from other parts of the Continent to relieve the situation in those areas. There may be seasons when one part of Australia would require to move an enormous crop, while other parts were faced with a shortage. We in this State have a shortage of rolling stock to move the harvest within the space of a few months. If there was a uniform gauge throughout Australia, the Eastern States might be able to assist to lift our heavier harvest and we in turn could assist them when they had heavy crops and we had a drought. With the present breaks of gauge, it is utterly impossible to interchange rolling stock in that way. That is one important direction in which a tremendous benefit would be derived from a standardisation of gauges. I hope that some good may come of this motion. Possibly the proposal may not be within the realm of practical politics today, because we know that we can only borrow money at a high rate of interest.

Hon. W. T. Glasheen: It will never be any cheaper.

Hon. V. HAMERSLEY: I believe in the old saying that history repeats itself. I do think that money will be much cheaper. It would be a good thing for us to bide our time, and wait for money to be a little cheaper, than to go on with a lavish expenditure such as would be entailed in a proposition of this kind. It is certainly one of the most important things for Australia to undertake. But for the fact that Governments have such very large undertakings and obligations on their hands, no time should be lost in inaugurating the system, even if it can only be completed over a number of years. We should certainly get on the track, when it is possible to do so. I have pleasure in supporting the motion.

HON. H. A. STEPHENSON (Metropolitan-Suburban) [10.2]: The motion has my support, and I hope the matter will be gone on with at the earliest possible moment. I refer more particularly to the main trunk line from Brisbane to Fremantle. I was pleased to hear Mr. Hamersley refer to the necessity for a uniform gauge to enable the various States at various times to

move their produce from one place to another. We cannot be truly Federal until we have a uniform 4ft. 8½-inch gauge from the two cities I have mentioned. During the last ten or 12 years the Eastern States, particularly New South Wales and Queensland, have suffered from severe droughts. Fortunately, Western Australia has not done so, and has not experienced anything like the same hardships in this respect as those States have done. A few years ago Western Australia might have saved the lives of hundreds of thousands of sheep and cattle in New South Wales and Queensland had there been a uniform railway gauge throughout Australia. At that time we had a very heavy harvest, and an over supply of produce. Orders came from all directions, particularly from Queensland and New South Wales, but unfortunately, we had not the transport facilities available. The shipping companies would not carry more than a small proportion of the produce ordered. Orders for thousands of tons of fodder had to be cancelled because of this difficulty. The result was a great depletion in the flocks and herds of those two States, and the effects of that are being felt to-day. Time is the essence of the contract. Unless the fodder could reach its destination within a certain period it was useless. Contracts had to be cancelled after arrangements had been made. In many cases the produce actually reached Fremantle. One firm paid no less than £200 to the railways in demurrage, on goods that were sent to Fremantle but could not be taken on board. If we had a uniform gauge, all this produce could be sent to such stock as might be in need of it in the other States. This would be of very great assistance to growers there and save the Commonwealth considerable loss. It would also be of benefit to the local producers. I support the motion.

**HON. W. T. GLASHEEN** (South-East)

[10.5]: I support the principle contained in the motion. It is a great pity that in Australia's infancy these mistakes were made. They have been made, and it is not much use regretting the past. We must grapple with things as we find them. The problem presents great financial difficulties. I agree that we should make a start with that section of the trancontinental line that finishes at Kalgoorlie, and then joins the narrow gauge railway. The line from Kalgoorlie to Perth is a wretched advertisement for the State, and is frequently commented upon by visitors

from other parts of Australia. I am told that the modern broad gauge line to Kalgoorlie is most comfortable to travel on. Then passengers have to get into our narrow-gauge railway coaches, which rattle and form a bad advertisement for the State. Western Australia is very much discounted because of its railway facilities.

**Hon. J. M. Macfarlane:** What about that part of the trancontinental line running from Port Augusta?

**Hon. W. T. GLASHEEN:** I think Mr. Cornell said that were we to have a uniform gauge throughout Australia the cost would probably equal the original cost of constructing the railways. I find it difficult to agree with that contention, because of the fact that the broadening of the existing gauge would only necessitate the replacement of the present narrow sleepers and rails. I suppose easily half of the capital cost of the railways is represented by the cuttings, the drains, the surveys, the buildings, the water supplies and other necessary works of that nature. This expenditure would not have to be incurred again. All that would be necessary would be to lay down new rails and sleepers. It is hard to believe that a broad-gauge railway would cost as much as the original lines cost to construct.

**Hon. J. Cornell:** The cost of converting the rolling stock is greater than the cost of converting the gauge.

**Hon. W. T. GLASHEEN:** I do not suppose the rolling stock would be scrapped, for the material could be used in some other way.

**Hon. G. Potter:** It is always a diminishing asset.

**Hon. W. T. GLASHEEN:** I would sound this note of pessimism. The interest bill we have to meet on our State railways is £850,000 a year. That is a charge against freightage. I object to the principle of charging interest and sinking fund to freightage. The railways add to the general wealth of the community, possibly to the wealth of the metropolitan area in equal ratio to the wealth of the country areas. I contend that the development work would be much relieved in primary production were the interest on the capital cost and the sinking fund spread over the whole community, and only the running costs and administration expenses charged against freightage.

**Hon. J. Ewing:** There should be no sinking fund for the railways. It is only a recent idea.

Hon. J. Cornell: It is a welcome one.

Hon. V. Hamersley: It is not a wasting asset. It is always being added to and improved.

Hon. W. T. GLASHEEN: I have yet to learn that it is not a wasting asset. Everything I know in nature is wasting if it is not continually being replenished.

Hon. V. Hamersley: This is being replenished.

Hon. W. T. GLASHEEN: At the cost of the public. Were our proportion of the cost of unifying the railways to be half the original cost, and were that charged against freightage, it would mean the death-knell to most of our primary production. It is something in the nature of a pious hope that anything can be accomplished in the near future in the way of a broad gauge. I cannot for the life of me see why the difficulty cannot be overcome by some simple mechanical contrivance. Some time ago mechanical cranks claimed that they had solved the problem of adapting rolling stock to different gauges, so that when trains pass from one gauge to another the rolling stock automatically adapts itself to the different conditions. The difference between a 3ft. 6in. gauge and a 4ft. 8½in. gauge is a matter only of a little over a foot. Only a simple mechanical contrivance should be required to force the wheels of rolling stock into another lock, which would meet either the narrow gauge or the broader gauge, whichever was requisite. One thing we might do to stimulate an invention for achieving that desirable end, if such an invention does not already exist, would be to offer a reward of £10,000 either through the State or through the Commonwealth. The invention would possess extreme value not only for the transport of goods but also from the national aspect of defence.

Hon. H. A. Stephenson: Are we to do nothing in the meantime?

Hon. W. T. GLASHEEN: The financial difficulties are so great as to prevent us from getting very far with the work in a short time. While we were going on with it, we could offer that reward, which would bring about the application of the best brains of Australia and the world to the problem, and probably would solve it far sooner than would otherwise be the case. However, I hope a commencement will be made with that section of the line between Kalgoorlie and

Perth. When that is done, it will represent a good start and we can hope for other extensions of the principle.

**HON. W. J. MANN** (South-West) [10.17]: I desire to record my support of the motion. Without traversing the ground covered by previous speakers, I may say that I am fully in accord with most of what has been said. I recollect that various conferences of Premiers and of State and Federal Ministers have affirmed the desirability of uniformity of gauge. One has only to travel from Western Australia to Queensland to realise how necessary it is that we should have a uniform gauge right through. At the present time, owing to breaks of gauge and stops at capitals, there are no fewer than eight changes of trains between Perth and Brisbane. From Perth to Kalgoorlie one travels over the 3ft. 6in. gauge, from Kalgoorlie to Port Augusta over the 4ft. 8½in. gauge, and from Port Augusta to Terowie over the 3ft. 6in. again. One hon. member referred to our rolling stock as rattling. I can hardly allow that to pass in view of the fact that carriages in other States are considerably worse. The worst section on the whole journey is that from Port Augusta to Terowie. The condition of things there is atrocious, and should be remedied without delay. From Terowie to Albury one takes the 5ft. 3in. gauge again, and from Albury to Wallangarra the 4ft. 8½in., and thence onwards the 3ft. 6in. Those are the facts, and the sooner the question is taken up seriously, the better it will be. My feeling is that at no time shall we be able to do the work cheaper than it can be done to-day. It is a big work, but I believe it could be carried out in sections, the expense thus being spread over a long period. Perhaps I shall not be out of order in following the remarks of Mr. Glasheen by saying that yesterday I had the privilege of seeing the designs of a locking device for this very purpose, which has been worked out by a young Western Australian engineer now in the public service. He is only a lad. The plans have been submitted to authorities in the Eastern States and have come back with some excellent minutes upon them, so that there must be a good deal of promise in the device.

Hon. J. Cornell: Does the device apply to locomotives?



Hon. W. J. MANN: To the whole of the rolling stock.

Hon. J. Cornell: The locomotives are the trouble.

**HON. H. SEDDON** (North-East) [10.22]: I take it the intention of the motion is really the carrying out of the first part of the programme outlined by the Royal Commission which dealt with the question of uniform railway gauge in Australia. With that proposal most members, I think, will be in full accord. Just to refresh the memory of hon. members, I may mention that the report states the preliminary cost of the scheme at £21,500,000, covering a standard gauge from Kalgoorlie to Fremantle and from Port Augusta to Adelaide, the conversion of all the 5ft. 3in. sections to 4ft. 8½in., and a standard gauge from West Maitland to Brisbane. That is the preliminary scheme, which is to be ultimately followed by the conversion of all the Australian railway systems to 4ft. 8½in. at a cost of £57,200,000.

Hon. J. Cornell: How long ago was that report made?

Hon. H. SEDDON: In 1921. Since then there have been considerable increases in the mileage of railways built all over Australia the consequence being a considerable increase in the estimate of £57,200,000 for the whole conversion. In addition, there is the fact that the cost of railway building now is much greater than it was at the time the report was made. The main argument for conversion is that for military purposes it is absolutely essential. Everyone must admit that that is the case. The question is no longer debatable. If our railway system is to be effective in time of military need, the uniform gauge is absolutely essential. Two other advantages are the convenience of passengers travelling from one part of the Commonwealth to another and the provision of emergency facilities for goods traffic. The latter advantage was emphasised during the labour disturbances which occurred soon after the completion of the trans-Australian railway. There are, however, considerable disadvantages involved in the proposal, especially as regards a State like Western Australia. We have to recognise that the money expended on the broad gauge line within our borders, if the original survey is adhered to, will induce serious competition with our existing railways. The construction of a 4ft. 8½in. line between Kalgoorlie and Fremantle parallel to the existing line will com-

pete very seriously with our railway system. In goods traffic it will be able to quote rates and provide facilities which a 3ft. 6in. system cannot offer. The 4ft. 8½in. gauge has the advantage of possessing large trucks capable of conveying large loads, and will therefore be able to compete against our 3ft. 6in. gauge on a basis which the latter will not be able to equal at all.

Hon. J. Ewing: Cannot the goods be brought over the same line?

Hon. H. SEDDON: Not without a third rail.

Hon. J. Ewing: Why not?

Hon. H. SEDDON: There have been various suggestions for the provision of the third-rail system and also for converting vehicles from broad gauges to narrow gauges, but so far as I know there are no inventions operating to-day that have the confidence of railway men. The Americans, when faced with this great question of conversion, tried out all methods of handling traffic expeditiously from broad to narrow gauges and vice versa; but in the long run they found that they had to submit to completely altering their system to a uniform gauge. One device adopted in America was that of passing the trucks—goods traffic is the greatest difficulty encountered in this respect—over a machine or a set of rails so designed that the trucks were lifted bodily off the bogies from the one gauge, the bogies then passing away and other bogies coming along and the trucks being lowered on to them. That was found to be the most expeditious method, but in the long run the most economical scheme proved to be that of facing the problem of conversion and arranging for the uniform gauge. There is, however, a method of constructing the railway between Kalgoorlie and Fremantle that may possibly commend itself to the authorities and avert the competition with our existing system that is inevitable under the scheme now proposed. The report of the Surveyor General on this subject makes special reference to a belt of country south of the existing line. A newspaper paragraph referring to the tabling of the report of the Railway Advisory Board on the Kondinin Eastward project contains the following passage:—

The board stated that it had made an inspection of the country in the Kalgaria, Jilakin, North Newdegate, and Walyurin districts, with a view to reporting on the best means of railway facilities for the country east of Kondinin and Kulin, and had interviewed repre-

sentatives of local bodies and settlers interested. Considerable development was taking place in the newly settled district east of Kondinin and in the older districts of Jilakin and Walyurin. The settlers at Karlgarin strongly advocated a railway running eastwards from Kondinin, the linking up with Corrigin, and the construction of the Brookton-Armadale railway.

If the broad-gauge trans-Australian railway followed that route, it would not only open up considerable new country which is of agricultural value, but it would also replace what is at the present time a very deficient railway, that between Corrigin and Brookton, having very heavy gauges. The grade existing on the surveyed route between Brookton and Armadale is a light grade. Thus the adoption of this suggestion would mean that the trans-Australian line, being built through comparatively new country, would not compete with our existing line but would develop traffic of its own. By the building of the last link of the trans-Australian railway on a route such as I have indicated, the disadvantages of the present scheme would be largely obviated. In dealing with the question of the conversion of the whole Australian railway system to one gauge, we have to take into consideration the trend of railway development in Western Australia. As hon. members have already pointed out, we must recognise that it would have been impossible to develop the kind of country we have on any other system than the 3ft. 6in. The capital cost involved in the 4ft. 8½in. system would have been almost prohibitive; certainly it would have rendered impossible the expansion which we have been able to achieve. Still, our system has serious disadvantages. With the broad gauge we would get all our goods through much more quickly, and the working costs would be much reduced. However, the great point for Western Australia has been the low capital cost of 3ft. 6in. railways. We must also recognise when building agricultural railways that for a considerable time those railways will make a loss. They provide a seasonal traffic, and the consequence is that for the greater part of the year very little traffic indeed passes over them, with the result that during those parts of the year the system is working at a heavy loss. It is only during the busy season that those lines are really paying. The result of our method of congesting our traffic practically on the port of Fremantle has been that certain lines are considerably

overloaded. The line between Northam and Perth is an illustration. If ever we are to adopt the question of converting our system from 3ft. 6in. to 4ft. 8½in. the best method of approaching it will be by converting those lines carrying heavy traffic. If the proposition is going to be handled at all, it will best be handled by fixing the point at which it will pay to convert from 3ft. 6in. to 4ft. 8½in. There is a point where the extra capital cost would be justified in decreased working expenses. In another place the mover of this resolution used, in the course of his argument, references to America and to Japan. It might be of interest to hon. members to note certain facts associated with the conversion of the gauges in those two countries. In America the conversion was made when the United States had a population of 50 millions. So she already had large industries established and large industrial centres. Therefore when she undertook that system she had a traffic already provided to help meet the cost of conversion. Japan to-day is converting from 3ft. 6in. to 4ft. 8½in. But Japan has a population of 70 millions and has also her industries and industrial centres established, so the conditions in Japan make for big traffic, which alone justifies any such conversion. We on the other hand, are under diametrically opposite conditions. We have a very thin population widely scattered, and our railway traffic is largely seasonal; so the question of converting the whole of our system from 3ft. 6in. to 4ft. 8½in. is one that we cannot face for many years to come. A considerable part of our country is not yet developed, and so we have still to go in for a considerable mileage of railway construction to open up wheat areas already selected in advance of railway construction. Therefore as I say, for many years to come our railways will have to be constructed on the smaller gauge, if only because of the heavy load the construction of 4ft. 8½in. railways would impose on the community. That being so, whilst I can support the first part of the resolution, I feel that we should not be justified in considering the conversion of the whole of our railway system to 4ft. 8in. whilst still in the early stages of our development.

**HON. G. POTTER** (West—in reply) [10.34]: In view of the speeches made on this motion, if I were to deal with it at any length I would be in the position of attempt-

ing to prove an axiom—which is entirely unnecessary. Mr. Seddon has pointed out that to actively put into operation the conversion of our railways to 4ft. 8½in. would be such a formidable task as to be beyond the financial power of Western Australia. Reading into his words the only reasonable meaning that can be read into them, it would stultify the development of Western Australia. In that respect I follow Mr. Seddon. The progenitors of this proposal for the unification of railway gauges think alike with Mr. Seddon. But it is necessary to make a start some time, and such a motion as this, discussed in the Parliament of Western Australia, keeps alive the conscience of unification of railways. Undoubtedly the necessity for it will come. Mr. Seddon has cited the population of various countries. We are looking ahead to the time when the density of population in Western Australia will be such as to warrant the broader gauge with its greater carrying capacity and its greater capacity for speed. We have the nucleus at present in the Commonwealth line and in such lines in other States as are built on the 4ft. 8½in., which is the recognised standard. But whilst it is not necessarily laid down that this motion refers to any particular route to be followed—that would be a matter for the engineers—it may be that in collaboration with the engineers and the surveyors if a line were built through to Fremantle some new district might be opened up by virtue of this conversion. It would therefore give an impetus to development in a part of Western Australia not at present served with railway communication.

Question put and passed.

## **BILL—ADOPTION OF CHILDREN ACT AMENDMENT.**

### *Second Reading.*

**HON. E. H. GRAY** (West) [10.40] in moving the second reading said: This is a short amending Bill of one main clause, which explains itself. I will read it, as follows:—

2. A section is inserted in the principal Act as follows:—

10a. (1) When an order of adoption has been made, before or after the commencement of the Adoption of Children Act Amendment Act, 1926, in respect of a child registered under Part IV. of the Registration of Births, Deaths, and Marriages Act, 1894, the district regis-

trar having the custody of the register containing the entry of the birth of such child may, on an application being made to him in the prescribed form by the adopting parent, and on payment of the prescribed fee, make a fresh entry in the register in the prescribed form of the birth of the child, with particulars of the date and place of birth and the christian name or names of the child, and the surname of the adopting parent conferred on the child, and the name and surname and residence of the adopting parent, and a reference to the order of adoption.

The index of the registrar kept in the office of the district registrar, and the index of the register kept in the office of the Registrar General shall, in such case, be amended so as to refer to such fresh entry, and the original entry of the birth of the child and the duplicate thereof kept in the general registry, shall not be open to inspection except with the approval of the Registrar General.

(2.) In this section "prescribed" means prescribed by regulations made under the Registration of Births, Deaths, and Marriages Act, 1894.

This amendment is to protect the adopted child and also to strengthen the bond between the child and the adopting parent. It is a very satisfactory measure, although I am afraid that it will not accomplish all that we desire. The object is to keep the child away from pernicious people—fortunately they are very few—who may be ready to destroy its happiness by going into the Registrar General's office and finding out the circumstances of the child's birth. There is nothing more beautiful than the feeling between a tender adopting parent and the child adopted. But it sometimes happens that the peace of the home is seriously disturbed, if not entirely destroyed, by the child being told by mischief makers that its supposed parents are not in fact related to it at all. Needless pain is thus caused, not only to the child, but to the foster parents as well. It should not be necessary to say anything further to convince members that the Bill is worthy of their support. I move—

That the Bill be now read a second time.

On motion by Chief Secretary, debate adjourned.

*House adjourned at 10.13 p.m.*