

# Legislative Assembly,

Tuesday, 2nd August, 1927.

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

## QUESTIONS (5)—RAILWAYS.

### *Bolgart-Piawaning Proposed Extension.*

Mr. MALEY asked the Premier: In view of the large extent of settlement and the development that have taken place during the last 12 months north of the terminus of the Bolgart-Piawaning railway, will he give early consideration to the question of a further extension of that line in a northerly direction?

The PREMIER replied: The matter will be referred to the Railway Advisory Board for consideration.

### *Yarramony Eastward Line.*

Mr. GRIFFITHS asked the Premier: 1, On what date was the Yarramony eastward railway authorised? 2, On what date was the Ejanding northwards railway authorised? 3, Why is precedence being given to the construction of the Ejanding northwards line? 4, Seeing that settlers eastward of Yarramony have been waiting over 19 years, can he give some encouraging indications of the Government's intention to start the Yarramony eastward railway for those people.

The PREMIER replied: 1 and 2, This information may be readily obtained from the records of the House. 3 and 4, Precedence is, and will be, determined by merit, after fullest consideration.

### *Pemberton-Denmark and Boyup Brook-Cranbrook Lines.*

Mr. J. H. SMITH asked the Premier: 1, When do the Government propose to commence the construction of the Pemberton-Denmark railway from the Pemberton end? 2, When do the Government propose to commence the construction of the Boyup Brook-Cranbrook railway?

The PREMIER replied: When the Denmark end is nearing completion—about 12 months hence. This railway involves some very heavy earthworks for which the plant engaged at the Denmark end is required. The Boyup Brook-Cranbrook railway has not yet been surveyed. The question as to when construction will be undertaken will be considered when the Loan Estimates are being prepared.

### *Midland Freights and Land Taxation.*

Mr. FERGUSON asked the Premier: 1, Does the reduction in railway freights on first, second, and third class goods instituted on the 1st May, 1925, on the State railways apply to the Midland railway? 2, Does he consider it fair and equitable that the users of the Midland railway should be called upon to pay the additional land tax that was admittedly imposed to recoup the State for the loss occasioned by the aforesaid reduction in freights? 3, Will the Government take steps to exempt land holders who use the Midland railway from the additional land taxation?

The PREMIER replied: 1, No. 2 and 3, The land tax applies to all without exception, and the anomaly can only be rectified by an adjustment of the rates, and not by exemptions from land tax.

### *Fremantle Bridge—Engineer-in-Chief's Report.*

Mr. SLEEMAN asked the Minister for Works: 1, Has the Engineer-in-Chief completed his report on the proposed new Fremantle railway bridge? 2, If so, will he make the report available to the House? 3, If not, can he give any idea when the report will be ready?

Hon. J. CUNNINGHAM (for the Minister for Works) replied: 1, Not yet. 2, When it has been considered by the Government it will be made available to the House. 3, Probably this month.

**QUESTION—ROAD BOARD SUBSIDIES.**

Mr. SAMPSON asked the Premier: 1, What amount was provided as subsidies to road boards for the years 1925-26 and 1926-27? 2, In view of the increasingly difficult task that faces the road boards of the State, will the Government give consideration to the subject of the resumption of payments on the scale previously operating? 3, If not, can he give an assurance that there will be no further reduction?

The PREMIER replied: 1, 1925-26, £26,090; 1926-27, £15,902. 2, Under the Federal aid roads scheme the State is under an obligation to contribute from Consolidated Revenue £36,000 per annum, and in addition the whole of the interest on moneys borrowed by this State for developmental roads, and half of the interest for moneys expended on trunk and arterial roads. The expenditure on the construction and reconstruction of these roads necessarily relieves the local authorities of the necessity for borrowing or raising revenue for such works. The question of increasing the subsidy will receive consideration when the Estimates are being prepared. 3, No.

**QUESTION—MINING, MT. KEITH STATE BATTERY.**

Mr. MARSHALL asked the Minister for Mines: 1, Is it a fact that the whole or any portion of the buildings at the Mt. Keith State battery have been sold? 2, If so, what was the description of the building or buildings disposed of? 3, Who was the purchaser? 4, What was the amount received? 5, How was the sale effected—by public tender, or private treaty?

The MINISTER FOR MINES replied: 1, Yes. 2, Building over battery and power house, shed at cyanide plant, four rooms consisting of office, store, etc. 3, Mr. H. E. Vail. 4, £225. 5, The offer received was considered to be a very good one, and was accepted after submission to the Government Tender Board.

**QUESTION—FEDERAL ROAD GRANT, ALLOCATION.**

Mr. MARSHALL asked the Minister for Works: 1, Is it a fact that the basis of allocation to the States of the Federal grant for road construction was upon area and

population? 2, If so, what were the percentages for population and area respectively? 3, What was the basis of allocation to the various road boards, councils, and municipalities throughout the State? 4, Would he be prepared to lay on the Table of the House a return showing—(a) area of board, council, or municipality throughout the State, which participated in the Federal-State grant for the year ended 30th June, 1927; (b) the population of each area; (c) the total amount allocated to each body for the year ended 30th June, 1927?

Hon. J. CUNNINGHAM (for the Minister for Works) replied: 1, Yes. 2, Three-fifths and two-fifths. 3, The money available was not allocated on the basis of grants to local authorities, but on—(a) the provisions, of the Main Roads Act, governing the provision of roads; (b) the needs of the various parts of the State in the matter of main and developmental roads; (c) the relative costs of construction in different parts of the State. At the same time, in order to ensure a uniform programme of developmental road construction throughout the State, an endeavour was made to allocate to each local authority an average amount of not less than £2,000 per annum. 4, (c) Yes, if required.

**QUESTION—SULTANAS AND CURRANTS, IMPORTATIONS.**

Mr. GRIFFITHS (for Mr. Thomson) asked the Minister for Agriculture: What was the quantity of sultanas and currants imported from the Eastern States through the ports of (a) Fremantle, (b) Albany, (c) Bunbury, for the months of March, April, May, and June of this year, and what was the price paid per cwt.?

The MINISTER FOR AGRICULTURE replied: The information desired is not kept separately for the ports mentioned, but the total imports to the State for the periods required are given hereunder:—

Sultanas—1927, March, 7,280lbs., £276; April, 70,784lbs., £2,644; May, 77,500lbs., £2,923; June, 97,884lbs., £3,567.

Currants—1927, March, nil, nil; April, 7,280lbs., £175; May, 6,740lbs., £173; June, 5,376lbs., £129.

### QUESTION—ELECTORS, CONVEYANCE TO BOOTHS.

Mr. TEESDALE asked the Minister for Justice: Is it the intention of the Government to introduce a Bill during this session of Parliament making it an offence to convey an elector from his residence or other place to a polling booth for the purpose of recording his or her vote?

The PREMIER (for the Minister for Justice) replied: No.

### QUESTION—KING'S PARK, GRANT.

Mr. RICHARDSON (for Hon. W. J. George) asked the Premier: Will he consider the advisability of increasing the grant to the King's Park Board to £5,000 per year so that the overdue and necessary work for improving the park may be put in hand and the levy now made on a portion of the public using the park may be abolished?

The PREMIER replied: The grant to King's Park is considered reasonable in view of the many other demands which the Government has to face.

### SITTING DAYS AND HOURS.

On motion by the Premier, ordered: That the House, unless otherwise ordered, shall meet for the despatch of business on Tuesdays, Wednesdays and Thursdays at 4.30 p.m., and shall sit until 6.15 p.m. if necessary and, if requisite, from 7.30 onwards.

### GOVERNMENT BUSINESS, PRECEDENCE.

On motion by the Premier, ordered: That on Tuesdays and Thursdays Government business shall take precedence of all motions and orders of the day.

### BILL—SUPPLY (NO. 1), £1,913,500.

#### *Standing Orders Suspension.*

**THE PREMIER AND TREASURER** (Hon. P. Collier—Boulder) [4.52]: I move—

That so much of the Standing Orders be suspended as is necessary to enable resolutions from the Committees of Supply and Ways and Means to be reported and adopted on the same day on which they shall have passed those Committees, and also the passing

of a Supply Bill through all its stages in one day, and to enable the business aforesaid to be entered upon and dealt with before the Address-in-reply is adopted.

Question put and passed.

#### *Message.*

Message from the Governor received and read recommending appropriation for the purposes of the Bill.

#### *Chairman of Committees, Election.*

The PREMIER (Hon. P. Collier—Boulder) [4.54]: As it will be necessary to go into Committee, the House will need to appoint a Chairman of Committees. Accordingly I move—

That the member for Brown Hill-Ivanhoe (Mr. Lutey) be appointed Chairman of Committees.

Mr. PANTON (Menzies): I second the motion.

Question put and passed

#### *In Committee of Supply.*

The House having resolved into Committee of Supply, Mr. Lutey in the Chair,

The CHAIRMAN: I desire to thank hon. members for the high honour conferred upon me in again electing me Chairman of Committees. With the assistance and goodwill of hon. members I shall do my best to discharge the duties of this high office as I have done in the past.

The PREMIER (Hon. P. Collier—Boulder) [4.56]: I move—

That there be granted to His Majesty on account of the services of the year ending the 30th June, 1928, a sum not exceeding £1,913,500.

Members will note that the amount is exactly the same as was asked for last year. It is, of course, based upon the estimated requirements for the first two months of the financial year, which is the method that has been adopted for years past. It is necessary to obtain Supply to carry on the services until the Estimates are brought down, and if it is exhausted before that time I shall have to ask for further Supply. The Estimates, however, are in course of preparation. Although, as the Leader of the Opposition knows, Treasurers set out with good intentions in the way of presenting the Estimates at an earlier date than is usual, sometimes those good intentions are not realised.

Still, I am hoping that at a comparatively early date the Estimates will be ready for presentation to the House.

**HON. SIR JAMES MITCHELL** (Northam) [4.58]: I hope the Premier will realise his intention to bring down the Estimates at an earlier date. To do so is not a simple matter, but I hope they will be presented in the course of the next six weeks. Failing that, he will have to ask for further Supply at the end of the month. Even if the Estimates are presented, they cannot be passed in that time. I should like to know what is being done with the proceeds of the petrol tax. Are they being paid into revenue? I have looked through the trust accounts, but have not been able to find that any amount is held there. I should like to know something, also, about the goldfields water supply sinking fund. The amount was considerably over-subscribed. What became of the surplus? Is it still in the sinking fund, or was it brought into revenue? The Premier naturally will have anticipated these questions because of the correspondence that has passed between us in the Press. It would be interesting to know whether he intends to pay any of the bonds held by the sinking fund trustees for this year in order to cover that interest. I should like to know, too, whether the Premier has paid the full amount of interest due on bonds held by the trustees for the last 12 months. The Premier will know he had the good fortune not to be obliged to pay as much interest in the last twelve months as he had to pay in the previous twelve months. The only way he could escape paying interest in this direction was by not paying interest on the bonds. I know there is an explanation; there always is one. I should like to hear what the Premier has to say on the matter.

**THE PREMIER** (Hon. P. Collier—Boulder) [5.1]: I am not able to give the information asked for in regard to the petrol tax at this moment. The hon. member knows that a considerable amount of this tax came off when the Commonwealth Government imposed their tax. I think it is laid down in the Act how the money is to be utilised.

Hon. Sir James Mitchell: I cannot find any credit.

The PREMIER: I am not able to offer an explanation offhand, but I presume the allocation has been made according to the Act.

Mr. Griffiths: Do you know what amount was realised?

Hon. Sir James Mitchell: Over thirty thousand pounds.

The PREMIER: On the reduced amount! The tax came down from threepence to one penny when the Commonwealth petrol tax was imposed. With regard to what may be called a surplus on the Coolgardie water supply sinking fund, there was a surplus amounting to £57,000, which was taken into general revenue. As the hon. member knows, some time during his term of office the contribution to that sinking fund ceased, because it was then considered that there was sufficient money in the fund to redeem the loan at maturity.

Hon. Sir James Mitchell: Yes.

The PREMIER: When the loan fell due in January of this year, there was sufficient money to redeem it. Because of the investments that had been made by the trustees over many years past there was a surplus of £57,000. That was included in the revenue of last year. The reduced amount that is involved in the payment of interest and sinking fund as in July last, when compared with July of last year, is accounted for in this way. Under the proposed agreement between the Commonwealth and the State we are permitted to do what we have done. It was no longer necessary to pay interest on our own stocks held by trustees in London. To that extent there was a saving last year of £150,000. As the hon. member knows, the general revenue did not benefit by that sum. It has been placed in a suspense account to meet losses that we are bound to have on account of group settlement. The non payment of interest and sinking fund to the trustees at the end of the year would not benefit general revenue in any way. I do not wish to enter now into an explanation of the agreement between the Commonwealth and the States. The Commonwealth, under the agreement, will take over the whole of our net debt as from June 30 last. It is in operation now. Assuming that our total indebtedness is £70,000,000—it is round about that—and we have £9,000,000 in the sinking fund, leaving a net debt of £61,000,000, the Commonwealth will take over that £61,000,000 or our net debt as it existed on June 30 last. As the moneys are in the sinking fund to give the £9,000,000, there is no further need to pay contributions in the way of interest and sinking fund to the trustees. It is pro-

posed later on to cancel that. If there is sufficient money to meet it there is no need to pay in any more. Seeing that this is the case I did not feel justified in taking the £150,000 into revenue, otherwise the figures would have been increased by that amount.

Hon. Sir James Mitchell: That was over the six months' period.

The PREMIER: Yes, for the last half year.

Hon. Sir James Mitchell: Where did you debit it.

The PREMIER: It has been set aside.

Hon. Sir James Mitchell: Held in suspense?

The PREMIER: In a suspense account.

Hon. Sir James Mitchell: Where did you get it?

The PREMIER: We have refrained from paying that amount. Instead of allowing it to remain in Consolidated Revenue and then having a surplus of £178,000, instead of £28,000, the money has been placed in a suspense account to meet losses on group settlement. This is a very legitimate way of using it.

Hon. Sir James Mitchell: I suppose you are setting aside the difference between the interest you charge and the interest you pay.

The PREMIER: It is not easy to say what the losses will be. It has been in the minds of members from the very beginning that there would be considerable losses. No one anticipated that the scheme would be carried through without losses. It has been the practice to take into revenue interest on the expenditure on the groups. Much of the money expended on the groups will never be repaid to the State and will be lost. It is an unsound policy to continue to take interest on loan moneys expended in this way, into general revenue.

Hon. Sir James Mitchell: You do not pay interest on the settlements.

The PREMIER: We have done so and the hon. member did so.

Hon. Sir James Mitchell: Not under this scheme. I had not the chance to do so. I did not get the money in time.

The PREMIER: The hon. member did it.

Hon. Sir James Mitchell: I did not.

The PREMIER: I am sure the hon. member is mistaken.

Hon. Sir James Mitchell: I am sure I am not. We had £750,000 in our last year of the cheap money from London.

The PREMIER: That is the position. Under the agreement it is not necessary for us to pay more. It may be contended that we had no right to anticipate the adoption of the agreement by Parliament. Even if it were not passed no harm would be done, because the money would still be available. It will be known during the currency of the financial year what money will be available should the agreement not be passed. It was decided at the conference that the agreement should come into operation as from July 1.

Hon. Sir James Mitchell: This Parliament has to pass it.

The PREMIER: Yes. If Parliament declines to pass it no harm will be done. The £150,000 is in suspense, and in so far as we are benefiting this financial year by the non-payment of sinking fund to the trustees, so will the money set aside be available for its proper purposes should Parliament decline to pass the agreement. It would be very unwise for us not to take advantage of this at the earliest moment. We could have gone along on the old lines paying 10s. per cent. to the sinking fund on our debt, whereas as from June 30 we shall contribute only 5s. per cent.

Hon. Sir James Mitchell: We have had to pay £1.

The PREMIER: The Commonwealth will meet all our contractual liabilities beyond 7s. 6d. All our responsibilities beyond 7s. 6d. will be met by the Commonwealth. If we failed to take advantage of this it would mean that for this current year we should be paying 10s. per cent. on our sinking fund. Under the agreement we shall contribute only 5s. per cent. That will mean this year a saving of about £150,000. Members may say "Suppose the Act fails to pass. What then?" The Commonwealth have undertaken, if the Parliaments of Australia should not pass the agreement, that their contributions this year of 5s. per cent. to the sinking fund shall be looked upon as a grant to the Parliaments, which they shall not be asked to return.

Hon. Sir James Mitchell: It was 2s. 6d. on the old loans.

The PREMIER: Yes, and 5s. on our new loans. By taking advantage of the agreement we shall be effecting this saving. Whether or not the agreement is passed we shall benefit by contributions to the sinking fund loans probably to the extent of £150,000 this year.

**HON. SIR JAMES MITCHELL** (Northam) [5.13]: I hope the Premier will find out about the petrol tax. Even at 1d. the amount should come to £130,000. I fancy the Minister for Works said he anticipated raising £100,000 on the petrol tax.

The Minister for Mines: I think that was later on.

**Hon. Sir JAMES MITCHELL**: It represents a substantial sum, and should be used for road construction as the Act intended.

The Premier: We find a lot of money out of general revenue for road construction.

**Hon. Sir JAMES MITCHELL**: This was a special tax. The member for Avon, for instance, is paying the tax, but he is using the roads and it is right he should pay.

The Premier: He is only paying for services rendered.

**Hon. Sir JAMES MITCHELL**: I cannot find that any amount was credited on this account. The money may have been handed over to the Board, who may have spent it.

The Premier: I will give the hon. member an explanation.

Mr. Griffiths: I believe for the last three months the collection was over £30,000.

**Hon. Sir JAMES MITCHELL**: Apparently the Premier does not know the amount he does derive from motors in the State.

The Premier: I know it is increasing greatly.

**Hon. Sir JAMES MITCHELL**: With regard to the sinking fund, the Premier had a balance last year and has taken £50,000 into revenue. Under the items to which I refer, a sum of £61,000 more was raised this year than last year. It was an item that could not be increased except by means of this sort.

The Premier: That was in the February returns.

**Hon. Sir JAMES MITCHELL**: I saw it there at the time, and wondered where the Premier had got the money.

The Premier: It was an unusual increase in that item.

**Hon. Sir JAMES MITCHELL**: Yes. I know something about these items. In most of them we can expect well-marked increases or decreases.

The Premier: On some of them.

**Hon. Sir JAMES MITCHELL**: I do not want to deal at length with the sinking fund now; I shall refer to it on the Address-in-reply debate. However, there was, of course, in the sinking fund on the 30th June, 1926, £2,704,699. We have paid off £2,500,000, and £57,000 has been taken into revenue. I suppose that represents loss on realisation of securities.

The Premier: At one time we thought that there would be a profit of about £100,000.

**Hon. Sir JAMES MITCHELL**: We held our own securities, which have been sold at less than face value. That must be the explanation. If the Premier will look into another matter, he will, I think, find that whilst he has, as he says, paid this £150,000 into suspense account, he has suspended the payment to the Sinking Fund Trustees on the £9,000,000 of our bonds.

The Premier: The amount is not in revenue.

**Hon. Sir JAMES MITCHELL**: It is not out of revenue.

The Premier: It is not there.

**Hon. Sir JAMES MITCHELL**: This year we paid £3,000 less in interest than we paid the previous year. The entry cannot have been put through, or there would have been a considerable increase in the Treasurer's interest bill. However, I think the Premier cannot have debited this £150,000 to the interest bill; otherwise the interest bill would be greater.

The Premier: No; it was not paid.

**Hon. Sir JAMES MITCHELL**: It was not paid to the Sinking Fund Trustees; it is just held in suspense. It remains, of course, in the revenue.

The Premier: It does not benefit revenue.

**Hon. Sir JAMES MITCHELL**: It does not disadvantage revenue.

The Premier: Certainly not.

**Hon. Sir JAMES MITCHELL**: If the Premier had paid £150,000 to the Sinking Fund Trustees, he would be £150,000 worse off; but as he has not paid the amount to the trustees and has not debited it to the interest account for the year, the revenue is £150,000 better.

The Premier: No, it is not.

**Hon. Sir JAMES MITCHELL**: I think it is.

The Premier: The amount I have saved has not been taken into revenue, but is in suspense for losses on groups.

Hon. Sir JAMES MITCHELL: But it is made a debit to interest, and that is the point. It would have to be debited somewhere, being credited. It has not been debited, but is simply held in abeyance.

The Premier: It has not benefited revenue.

Hon. Sir JAMES MITCHELL: The Premier could not have very well put it into revenue.

The Premier: No.

Hon. Sir JAMES MITCHELL: It has not been debited. The Premier, if he looks, will find that it has not been debited anywhere. In that way, the revenue has benefited by £150,000.

The Premier: That is not so.

Hon. Sir JAMES MITCHELL: Then where did the Premier debit the amount?

The Premier: I say that the general revenue did not benefit by £150,000.

Hon. Sir JAMES MITCHELL: But if the Premier paid the amount to the trustees, it would be debited to the item sinking fund.

The Premier: Of course.

Hon. Sir JAMES MITCHELL: But it has not been debited.

The Premier: That does not mean that the Consolidated Revenue has benefited by that amount.

Hon. Sir JAMES MITCHELL: Suppose the Premier paid £150,000 to the trustees, what would happen then?

The Premier: I told the hon. member that the fact of our not paying the £150,000 does not mean that the amount has been left in revenue. It is in suspense to meet losses.

Hon. Sir JAMES MITCHELL: That is all I want. It has not been debited to interest, of course; and that is what I contend. The Premier has to pay the amount. He may have to pay it at the end of the year, and may have to debit it to this year's revenue. However, we shall have an opportunity of discussing that matter when we get the agreement. I suppose the agreement is not yet signed.

The Premier: No. I have not yet got a final print of it as amended at the recent conference.

Hon. Sir JAMES MITCHELL: I think the Premier is wrong in anticipating the agreement, which is not even signed. He has taken it for six months of last year, and that may work out all right. He may get the Federal Government to face the sinking fund for that period.

The Premier: It must work out to our advantage.

Hon. Sir JAMES MITCHELL: The agreement with the Federal Government is dated the 1st July of this year, and the Premier has dated it back to the 1st January of this year. He hopes to get the Federal Government to pay the sinking fund for the first six months of this year. However, there is no object in discussing the agreement now.

The Premier: The agreement will be a schedule to the Bill when it comes down.

Hon. Sir JAMES MITCHELL: I shall deal with the matter when I come to the Address-in-reply. However, the Premier has promised to supply me with the desired information to-morrow.

Question put and passed.

Resolution reported and the report adopted.

#### *Committee of Ways and Means.*

The House having resolved into Committee of Ways and Means, Mr. Lutey in the Chair,

On motion by the Premier, resolved—

That towards making good the Supply granted to His Majesty for the services of the year ending 30th June, 1928, a sum not exceeding £850,000 be granted from the Consolidated Revenue Fund, £750,000 from the General Loan Fund, £10,500 from the Government Property Sales Fund, £3,000 from the Land Improvement Loan Fund, and £300,000 from the Public Accounts for the purposes of temporary advances to be made by the Treasurer.

Resolution reported and the report adopted.

#### *Bill introduced, etc.*

In accordance with the foregoing resolutions, Bill introduced, passed through all stages, and transmitted to the Legislative Council.

## ADDRESS-IN-REPLY.

*Second Day.*

Debate resumed from the 28th July.

**HON. SIR JAMES MITCHELL** (Northam) [5.32]: Before dealing with the Address-in-reply, I hope members will permit me to refer to the death of a previous Clerk of this House, Mr. Walter Gale, who for over ten years was Clerk here, and who, from the earliest days of Federation, occupied a similar position in the House of Representatives. As members know, he died a few days ago at Canberra. He was always a good friend of Western Australia, with a special place in his heart for Perth, and I am sure we all deeply regret his passing. I remember a dear old friend in Governor Bedford telling a tale of a duke, who once walked to an opening of Parliament with the Governor. On the way the Governor said to him, "I am going to Parliament House to read the opening speech, and I don't believe a damn word of it." "Well, why deliver it?" his companion asked. "Oh," returned His Excellency, "because I am the constitutional Governor." So, I suppose I can sympathise with our present Governor, who had to read the Speech before us simply because he is a constitutional Governor. I should like to congratulate my friend the Minister for Mines on his promotion to full ministerial rank. He worked very hard as Honorary Minister, and I am sure he will work equally hard in his present position. I congratulate also the new Honorary Minister (Hon. H. Millington) on his elevation. Ministerial rank carries with it grave and serious responsibilities, which have to be carried out in the interests of the whole of the people of the State. My friend the Minister for Mines at this time has a very difficult task.

The Minister for Mines: Yes, it is not a bed of roses by any manner of means.

**Hon. Sir JAMES MITCHELL**: Still, the position has to be faced. I want to congratulate all Ministers upon their re-election to office, although perhaps one ought to draw a veil over the appointment of Ministers. I can sympathise with many here who were disappointed at the selections. It is always so, of course, and I am afraid some of the happenings at the last elections were reflected in that room where the appointments were made.

**Mr. Corboy**: The selections did not cause so much trouble as some of yours.

**Hon. Sir JAMES MITCHELL**: The hon. member is not entitled to speak, for he did not get anywhere near to selection; he also ran. I shall have something to say about his election presently.

**Mr. Corboy**: I have better prospects of getting there than you have.

**Hon. Sir JAMES MITCHELL**: I do not know whether the hon. member intends to take the Premier's place. Certainly, while the present Government remain in power he, as a supporter, has a better chance of inclusion than have I. Before the last elections one member said to me, "You have no chance; the cards are stacked against you." I suppose certain members who went to that meeting where Ministers were selected were in much the same position. Still, it is poetic justice, for I suppose they helped the Government in the last elections, when many doubtful things, indeed objectionable things, were done. Now some of those things, apparently, are coming home to roost. Whilst probably, later in the session, we shall move a no-confidence motion, I am pretty certain it will be of no use to expect help from disappointed members opposite, for they will remain as silent as scrapped gunboats. The member for East Perth (Mr. Kenneally), who moved the Address-in-reply, is no stranger to me. On two occasions he, being then a Northam man, was my opponent at Northam. I must say he fought a very clean and decent fight on each occasion. Listening to his speech the other day, and having read other speeches made by him elsewhere, it seems to me he has slipped from grace since leaving Northam. However, I congratulate him upon his election to the House and upon his having been entrusted with the moving of the Address-in-reply. As a speaker he certainly has improved since leaving Northam. Of course, in the meantime he has had vast experience as the head, or pretty nearly the head, of his organisation in Western Australia, and now, I understand, we have in him the president of the Australian Labour Party, the party throughout the whole of Australia. He did lecture the Premier about his duty the other day, but I think that at Canberra also a few weeks ago he told the reds in the faction that stands behind Mr. Lang, that they would be expelled from the movement if they did not come into line.



Of course we all know that Mr. Lang has not been expelled.

Mr. Kenneally: What you don't know about the question would fill a fair-sized volume.

Hon. Sir JAMES MITCHELL: I did not hear that. It is unfortunate for my friend that whereas he dictated to Mr. Lang and Co. a few weeks ago, he now finds that many of his following have gone over to the other side. I thank him for having wished me a long life in Parliament. It was very kind and considerate in him. Even the Leader of the Opposition fills an honourable position, as Mr. Kenneally will know when he comes over to this side of the House, as he soon will, and probably finds himself Leader of the Opposition. The hon. member treated the question of unemployment with scant consideration, dismissing it in a few words. So serious a matter should receive far more consideration from one occupying his distinguished position in the Labour Party. The hon. member remarked that it had been a year of records. I want to assure him, and the Premier also, that no one is more delighted to know of the record harvest than am I, and so, too, in respect of the record wool clip and the record apple yield. Who wouldn't be delighted? And, please God, it will be far better this year. If I can help to make records of that sort, I will endeavour to do so, as I have done in the past. I also rejoice that the Federal Government should have been so generous to us during the past 12 months. That constitutes a record expressed in good, solid coin of the realm, a considerable amount of it. For a long time we have been endeavouring to get some justice from the Federal Government; after all they are merely giving us what we are jolly well entitled to. They have given us part of what a Royal Commission, after careful inquiry, said we ought to have. Mr. Bruce has done very well in banding out Federal gifts. But whilst there have been some enviable records, there have been also some that are unenviable. Take for instance, the land tax, showing a considerable increase on the past, and the vermin tax, of which the same is to be said. Federal taxation constituted a record. Then we have had record cheap money under the Migration Agreement, which is something to be thankful for. And we have had a record railway revenue—a splendid thing. But also we have had record unemployment, which is not a very

enviable condition of affairs. And, emphatically, we had a record of mal-administration by the Electoral Department during the last elections. On some of these things I will speak later, but certainly it has been a time of records—some good, some bad. I wish to deal with the financial position, and to refer to the agreement into which the Premier has entered with the Commonwealth. If we accept that agreement we shall find ourselves in easy circumstances for the next few years, but I do not know very much about what will happen after that. Last year's revenue was £1,885,000 greater than that collected during the last year I was in office, which was the best year. During the elections the Premier averaged the deficits that were experienced during the years I was in office, although time and again in this House he said that the reduction from £652,000 to £229,000 during a period of five years was a satisfactory achievement. I shall show what has happened during the few years that the Government have been in office. During my last three years of office, taxation amounted to £3,042,000, whilst the present Government collected £3,853,000 and in addition received a Federal gift of £200,000, making a total of £4,053,000. Thus the present Government received a million more in their three years of office than was collected in the three years that went before. The Premier budgeted for a credit of £10,960 and his budget figures showed how that balance would come about. We are aware that with an election approaching, the Government's desire was to make a good showing. It may appear that the Premier estimated fairly accurately the amount of revenue that would be received, and the amount that would be spent. He said that his revenue would total £9,791,000, whereas the actual sum received was £9,750,000, or £41,000 less than the estimate. The expenditure he estimated at £9,780,000, whilst the actual amount was £9,722,000, or £58,000 less. If we take just two items of the many contained in the Estimates, two that could be very accurately estimated, we find that he under-estimated expenditure and over-estimated revenue. There is a line in the Estimates with which members are well acquainted. We know how it is made up because last year the Premier, when submitting his budget figures, gave details in regard to it. The item to which I refer is "Reimbursements"; it is largely composed of interest

paid on money lent. The Premier estimated that he would receive, under this head, £1,507,266. He actually received £1,697,230, or £189,967 more than he calculated on getting. The total received in the previous year was £1,415,000. If members turn up the Estimates of last year they will see that a great proportion of this amount represents interest collected from people to whom we lend money through the Agricultural Bank. Comparing the figures with those of the last few years, we find that under this heading there have been increases year by year. The increase in 1922-23 over the year before that amounted to £136,000. The increase in 1923-24 over the year that preceded it was £35,000. At that time we were lending a great deal of money. The present Government assumed control in 1924. My Government went out of office on the 17th April and for the year which ended a little more than two months later, as I have already stated, the increase was only £35,000. The whole of the interest could not have been credited in that year. What do we find in the year 1924-25? In that year the increase over 1923-24 amounted to the sum of £14,000. Does not that show that some of the interest was not taken into account in the year 1923-24? Last year the Premier estimated that he would get £92,000 more than he received in 1924-25. As a matter of fact he got £281,000, which was £189,000 more than his estimate. I know now that £57,000 came from sinking fund, but where did the remainder come from? That is a point for the Premier to clear up. The Premier estimated that interest and payments on borrowed money would be increased by £196,879 and sinking fund by £15,372, a total of £212,251. Yet the actual payments were less than those for the previous year by £3,190. The actual payment was less than the estimated payment by £215,441. If members will turn up the Estimates of last year they will see that all the Loan items are detailed, and therefore it is easy to estimate with accuracy the increased amount that has to be paid on existing loans. It is easily understood, when the Government borrow money over the year, that they do not pay a full year's interest. It may be that they borrow money in December or in March, or at any period of the year, and on the average pay only half a year's interest. But when it comes to making up the accounts for the

next year, then, naturally, the payments that will have to be made are calculated. If we turn up the items we find this sort of thing: that on a loan of £215,000 we paid £214 last year and we shall have to pay £11,368 this year. It will be found that on the £2,200,000 loan we had under the migration agreement we paid £3,000 last year. Of course we had only a portion of that money for a short time. This year we shall pay the full rate of £22,500. If members cared to look up these matters for themselves they would know what payments would have to be made. We borrowed money before the beginning of the last financial year, and we know that we have to pay £78,000 more in interest. During the year the Government borrowed over £3,000,000. There is no escaping the payment of interest on that amount, but it would not take £118,000. Of course, it all depends on what time of the year we borrowed, but it would take a considerable amount. I have already stated that the Premier received £189,000 more than his estimate in respect of reimbursements and that that sum included £57,000 from sinking fund. He paid less in interest and sinking fund than he estimated by £215,440. So that we get a total of £405,408. We must have an explanation of that. If what the Premier said would happen in connection with these payments has happened, instead of having a surplus of £28,000, there should be a deficit of £377,000.

The Minister for Mines: Is that what you would have liked to see?

Hon. Sir JAMES MITCHELL: No; I should have preferred to see a surplus of £377,000. I ventured the opinion that the Premier's estimated surplus of £10,000 would not be realised, and I did so on what the Premier knew at the time.

The Minister for Mines: Now you are sorry you spoke.

Hon. Sir JAMES MITCHELL: I am not sorry; I spoke perfectly truly. Even the hon. member realises that the Premier did not anticipate drawing from the sinking fund. Neither did I. However, I shall deal with that matter later on, and I trust that the Premier will tell us frankly what the position is. I wish now to deal with the result of the working of the railways under the present Government. In 1919-20 the deficit on the railways was £399,215. In 1923-24—four years afterwards—there was a credit balance of £142,170. That occurred during my last year of office. I think some

hon. members opposite know that the railways earned their greatest amount last year. At any rate, they started in 1923-24 with a credit of over £142,000 and ever since there have been increased earnings. With those increased earnings we might have looked for considerable improvement. As a matter of fact during the present Government's first year the profit increased to £190,000, but in the next year there was a loss of £31,982. In 1926-27, with earnings totalling £3,607,989, there was a profit of merely £34,556. Thus in four years my Government converted a deficit of £399,000 into a credit balance of £142,170, showing an improvement of £541,170. As against that, the Collier Government have converted the surplus of £142,170 into a reduced surplus of £34,556 in the short period of three years, a reduction of £107,614. Hon. members will agree that that is not a very creditable achievement. It is from these public concerns that we must expect, if not to help the revenue, at least to secure sufficient to pay interest and sinking fund charges. It is true that three years ago £140,000 was paid into the sinking fund, but the Premier has to find £100,000, probably £110,000, on top of the surplus of £34,556 in order to meet the sinking fund requirements to-day. Of course interest is charged up against the railways, but sinking fund payments come from the Treasury.

Mr. Lambert: Do you say that the agricultural spur lines should pay interest and sinking fund charges on the capital outlay?

Mr. Sampson: The Leader of the Opposition was discussing the railway system as a whole.

Mr. Lambert: So you would penalise the users of the railways in the back country! Is that your idea of finance?

Hon. Sir JAMES MITCHELL: I do not know that the member for Coolgardie is entitled to say that what is in his mind is my idea of finance! Many spur lines have been constructed. Every hon. member will regret the fact, which the Premier will admit, that it is the goldfields railway in respect of which returns have fallen off so considerably. As a matter of fact, those in authority have been endeavouring to find ways and means of increasing the gold production. It is not the fault of the people resident on the goldfields that gold has not been won during later years to the value that was customary years ago. As to the agricultural spur lines, to which the member for

Coolgardie (Mr. Lambert) has referred so petulantly, it must be recognised that were it not for the construction of those railways, Western Australia would be confronted with a tremendous deficit to-day. It would not be a matter of £300,000 or £400,000, but rather of a deficit of three or four times the amounts I have indicated. It was by opening up the country with the agricultural spur lines that progress was made possible. Hon. members will realise that the spur lines are credited with their respective proportions of railway earnings. Thus if a person lives some hundreds of miles away from the city, and adjacent to a spur line extending over thirty miles, that line will receive credit for a proportion of the through freights over the whole line to the port. Any hon. member who has had anything to do with the railways will appreciate the fact that were it not for the freight provided by the spur lines, the loss on the railways would be very considerable. However, the present position is not satisfactory. It has to be borne in mind that the improvements in the financial result to which I have drawn attention were made possible at a time when wages much the same as they are now.

Mr. Lambert: You can get anything out of the unfortunate users of the railways so long as you levy the necessary charges, but that is a poor barometer by which to measure the progress of the State!

Hon. Sir JAMES MITCHELL: Of course it is not possible to charge anything one likes. As a matter of fact, railway freights remain much the same year after year, although there are a few exceptions. It is true that increased freights have had to be charged at times when increased wages have been granted. If, for instance, the Premier were faced with an increased wages bill of £200,000, he would have to increase freights to cover the amount of the augmented salary list. That is the position regarding revenue and expenditure, comparing the results with the Premier's estimate. The sinking fund provides hon. members with a subject that is interesting to study. The Public Accounts (No. 29, 30-6-1926) show that the sinking fund as at that date stood at £10,654,493. Our own stocks that were held represented a value of £8,720,165, of which we held goldfields water supply stocks valued at £921,859. There has been no need to pay anything additional into the sinking fund on account of the goldfields loan. Each of our Loan Acts sets up a sinking fund and each loan has a separate fund in the

hands of the trustees. In the instance I refer to the sinking fund payment was fixed at 3 per cent. Account is kept of each amount paid in by the Government in respect of the various loans and also in connection with investments respecting the moneys from those loans. It has not been necessary to pay the whole of the interest on bonds held in the goldfields water supply sinking fund for the past two years because five years ago we had ample money in the sinking fund to meet the loan at maturity. As a matter of fact, the sinking fund contained £2,704,699 when the loan of £2,500,000 matured, so that after paying off the loan there was a surplus of £204,699. The Premier has told us that portion of the money was taken into revenue, but no doubt he will look into the matter in due course. Western Australia was in a very happy position regarding the goldfields water supply loan because the sinking fund trustees made very wise investments. The State is under contract to the bond holders to pay a fixed rate per annum to the sinking fund trustees, who, under the Act, must invest the money and allow the interest to accrue. I take it the Premier has no wish to flout the contract the State entered into with people in London who lent us the necessary funds. I take it he will carry out the conditions that were agreed to regarding interest payments and so forth. When we set out to borrow money, we specify in a prospectus that is issued the conditions we will observe respecting the loan. The sinking fund may not have meant much to us years ago, but it has been a very considerable help to us in later times. Of course, we are not going to keep our contract with the bondholders, because the Premier says the Federal Government are going to do it for us. Despite that, I contend it would be wrong to break any contract that we have entered into. It may be interesting to some hon. members to know that the redemption of the goldfields loan furnished the first instance in the history of Australia of a loan being repaid from funds at the disposal of the trustees in London. Those funds were ample for the requirements when the loan was redeemed in January last. That very fact must have a good effect where Western Australia's financial reputation is concerned.

Mr. Lambert: Wonderful finance with a sinking fund of 3 per cent.! With such a provision, I should think we could pay.

Hon. Sir JAMES MITCHELL: It is not only the 3 per cent. sinking fund that counts in such instances; the interest earned by the trustees on investments has also to be taken into consideration. There is another way of earning money. From time to time the trustees have invested in Western Australian stock, often buying at under face value. In connection with the goldfields water supply loan these favourable purchases represented a profit of £1,260,000, which amount could be taken into revenue or else used to pay off portion of the accumulated deficit. That is a wonderful way of making money out of our own stock, purchasing the bonds at less than face value, and thus being able to take credit for those amounts in addition to the interest earnings. The Premier will admit that every Government in the past, as well as his own, has had to keep faith with the sinking fund trustees; that is a statutory obligation that cannot be avoided. The Premier has informed us that he will have an opportunity of more fully explaining the position but has indicated that the Federal Government are going to undertake the obligations resting upon us, apart from the 2s. 6d. per cent. they will pay to the new sinking fund on existing loans. If that is so, the position will be satisfactory, but I do not think Parliament ought to extend approval to any default in the matter of contributions to the sinking fund; we should keep our contracts at any cost. I am sorry that the Premier has anticipated the passing of the financial agreement even to the extent of six months. It is a pity he did so, because he cannot have had time to consult with the trustees in London. Certainly he has not had time to consult with those who lent us the money. It is all important that we shall keep faith with those who provide us with loan funds.

Mr. Lambert: Do you think they will be getting shaky about being paid?

Hon. Sir JAMES MITCHELL: I do not suppose they will be shaky on that score, but there are many people who have participated in our loans and they are interested in their investments. They will want to know all about the business. Apart from that, of course, it is certain that the financial people in London who really do our business will know all about these proposals. I do not propose to deal any further with the finances.

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

Hon. Sir JAMES MITCHELL: I intend to deal with land settlement. I am sorry the Minister for Lands is not in his place. Of course he has been in office as Minister for Lands for only five minutes and has not had time to do much, and the time will perhaps come when the position may be different. The wheat production last year was satisfactory. I hope it will be more satisfactory this year, and still more satisfactory as the years go by. Of a truth we can produce wheat from almost any of our light lands at 5s. per bushel. It is impossible to do so with wheat at 3s. 6d. and perhaps even at 4s., but if the price of 5s. is maintained, then we shall undoubtedly have a big opportunity to cultivate our light lands. Having cultivated them, we shall have pasture land too, even if the price of wheat falls. I doubt if it will fall more than temporarily, because the world's population is increasing so rapidly that it is difficult to maintain fertility. We hear a great deal about increasing yields. This may be done in new countries, but I doubt whether it can be done in old countries. It has been the world's experience that the fertility of the land decreases with the growing of the same kind of crop.

Mr. Griffiths: Sir Hal Colebatch told us that in Italy there had been a great increase of productivity.

Hon. Sir JAMES MITCHELL: I am speaking of the world's experience. The wheat growing centres of the world have shifted from time to time. Originally the centre of wheat growing was Africa. I do not think the world can increase its yield per acre, particularly in old countries where intensive farming has been carried on for a long time. So, owing to the ever increasing population of the world, there must be a good demand for foodstuffs. It is a fact that the world has never had an adequate supply of foodstuffs to feed all its people as they should be fed. In this age the population of most countries is increasing, and the hope for the maintenance of a fair price for wheat is justified. No one can tell with certainty what the future holds in store, but we know that in the last six years we have sown thousands of acres of sandplain country and hundreds of thousands of acres will be cropped this year. It is easy to put a roller over the land, plough it and get in a crop. I have heard of people going on to

a virgin block and fallowing 300 or 400 acres straight away. The man who produces wheat has to buy the necessities of life just as does a man who produces gold and he must get a profit from his wheat production. He is getting a profit at 5s., and the price of 5s. a bushel for wheat makes Western Australia a very much greater wheat country than it could be if the price were 4s. We have millions of acres of light land that can and will be utilised. It is perhaps difficult to back men with machinery and money for the development of farms on this light land, but men with money are taking up the lighter land and we shall have a greatly increased area under cultivation this year. As with wheat, so I think it will be with all foodstuffs. Those in a position to know tell us that the great problem facing the world is that of feeding the people. Particularly do they look forward to ever increasing difficulty. Western Australia is a country of primary production. Its 370,000 people cannot do more than is being done, and until we get more people, we cannot do much more work. I hope the Minister will keep every surveyor at work looking out every decent block of land available. I am sorry he has found it necessary to bring surveyors from New Zealand, because I know some surveyors have had a very lean time for several years. It will be profitable to train our own surveyors, but the Minister has considered it advisable to bring in surveyors from New Zealand just as many young engineers have been brought to the State. Still, it is not so easy to train engineers as to train surveyors. For years every block of land available in the wheat belt has been eagerly sought and the money required for its development has been made available. The development of the wheat belt has not been retarded by the work done elsewhere. Some people argue that it would have been better to spend in the wheat belt the money being expended on group settlement in the South-West. We have money available for the wheat belt, as well as for the South-West, if men are willing to take it. In my five years of office, and I believe during the last three years, all the money required has been available for wheat belt development. There has not been a moment when there was not money available. Our only hope is primary production, because it is our real wealth. We have been discussing sinking funds and loans. That money is very useful for development work, but the wealth produced from the soil is of much

greater use to us. It remains here and is ours to keep. It grows here, whereas the money we borrow grows somewhere else. It is a well known fact that what you save grows, and what you eat is more or less lost. Every time I hear of a pound of butter being brought into this country, I think there is 2s. or more gone to Lismore or somewhere else to grow.

Mr. Lambert: But nations live on the exchange of commodities.

Hon. Sir JAMES MITCHELL: Of course they do, but the more they have to sell, the better they live, particularly if it takes the form of an annual crop. We must face this question of the South-West development. It is not so many years ago that people told us we could not produce apples. At one time I had to approve of regulations to prevent apples coming in from South Australia when the trees of that State were affected with codlin moth. Everyone now knows that the best apples produced in Australia are grown in Western Australia; they bring the best price on the London market. Yet 25 years ago people said we could not produce apples. At that time they were 2s. per pound in Western Australia and 1d. per pound in Adelaide. To-day all that is changed. Later it was said that we could not expect to produce wheat. That too is changed and we are producing wheat. We had a terrible struggle for years to get people to recognise the fact that this was a great wheat producing country. Do members realise, too, that every cabbage, turnip, and in fact everything in the vegetable line, everything in the meat line, everything that finds a place on our table is the result of something imported. No native plant finds a place amongst the food eaten by the people of this State; every item of it has been introduced. It is true that in the whole of Australia only one plant regarded as a vegetable fit for consumption is native to the country and that is the spinach of New Zealand. Everything else has been introduced. Is not the lesson from that clear for us to learn? If we have been able to grow so many things that have been introduced, are there not some other things that can be introduced and grown, too? Let us not act as if the last that could be done had been done. We have been foolish enough to get into that position in the past. Is it not a fact that into this country we imported £750,000 worth of tobacco last year? Yet every ounce of that tobacco could have

been grown in this State. Other countries of the world that grow tobacco are subject to great extremes of heat and cold, but we in Western Australia are not so handicapped. The temperature at Nornalup varies but fourteen degrees. Thus we can do things in this State that cannot be done elsewhere. On the goldfields and at Norntham, high and low temperatures are experienced—conditions that make it possible to do things that have not yet been attempted. We must attempt them and get on with the job. There is no question about the suitability of the climate for tobacco growing, because tobacco has been grown. Only yesterday a man gave me a cake of tobacco from a farm on the Bow River, near Nornalup. Years ago I brought to Perth a similar cake and showed it to representatives of the Press, and the result was that the growers received a notification from the Federal Government to take out a license for growing tobacco, even for the small quantity he grew for his own consumption. That man did not take out a license; he ceased to grow tobacco. Mr. Campbell at Manjimup has done much in the same direction. Five years ago in a book on Scottish Agriculture I came across a statement about tobacco growing and saw Mr. Campbell. He said tobacco could be grown and it was tried and it grew well. It was grown on some of the groups. When the tobacco growers from South Africa were in the Manjimup area, one of them, Colonel Pretorius, I think, said he would consider seriously the question of sending over some tobacco growers from South Africa to that part of Western Australia. They knew the job. They said it could be grown more cheaply than in Africa. Let us not say that things cannot be done. They can be done, and will be done. It took 50 years to persuade English farmers that they could grow mangels and turnips, and another 50 years to grow clover, although the stock died because there was no stored fodder. The question is, what can be produced in wet countries that cannot be produced in this State? Our job as a Parliament, amongst other things, is to govern the lands of the country. Last year we imported three million pounds' worth of food-stuffs. Of this quantity two-thirds could have been produced from our own land. I do not know the northern parts of New South Wales, but I believe the dairying population grew to 15,000 in about 27 years. In Victoria the dairying industry is worth

more than the wheat-growing industry. I am certain that the south-west of our State possesses the best growing climate of any wet land in Australia. There is a longer dry period there than in any other wet land in the Commonwealth. No man can tell me of any land there that has been worked that is not producing something. A wonderful lesson is afforded by that part of the State. A few years ago we set men to grow grass on virgin land in the Denmark district, but it was a failure because we did not know how to grow it. When Mr Paterson was at Busselton he told a friend of mine that it was not grass he wanted but fertiliser. The land must be fertilised. He took Mr. Paterson's advice, with wonderful results. To-day, when the summer comes round, he burns the grass and so clears away the scrub. Another landholder found that wherever patches of clover occurred in the fields, the first thing to do was to fertilise those areas and cause the clover to spread. We know we can convert our south-west lands into pastoral lands without the expense we believed necessary two or three years ago. The early attempts failed, but there are not the failures now. This makes a wonderful difference. In New Zealand it is the system to sow burnt-over country and bracken country, and the same thing is done in the Eastern States. It would be a wonderful thing if we could convert this land, apart from the land we want to plough, into useful country at a cheap rate, as some people are now doing. No one was to blame because of the failures. The old method was tried but was not successful. We know better now and should take advantage of our knowledge. In the North-West a great deal can be grown. The more one reads of agriculture the more surprised one is that we have not tried a great many things. A little while back I read a book in the library by Major Irwin. According to him, prior to 1835 it was not known in this country that tropical plants and English plants grew side by side. In the gardens opposite the Treasury we see jackaranda trees, English oaks, and New Zealand kauri trees growing side by side, but we are none of us astonished. It would be wise for us to try to grow many things that are not now tried. In the middle of last century it was known that a nut grew in Burmah that was used by the natives as a cure for leprosy. In 1920 the American Government sent a commission to Burmah to inquire into the matter, and are now

growing the trees that bear those nuts, and the remedy is being used to good advantage. We are also told that the nuts are used for the cure of consumption. The properties of the nut were known ages ago, but only recently has the remedy been used. In our North-West, our South-West, and eastern wheat belt there is no limit to what can be done. No doubt many trees and plants that are of value could readily be grown in the North. I believe that many useful fodder plants could be grown there. Nothing in the way of fodder plants is of much use unless it seeds, for we cannot afford to plant roots. There is much that could be tried, and tried successfully. I have read a great deal on the subject during the last three years. It is no use asking anyone's advice about these things. We must make our own experiments. People say the latitude, or the climate, or the temperature is wrong, and that the right conditions do not exist here or there for certain things. Hardly a thing that North America, England or Western Australia grows is a native of those countries. Most things have come from tropical or sub-tropical countries. I believe that even apples came originally from Asia. We should go on trying the different things. It may well be asked why we did not try them when we were in office. We only get knowledge of these questions by reading a great deal. It did not occur to me with the force that it appeals to me now that we ought to try some of these things, and find out if they will grow successfully. Particularly ought we to turn our attention in this respect to the North. I understand that it was through the instrumentality of a bank manager at Hedland that a new buffalo grass was discovered. I do not urge that we should go in for intense culture in the North, but that we should introduce those things that will probably grow there and prove useful. The same thing applies to the South West. Agriculture should be kept as far as possible away from party politics. I am not very concerned as to how the work is done, but I hope it will be done by the Government now in office as well as by the Government that follows later. No matter how energetically we act, unless we increase our population considerably we cannot do much more than we are doing now, and we should take years to reach full development. We are told, in connection with group settlement, that the reclassification of the areas is proceeding. We are told also that a board is to be estab-

lished for the purpose of more effectively dealing with group settlement and adjudicating upon the complaints of settlers. The area now being developed is 367,000 acres, the population is 9,337, and the expenditure £4,680,000. There may be some blocks of land that are not as good as we would like them to be, but the system of selection was complete. Never in our history have we taken so much trouble in the selection of lands. Officers were specially told off to select suitable areas. Surveyors were engaged to survey and test them, and they passed each block as suitable for group settlement. There cannot be many blocks that are unsuitable. The Minister for Lands now says that 500 blocks are to be abandoned. I should like to know where they are. He could not have given the exact number unless he had determined where they were.

The Minister for Lands: The linkings up and abandonments will total 500. Two or three blocks will make one.

Hon. Sir JAMES MITCHELL: I do not know what is in the Minister's mind. If a man cannot use 160 acres, he is not likely to be able to do much more with two blocks.

The Minister for Lands: Probably you are right, but we are doing the best we can in the circumstances.

Hon. Sir JAMES MITCHELL: We are not doing the best we can. The Minister has been in office five minutes, and, therefore, cannot know very much about the matter. In his own district of Mullewa the land must be ploughed before the owner gets much feed for his stock, and in the South-West the country has to be fertilised and grassed to become suitable for stock. We have not very much natural pasture. We have spent £4,680,000 on group settlements, £1,100,000 by my Government, and £3,580,000 by the present Government. It is rather late to discover that 500 blocks are unsuitable. Where are they?

The Minister for Lands: You gave the answer yourself. You said they had to be tried out and ploughed.

Hon. Sir JAMES MITCHELL: I said nothing of the sort.

The Minister for Lands: In a sense you said that. You said it took time to try them out.

Hon. Sir JAMES MITCHELL: I said it took time to try out different plants, and that there were many more we ought to

try. I was not referring to land, and do not wish to be misrepresented. There are always doubters amongst us. Through ignorance on the part of some people, we have not done things that ought to have been done. After nearly 100 years of settlement we are still buying butter. I should imagine that in the last 30 years we have imported 50 million pounds worth of foodstuffs.

Mr. Teesdale: Are the officials who tested these blocks still in the employ of the Government?

Hon. Sir JAMES MITCHELL: In most cases the men who selected these blocks were right in what they said, but if we accept the idea that 500 blocks are unsuitable, the officials were wrong. But we have no right to accept the idea. We have no proof that the officials were wrong.

Mr. Teesdale: They must have played two parts—first of all selecting land and then condemning it.

Hon. Sir JAMES MITCHELL: If we are to accept it as a fact that the South-West is no good whatever simply because someone says so, I want to know who says so.

Mr. Teesdale: The officials.

Hon. Sir JAMES MITCHELL: When did they deny it, and where, and why? I would not accept from anyone the statement that our North will never grow cotton. It will grow cotton some day. If we are ready to accept, as we always have been ready to accept, condemnation of our country and its possibilities of production, we shall never produce.

Mr. Teesdale: This condemnation has gone all over the world.

Hon. Sir JAMES MITCHELL: Unfortunately, lies always do travel fast. If we are willing to say, "It is quite right, and the land is no good," the whole world will be with us. On the other hand, if we say, "The land is good," the world will accept that.

The Premier: If we say the land is good, it will be good.

Hon. Sir JAMES MITCHELL: Hard things have been said about the Premier and myself and others, and those things live long. That is human nature. Talk to Victorians against their country, or to New South Welshmen against New South Wales, and see what they will say? We Western Australians, however, take a delight in belittling our country.



Mr. Kenneally: You are speaking for your side of the House. We cultivate the Australian sentiment.

Hon. Sir JAMES MITCHELL: But hon. members opposite do not fertilise that sentiment.

Mr. Richardson: Because they cultivate Australian sentiment they are against immigration.

Mr. Clydesdale: Anyhow, who is condemning Western Australia? We are not.

Hon. Sir JAMES MITCHELL: It is the habit of everyone. I am not complaining about any person in particular, either the member for East Perth (Mr. Kenneally) or the member for Canning (Mr. Clydesdale). It is a habit of ours. Let us get out of it. When it is stated that 500 blocks are to be abandoned we want to know where those blocks are. The possibilities are that not 100 blocks will be condemned.

Mr. Teesdale: They were approved to one Government, and condemned to another Government, by the same officials.

Mr. Richardson: The Minister says the blocks are not to be abandoned, but that is the report which appeared.

Hon. Sir JAMES MITCHELL: Presumably the Minister would not make such a statement unless he knew that 50 blocks were to be abandoned at this place, and 50 at that, and so on. Let us know exactly where the blocks are. Unfortunately, there is a habit of making such statements. The South-West of this State, I say, will produce as well as any country in Australia. The climate is excellent, and the soil is good. In England, it is said, the rainfall varies from nine inches on one coast to 30 inches on the other, with a change of soil in every thousand yards. In the South-West we have the land and we have the climate. At Busselton there is a settler who came from Warrnambool, which is probably the best land in Victoria, being of volcanic origin. He had condemned our South-Western lands, and I told him that on Group 17 there was a crop of potatoes every month. He replied, "I do better still. Every time I pull up a potato I put in a fresh seed." I said, "I thought you were disappointed with the land." He said, "So I was when I came here." One must consider the climate as well as the soil. Let us be certain of what we are doing before we take men off blocks. There are men on the groups who are per-

fectly satisfied with their holdings and who do not wish to be moved. Let us see what is being done with similar land. Let us consult men who have been there a long time. I may particularly instance Mr. J. H. Smith, who is surrounded by group settlers. He went there and, at slight cost, converted the land into wonderful pasture. Thirty years before any of us came into this House, Spanish settlers were placed at Busselton, and were advanced money for development purposes. All the Agricultural Bank got back from those advances was the wire used for fencing. The holdings were all deserted. Now, however, there are Italians and Spaniards on that land producing wonderful crops. In the work of developing our South-West we are assisted by the migration agreement. We get £3,800,000 to cover losses on a total expenditure of £10,000,000. We ought not to lose as much as that. Certainly, money must be set aside to meet losses. There is no possible chance of escaping all loss. It is not so long ago, in fact it was after the 1914 drought that hundreds of thousands of acres of sand plain which had been ploughed and cropped were deserted altogether. The Agricultural Bank must have lost nearly half a million sterling because of the abandonment of light lands. I am sorry to see in the Governor's Speech this brief reference to the South-West, because it casts doubt upon the value of the land and is merely continuing to do what has been done so long. The Bunbury Butter Factory had a hard struggle for years, thinking it could produce butter. It now has issued a balance sheet which would be an extraordinarily good thing if it could be produced by the best-managed business in Perth. Some years ago the factory was helped by the Government, but last year at Bunbury the factory paid out £83,000, and the sales of butter and ice amounted to £107,000. That is not so bad for Bunbury.

Mr. Withers: Why for Bunbury?

The Premier: The factory paid a dividend of 10 per cent.

Hon. Sir JAMES MITCHELL: No; 7 per cent. There is a limit under the articles of association. The factory's profit was £10,558. The Premier will be glad to know that the factory made a profit. The capital is £6,000, and there are no debts. There is £7,400 in reserve, with profits of £16,000. Between assets and reserves there is £24,000,

and there is still the £6,000 put into the venture. And all this does not represent so many years' trading. The balance sheet is highly satisfactory, and the concern is extremely well managed. It is purely co-operative, being owned almost entirely by the men who supply the butter fats. The same thing could be done in a hundred places in the South-West if we only set to work. As regards soldier settlement, the Governor's Speech states that relief has been given to 113 settlers, involving the cancellation of indebtedness amounting to £359,000, which amount we are told is recoverable from the Commonwealth Government. As a matter of fact, we have the money, and it is not recoverable from the Commonwealth Government at all. I do not know how that statement came to be made in the Governor's Speech. In June last year we had, in this connection, a trust account. With reference to soldier settlement we have a rebate of 12½ per cent. About 5 per cent. of this went for reduction of interest, and the other 6½ per cent. was paid into a special fund, which stood at £200,000 on the 30th June, 1926. At the time a good deal of the £359,000 referred to in the Governor's Speech had been written off against that fund. We have since received an amount of £796,000 to meet losses in connection with soldier settlement, so that at the 30th June last we had a million of money in the fund to meet losses occasioned by soldier settlers. I repeat, a good deal of the £359,000 had been written off previously. There must be between £700,000 and £800,000 still in the fund. The amount written off is not recoverable from the Commonwealth Government at all, as we have already had the money.

The Premier: The recent conference disclosed the fact that, relatively, our losses on soldier settlement have been lighter than those of any other Australian State. Our policy was sounder and more successful than that of any other State.

Hon. Sir JAMES MITCHELL: It has certainly proved sounder than the policy of either Queensland, Victoria or New South Wales. It is a better-managed scheme than the others. Mr. McLarty, who is largely responsible for the management of soldier settlement—

The Premier: Our success is largely due to the fact that our lands have been cheaper.

Hon. Sir JAMES MITCHELL: Cheaper, and better, and more productive. At any rate, we are not going to lose by soldier settlement. Soldier settlement has helped to pull us out of the mire. Firstly, we were able to settle the soldiers when they came back. We were able to get cash for the land that was purchased for them. From that source a couple of millions went into circulation in Western Australia, and this helped considerably. Then there was the production of the soldier settlers. To a great extent we can credit the soldier settlers with the prosperity we are enjoying to-day. The Premier has stated that at the conference in the East it was admitted that our scheme had proved more successful than the schemes of the Eastern States. I do not know whether the attention of the Minister for Agriculture has been drawn to the fact that notwithstanding the Dried Fruits Act, the Eastern States growers are under-selling our growers. I am told that our growers have exported rather too much of their fruit.

The Minister for Lands: The figures of importation were given this afternoon.

Hon. Sir JAMES MITCHELL: I am dealing not with the figures but with the results.

The Minister for Lands: Those are the facts.

Hon. Sir JAMES MITCHELL: We have seen our currants sent away at very low prices. Our price to-day is 7d., but the other States are selling at 5¾d. Local sultanas are quoted at 9½d., whereas those from the Eastern States are 7¾d. Local raisins are 7¼d., while those from the Eastern States are 4¾d. It is not of much use our people exporting, if our own local market is to be flooded from the Eastern States. When we passed the Bill I understood that that sort of thing could not happen.

The Minister for Lands: That is a matter for the board. It is entirely in their hands.

Hon. Sir JAMES MITCHELL: And the growers are also in their hands. It is not very satisfactory to have dried fruits from the Eastern States coming into this market, which is a very much better market than that of London, while our own produce has to go to London. There are plenty of small growers in the country who might well be allowed to sell their produce to the local storekeepers, instead of having to send it down to the board. I suppose the board will look into the matter, but it is not very

satisfactory to our growers to have this position. It is true that we set out with the best intentions of helping the industry, but it seems that our efforts will result in doing harm to the growers. I hope that migration will become a little more active. The reference to it in the Speech is not very hopeful. We read that Ministers re-affirm their belief that a sound policy of administration is essential to the development of Western Australia and the welfare of its people. Why, we have been saying that since the cows came home—"a sound policy of immigration."

The Premier: No, in the old days we used to say "a well-balanced policy."

Hon. Sir JAMES MITCHELL: It is all very well to give this work of migration lip service. We cannot help this country without people. Unless we have more people and more work there will be unemployment. Unemployment is very serious now. When the Premier was in the East recently, the other Ministers left in Perth had to deal with the matter. Mr. Hickey, the Honorary Minister, came back from inspecting State hotels to find himself surrounded by the unemployed, who waited upon him as a deputation with a request. I believe he did build a shelter shed for them at the State Labour Bureau.

Mr. Marshall: That is more than you did.

Mr. Richardson: There were no unemployed in our time.

Hon. Sir JAMES MITCHELL: When I received deputations from the unemployed asking for work, I sent them into the country, where there was plenty of work. We have been told that much of the present trouble is caused by Italians who come here and take the bread out of the mouths of the workers of Perth. Of course we know what really does happen; the young fellows come in from the country and compete with the workers in Perth. But they have done it in the past, and they will do it again. Of course many people do not want to go and work in the country; the fleshpots of Egypt are in the city, and they prefer the fleshpots.

The Premier: Additional picture houses are being built in Perth.

Hon. Sir JAMES MITCHELL: Yes, and naturally all the workers want to be in Perth. I was surprised that Mr. Hickey should have been left to grapple with this question of unemployment.

The Premier: He handled it well.

Hon. Sir JAMES MITCHELL: Yes, he built them a shelter shed. We have had more revenue, far more than ever before, but at the same time we have had more unemployment. Then there is all the unemployment in the country districts. We do not know what that may amount to. Men are going about the country saying they have been put off road work in consequence of the attitude of the Federal Government.

The Premier: A large number of the unemployed consists of those who have cleared out from the groups.

Hon. Sir JAMES MITCHELL: No, that cannot be, because we are told there are still 9,333 people there.

The Premier: But that is the population of the groups. Consider the number that have left.

Hon. Sir JAMES MITCHELL: We know that there were 10,000 on the groups, and we are told that there are still 9,333 there. The present Government have had control of group settlements for three years and four months.

The Premier: Many people have left the groups.

Hon. Sir JAMES MITCHELL: We are told there are 800 unemployed in Perth, and that whereas there were 10,000 people on the groups there are now only 9,333. So it cannot be that the unemployed in Perth are the people who have left the groups. We do not know how many unemployed there may be about the country, but we are given to understand that Italians coming in from the country are responsible for the unemployment in the city. I wonder what we shall be told to-morrow.

The Premier: To-morrow you will be told the truth about those who have left the groups.

Hon. Sir JAMES MITCHELL: I have no objection to the truth.

The Premier: Well, it will prove what I have been saying.

Hon. Sir JAMES MITCHELL: The Premier has had control of group settlement for three years and four months.

The Premier: And the trouble is that he has not built on the foundations you laid!

Hon. Sir JAMES MITCHELL: He has not built at all.

Mr. Richardson: He has wrecked the foundations.

The Minister for Lands: Foundations on sand.

Hon. Sir JAMES MITCHELL: The Minister condemned the whole thing before he went down. "Let it ring throughout the land; the foundations of sand in the South-West." They know him down there and they know what he thinks about the South-West.

The Minister for Lands: All that he wrote is not going to help you out.

Hon. Sir JAMES MITCHELL: I don't want to be helped out. I have had all this abuse about the wheat settlement in the past, and I suppose we shall have it all about the South-West also. How have the present Government helped? They appointed a Royal Commission, instituted all sorts of inquiries; yet the magnificent Minister says it will not help me out. I do not want to be helped out, any more than I did in respect of the wheat belt.

The Minister for Lands: You did not make the wheat belt; we made it.

Hon. Sir JAMES MITCHELL: And you made Heaven, but you also made Hell. I hope we are going to have a migration scheme. We cannot get this cheap money unless we do. It is extraordinary when so many people have migrated to this country that we should have anyone opposed to further migration. There certainly will be unemployment unless we have a proper scheme of migration and development. And the unemployment will become chronic. The Minister for Lands can help, after his experience of mining control during the last three years. That has been quite enough for him up to the present. In the Speech we learn that the value of the gold and mineral production during 1926 amounted to £2,371,864, while gold production alone was valued at £1,857,716. The paragraph continues—

Despite a set back to the gold mining industry occasioned by the closing, or partial closing, of some important mines, operations at Wiluna and Glenelg Hills are stimulating interest and are of considerable promise and importance.

That is perfectly true, but what is going to be done about the railway to Wiluna? When we were in power we said that if the development were satisfactory the railway would be built. The present Premier affirmed that. I believe the development has been satisfactory, that every test applied has been responded to by the mine, and that there are at least 2,000,000 tons of ore in sight to-day. It will have to be decided whether or not the railway is to be built. I

know the subject is a delicate one, and that the battle of routes is even now going on, the question whether the railway is to go to Geraldton or to Kalgoorlie. Whatever is best for the State must be done. If we are to stimulate production, there are two places where it can best be done, namely, Glenelg Hills and Wiluna. But we must not sleep on the job; we must get to work now. Of course Kalgoorlie may be revived, as indeed I hope it will be. Glenelg Hills would be served by a railway running through agricultural land all the way. But the water is the trouble there. When I visited the place it seemed clear that it is worth taking some risk over. I have not much personal knowledge of mining, but I think it would be worth while to build a railway to Glenelg Hills, for it will serve agricultural land. The proposed line to Wiluna, too, would have a good effect on mining. If the Premier is satisfied that the development is right, the line should be built.

The Premier: I have not received their report yet. They are still doing development work.

Hon. Sir JAMES MITCHELL: And will be doing it for years to come. They have been at it for 3½ years. The development is satisfactory.

The Minister for Mines: How do you know?

Hon. Sir JAMES MITCHELL: I am told that it is.

The Premier: We must have that verified by responsible officers.

Hon. Sir JAMES MITCHELL: Of course, but let us have it done.

The Premier: Well it has been done. An inspector has been up there and made an examination, but his report has not yet been presented.

Hon. Sir JAMES MITCHELL: If it be possible, let us decide that the line shall be built. I understand that at Kalgoorlie it will take something like £300,000 to provide machinery for the change over in the method of treatment. But the Minister, I hope, will give this matter serious consideration. It is of no use talking about what should have been done in the past, of saying that the people who got the dividends ought to find the money. The people who got those early dividends, I take it, are not holding the shares to-day.

The Minister for Mines: A good many of them are.

Hon. Sir JAMES MITCHELL: Well, they got their dividends and we were proud

of the mines that could pay those dividends, and were always ready to say that what a man got out of a mine was his own.

The Premier: The man who has said the hardest things about the companies is the Prime Minister.

Hon. Sir JAMES MITCHELL: I am not suggesting that the Premier holds those views, but we must do anything we possibly can for Kalgoorlie. We have there railways and costly public buildings that can only be protected by the perpetuation of the mines. We ought to do all we can to help.

The Premier: We are ready to help the mining companies if they are willing to co-operate. The State cannot carry it all.

Hon. Sir JAMES MITCHELL: Certainly not. There is no reason why the State should do so. But we have £100,000 which has saved the Treasurer £10,000 in interest, and something should be done. For years we have faced the question of advancing a few thousand pounds here and there, and have lost most of those small sums. The question is: Can the Boulder be revived, and can the population be kept there? Can we do anything to protect the State's securities? We can afford to do something provided we can obtain results. If we do nothing, we are sure to lose our securities.

The Premier: I am sure we can do something if the companies will co-operate.

Hon. Sir JAMES MITCHELL: Yes. The leases expire in 1931, I think.

Mr. Lambert: No, they have been renewed.

The Premier: They were renewed about 1912.

Hon. Sir JAMES MITCHELL: Then 21 years on to that makes it 1933. So far as we can legitimately help, we should do our part. I do not say we should put in the £300,000, but we should help. If we could save Kalgoorlie it would be a great achievement. It is not easy to increase the output of gold. What has gone has gone. The speculative spirit does not prevail, and without it there can be little result. I am told that a good deal of gambling is going on and is doing a power of harm.

The Premier: There is not one-tenth of the gambling that there was.

Hon. Sir JAMES MITCHELL: There has been a lull?

The Premier: There has been for 12 months or more.

Mr. Panton: What about the White City?

Hon. Sir JAMES MITCHELL: Some of the police were badly kicked when there was a White City.

The Premier: Policemen get kicked where there are no white cities.

Hon. Sir JAMES MITCHELL: The gambling on the fields is on a very different scale from the gambling in Perth.

The Premier: Exactly similar.

Hon. Sir JAMES MITCHELL: I am told that it goes on practically night and day.

The Premier: No.

Hon. Sir JAMES MITCHELL: They say so.

The Premier: Whoever "they" are have been misinformed.

Hon. Sir JAMES MITCHELL: I have not been there, and so cannot speak of my own knowledge. I wish now to refer to the latest elections. The Premier made a few remarks about my scraping in at Northam, but still I am here.

The Premier: I do not think I used the word "scraping."

Hon. Sir JAMES MITCHELL: I have a copy of the Premier's remarks in my pocket.

The Premier: Anyhow, do not revive it.

Hon. Sir JAMES MITCHELL: I do not think the Premier quite meant what he said.

The Premier: I think I had better say I was misreported.

Hon. Sir JAMES MITCHELL: It would be the usual thing for members sitting opposite to say that.

The Premier: No, it would not.

Hon. Sir JAMES MITCHELL: You have not the "Worker" against you.

The Minister for Mines: Nor the "West Australian" with us, either.

Hon. Sir JAMES MITCHELL: I hope I shall always win by 200; it will do me.

The Premier: Once or twice I myself have had a pretty close call.

Hon. Sir JAMES MITCHELL: That is so. I had the full force of the Premier's party against me. Northam is a convenient place to go to. Opponents do not mind going up in the evening and returning in the morning; they do not lose much time. No doubt the member for Cue (Mr. Chesson) was there.

Mr. Panton: He took up the collection.

Hon. Sir JAMES MITCHELL: I regret that the Minister for Justice is not present to-night. I wanted to tell him of some of the capers for which his nomad clause has

been responsible. It is used to keep on the roll people who are not entitled to be enrolled. I have some instances.

Mr. Panton: Shocking!

Hon. Sir JAMES MITCHELL: It is a shocking thing that people who are not entitled to be enrolled should have their names on the roll. A man who had been working in the Kellerrerrin district, and whose home was in Perth, had his name on the York roll. That was quite right, but his name was transferred to the Northam roll, where he had not been at all, and where he certainly had not lived. He got protection under this illegal and rotten nomad clause, secured enrolment, and voted.

The Premier: He could not have done that.

Hon. Sir JAMES MITCHELL: He admitted having done it.

The Premier: Then he did something he was not entitled to do.

The Minister for Mines: A member of the Upper House voted twice at one election.

Hon. Sir JAMES MITCHELL: I am aware of that.

The Minister for Mines: That is not to say that everyone does it.

Hon. Sir JAMES MITCHELL: A man at Kalgoorlie voted twice and confessed it, and was fined £5. A man who was in Queensland was impersonated and there was not even a prosecution.

The Premier: Some people have always broken the electoral and other laws.

Mr. Sleeman: What about a man who got an acknowledgment from the Electoral Department and was not allowed to vote?

Hon. Sir JAMES MITCHELL: He should bring it under the notice of the Government. The man I speak of took the vote of a man he knew was in Queensland and not in Kalgoorlie, and yet he is allowed to go scot free. On the other hand, the man who voted twice and confessed it was fined £5.

The Premier: Someone impersonated the man in Queensland.

Hon. Sir JAMES MITCHELL: The nomad clause is used not for legitimate but for illegitimate purposes. The man in question may be fined £20 for applying to be enrolled when he was not in the district. He may be fined another £20 for applying for protection under this provision, because that also is an offence. He may be fined £100 for having voted. He committed all

three offences. The man who witnessed the card knew that the applicant for enrolment had not been in Northam, and he wrote to the paper and admitted it. Yet the Electoral Department kept the name on the roll. A man who had been running picture shows in Sydney for 12 months prior to the election was on the roll and was kept on.

The Minister for Mines: There was on my roll a man who had been condemned three years prior to the election.

Mr. Richardson: One or two dead men voted in Subiaco.

Mr. Clydesdale: I do not think anyone but a dead man would vote for you.

Hon. Sir JAMES MITCHELL: In Northam the Minister refused to have a canvass, and I myself had to get the work done. On the roll were hundreds of names that should not have been there. People who had merely passed through Northam on their way to work in the country were enrolled. There were about 600 names on the roll that should not have been there. In addition, others were enrolled who were not qualified. Some road workers camped one night in Northam, applied to be enrolled and were enrolled.

Mr. Clydesdale: What about people who put in claim cards, received an acknowledgment, and were not on the roll? There were 100 in my electorate.

Hon. Sir JAMES MITCHELL: What are 100 amongst so many?

Mr. Clydesdale: What are the few of whom you are talking?

Hon. Sir JAMES MITCHELL: I am speaking of 600 in 3,500, and the hon. member is speaking of 100 in 17,000.

Mr. Clydesdale: There will always be a percentage.

Hon. Sir JAMES MITCHELL: If the hon. member is satisfied, well and good. I am not. I am not satisfied that men not in the district should be enrolled, or that a man should be kept on the roll after he has made a confession in the Press. In the court at Southern Cross it was admitted that the men were not in the district on the 5th January. They arrived there on the 7th and were not entitled to be enrolled.

Mr. Corboy: It was not admitted that they were not entitled to be enrolled. It was admitted that they arrived there on the 7th.

Hon. Sir JAMES MITCHELL: They had to be there on the 5th.

Mr. Corboy : That was the opinion of the Solicitor General and not the decision of the court.

Hon. Sir JAMES MITCHELL : The Solicitor General's opinion is good enough for me. They were not entitled to be enrolled; yet they were enrolled and they voted.

Mr. Corboy : How many of them?

Hon. Sir JAMES MITCHELL : The hon. member told me seven.

Mr. Corboy : No, I told you eleven.

Hon. Sir JAMES MITCHELL : I do not blame the men. They do not know the law, and when the cards are presented, they sign them.

Mr. Corboy : The magistrate decided that they had to be enrolled.

Hon. Sir JAMES MITCHELL : No, he decided that he could not remove them from the roll. He had no jurisdiction. Then there were the instances of roll stuffing in connection with the road work. There is no doubt about the roll stuffing.

Mr. Withers : There was quite an outcry about it.

Hon. Sir JAMES MITCHELL : If the hon. member approves of it, let him say so, that the people might know. It was roll stuffing road work and the Federal Government refused to pay £60,000 of the money spent.

Mr. Clydesdale : There would be no unemployed to-day but for the political influence on the other side.

The Minister for Mines : You can thank Harry Gregory for three parts of the unemployed in Western Australia to-day, due to his deliberate misrepresentation to the Federal Government for political purposes.

Hon. Sir JAMES MITCHELL : Of course it is the custom to say a thing of that sort.

The Minister for Mines : I say it and know it is true.

Mr. Richardson : What work is hung up over it?

The Minister for Mines : Road work.

Hon. Sir JAMES MITCHELL : There was a great rush to get men out by the 5th January. There was no time to carry out the agreement made by the State Government and the Federal Government, and so the men were sent out to various districts. Some of them had to be sent over the Midland Railway Company's line because there was not time to send them over the Government line.

The Premier : Most of that stuff was contradicted in the paper by Ministers, but the paper kept on repeating it. Mis-statements were made and were repeated up to election day, notwithstanding denials.

Mr. Richardson : Is it a fact that those men did not go over the Midland line?

The Minister for Mines : Yes; you know it is.

Hon. Sir JAMES MITCHELL : They were hurried into the district before the 5th January, and no doubt they went there without being able to start work. Many of them were not there at election time. I am told that other men voted in their names. I do not know if that is so, but there ought to be an inquiry into the matter.

The Minister for Mines : Where did the men who voted come from?

Hon. Sir JAMES MITCHELL : If this House agrees that men can be rushed into these electorates in order that they may vote the ticket, and for no other reason, it is wrong. I was told in my electorate that men were going to be sent there, and the engineers waited, looking up the road, impatient for them to arrive.

The Premier : You were told these things at election time. All kinds of wild kerbstone gossip was going about at that time. It is not very satisfactory to say we are told this and that. Election agents tell people all kinds of things.

Hon. Sir JAMES MITCHELL : These engineers were at Northam on the road, waiting for the men to arrive. I know they were, and I believe half a dozen of them got on the roll.

The Minister for Lands : Which engineers?

Hon. Sir JAMES MITCHELL : The road engineers.

The Premier : That is not correct.

The Minister for Lands : What were their names?

Hon. Sir JAMES MITCHELL : Troy. They were there; and the Premier knows it.

The Premier : They were not there. No engineers were in Northam waiting to take men into Northam.

Hon. Sir JAMES MITCHELL : I know they were there. They laid out the road and waited for the men to arrive. Someone was supposed to have sent them to Northam. Mr. Watts became impatient with the Government and got the men tickets. I know what Mr. Watts said. The member for York (Mr. Latham) interviewed the men.

The Minister for Mines: That would surely be right.

Hon. Sir JAMES MITCHELL: The men asked for blank cards, in order that they might enrol for Northam if necessary. They were told they could not get them, because they would not be in the Northam electorate.

The Premier: It was an election concoction.

The Minister for Mines: There was no truth in it.

Hon. Sir JAMES MITCHELL: I am told they were sent to Mr. Watts, and he said the same thing to them.

Premier: Jack told Tom and Tom told Harry. It was election tittle-tattle.

Mr. Clydesdale: Why are they not working on the roads now? Tell me that.

Hon. Sir JAMES MITCHELL: The hon. member knows what happened.

The Minister for Mines: We do, and so do they to their sorrow.

Hon. Sir JAMES MITCHELL: They were finally sent to Baker's Hill instead of to Northam, and were, therefore, not in my electorate.

The Minister for Mines: More men were working in the Irwin district than in any other part of the State.

Hon. Sir JAMES MITCHELL: The Government agreed with the Federal authorities that all this road work would be done by contract, unless they received permission to do it by day labour, in which event they would use the most up to date road machinery. The men had to be rushed out, and an arrangement was apparently made with the Federal Government to do the work by day labour. The Federal people said this was not in accordance with the agreement. They agreed with the Minister for Works that the construction should be carried out by contract unless permission to the contrary was given, but he had no time in which to get permission.

The Minister for Mines: The agreement was that he would call for tenders, not that he would do the work by contract.

Hon. Sir JAMES MITCHELL: That means contract work.

The Minister for Mines: If the road board put in the lowest tender, it was not fair that the Commonwealth authorities should not accept it.

Hon. Sir JAMES MITCHELL: The Minister did not obey the conditions.

The Minister for Mines: Nor did the Commonwealth Government.

Hon. Sir JAMES MITCHELL: Let us face our responsibilities. The Government agreed to do certain things, but failed to do them, and are in trouble over the £60,000. If the work is there and the men are there, I do not see why the Federal Government should not pay. It is an awful thing if this State is to lose £35,000, which would be the Commonwealth share of the £60,000, just because of an election.

The Premier: Nothing would have been said about that but for the election. Some Federal members stayed two days in the State, and then rushed back and harassed Federal Ministers on the subject.

Hon. Sir JAMES MITCHELL: The men would not have been rushed out on the 5th January but for the election. The Government have had from then until now to put the thing in order, but in July they say it is Mr. Gregory who caused the Federal Government to raise objections. Why has the trouble not been settled all these months? The conditions of the agreement have to be complied with and roads have been made.

The Minister for Mines: Ask the Federal Government to answer that question. I cannot do so.

Hon. Sir JAMES MITCHELL: If a wrong was done, why were not the conditions put right? The men are told that they have been put off because of the action of the Federal Government.

The Minister for Mines: That is true.

Hon. Sir JAMES MITCHELL: Nothing of the kind.

The Premier: It is true.

Hon. Sir JAMES MITCHELL: They were put off because the Government would not fulfil the conditions of the agreement.

The Minister for Mines: I say that is not true.

The Premier: That is the end of it.

Hon. Sir JAMES MITCHELL: It is a fact that the conditions were not complied with, with the result that the men are not now on the work. Thousands of pounds were raised for the last elections. Surely my friends had enough up their sleeves without putting these men out. We ought to see that our elections are clean and fair. It ought not to be possible for a Government to take advantage of its position to do the things that were done. I do not suppose Ministers here were responsible for the crude



cartoons that appeared, and for the many advertisements that have been published.

The Premier: I have not seen many of them, thank goodness!

Hon. Sir JAMES MITCHELL: The Premier would have been horrified had he done so. Placards were posted up saying, "Vote Labour and keep Collier in." It was an incomplete sentence, and but for the fact that it was illegal to write on the footpath we might have added something to it. We might have added, for instance, "His Bolshevik supporters."

The Minister for Mines: Any old thing was good enough for your supporters to use.

Hon. Sir JAMES MITCHELL: I do not know of any instance in which anything was added to the sentence.

The Premier: You made the most use you could of Lang and his red supporters.

Hon. Sir JAMES MITCHELL: We would not go either red or pink.

The Minister for Mines: But you went pretty white.

Hon. Sir JAMES MITCHELL: There were some who were nearly as bad as Mr. Lang and his supporters, but we did not mention them. Where is the Honorary Minister (Hon. H. Millington)? It was said in his electorate that Mr. Scaddan had been drunk for three days.

Hon. H. Millington: Did I say that?

Hon. Sir JAMES MITCHELL: No.

Hon. H. Millington: No one else said it. I did not hear it said.

Hon. Sir JAMES MITCHELL: There was a lot of wild misrepresentation.

The Minister for Mines: And it was never said.

Hon. Sir JAMES MITCHELL: What about the poles of the member for Canning?

Mr. Clydesdale: Short poles or long ones?

Hon. Sir JAMES MITCHELL: The poles were still there waiting for the wires.

Mr. Clydesdale: You were going to construct that tramline when you were in office.

Mr. Marshall: You will never have the opportunity now.

Hon. Sir JAMES MITCHELL: The sandalwood question was used at the previous election, when it was referred to as the "sandalwood scandal." One of my friends of the Labour Party, who is not now in Parliament, had three special scandals, one of which related to sandalwood. That served very well in 1924. It has been continued ever since to the satisfaction of the Premier,

because he is getting the revenue out of the industry and finds he cannot do any better.

The Premier: We were very considerate this time. We did not bring up the Lake Clifton railway.

Hon. Sir JAMES MITCHELL: Or the powellising agreement. The sandalwood business provided its opportunity at the last election, for I am told that men were given permits to cut extra tonnage.

The Premier: You have a lot of informers around the country.

Mr. Corboy: They are very unreliable.

Hon. Sir JAMES MITCHELL: It is a serious matter for the people of the State. No mention was made of a redistribution of seats.

Mr. Corboy: That was a painful subject.

Mr. Lambert: You did not fare too well in that.

The Minister for Mines: We are told that you arranged with some of your supporters to vote against it.

Hon. Sir JAMES MITCHELL: The Minister was told a lie.

The Minister for Mines: We were told that.

Hon. Sir JAMES MITCHELL: The man who repeats such a thing is as bad as the man who says it in the first place.

Mr. Lambert: You bit that time.

Hon. Sir JAMES MITCHELL: The Minister knows it is not true.

The Minister for Mines: That is what I was told.

Mr. Corboy: The Minister was told by the man who told the member for Northam the other things.

Hon. Sir JAMES MITCHELL: Some people know everything without being told. Without opening his eyes the hon. member knows when the sun is up, and that he is hungry shortly after 12 o'clock. I am not so wise, for I have to be told some things. I hope we shall have a redistribution of seats. Some of the authorised railways are urgently needed. The Premier knows well how badly needed the Yorkrakine railway is, for he mentioned that in 1911. It has been authorised for 17 years, and it is high time it was built. The Wiluna and Laverton railways have also been authorised. While unemployment exists works of this nature should be put in hand at once. I have no wish to discuss the financial agreement. We shall have something more to say about railways and election matters before the session closes.

We cannot discuss the financial agreement at any length because we do not know what it contains. The Premier has anticipated the passing of that agreement, but in view of the remarks of the member for East Perth (Mr. Kenneally), it is rather a risky thing to do. I confess that I am a Federalist, and one who is perfectly willing to stand by arrangements for the carrying-out of functions to which we understood the Federal compact committed us. I refer to defence, the post office, quarantine, and Customs. As regards those things I am a Federalist, and a willing Federalist; but I am no Federalist if it means surrendering the right of the people of this country to govern themselves. I have yet to learn that Victoria can do better in governing Western Australia than Western Australia can do for herself. So far as our own affairs are concerned, I am a home-ruler. There is no overlord under our Federation. Certain things remain entirely ours, while certain other things have become entirely Federal. The Prime Minister has said that unification is not the objective of the Federal Parliament. I hope it is not. I hope we shall be able to accept the agreement. I hope it will be favourable to this country. Apparently it must be so as regards the financial part for a few years; but if it means a surrender of the things that belong to us, if it means the giving up of our liberty, of our right to govern ourselves and to assist in the making of this country, that is quite another matter. The per capita payments have gone. The Federal Government, as the Premier knows, have been determined for years to abolish them. In the place of those payments they suggest that we should receive the same money, but in a different way. To me it seems hard to explain how that benefits the Federal Government. Still, that is the position. It is very difficult for us to say that we will not take our share of the eight millions or whatever the amount may be. But it has to be remembered that we must maintain our liberty. If we do maintain our freedom, if we get this money without surrendering our powers, then, of course, no one can raise much objection to the proposed arrangement. We must come to the end of this arguing with the Federal Government all the time. It is disturbing here, and it cannot be good in the East. The Premier cannot be running to conferences every few months, year in and year out, to discuss matters of this kind. If that course were really

for the good of Australia, it would be quite another matter. Now we are to have a Royal Commission to inquire into the question, and this may go on for a few years. All of us are willing to acknowledge that Mr. Bruce has done more for Western Australia than any other Prime Minister in the way of recognising the disabilities under which we suffer and endeavouring to remedy them to some extent. In that respect Mr. Bruce has done far more than anybody else has done. We were fools to run ourselves into Federation, but we have done it, and now we have to make the best of it. As regards individuals, it does not matter to them to which Government, State or Federal, they pay taxation. We, as a Parliament, naturally do not like imposing the taxation necessary to recover the amount of revenue that is lost to us through the Federal Government's doing. However, that is the position. Every penny spent in this State is not first collected in this State. The Federal road grant is the first example of a distribution on other than the population basis. We were led to expect that something of the same sort would apply to the per capita payments throughout Australia. However, we are dealing, in the proposed agreement, with the future and not with the past. We are told that the proposed division is based on an estimated increase of 2 per cent. in population, but in a small country one never knows what the increase may be. Western Australia, for instance, from 1881 to 1891 had an increase of 67 per cent., and from 1891 to 1901 an increase of 269 per cent., these being the years of the highest gold production. Then Western Australia federated, and our increase for the next ten years fell to 53 per cent. Surely it is right to believe that with our great territory and with our opportunities we shall increase in population at a much higher rate per cent. than the other States. Therefore, in the division of the money there should be some special consideration for Western Australia. I do not pretend to know what is in the agreement, but I do hope and also believe that Mr. Bruce wants to help this State. I do trust the agreement does not mean the surrender of our liberty. As regards borrowing, for example, it appears to me—

The Premier: In that respect the agreement has been amended slightly.

Hon. Sir JAMES MITCHELL: I have not seen the original agreement. I merely

express the hope that we shall not be expected to give away too much of our freedom. Control of finance means control of the State. From recent Press reports it does seem as if things were a little more reasonable. However, one really cannot gather from the reports what has actually happened.

The Premier: With the consent of the Loan Council the States can borrow for themselves on the basis of their own security. That was not so in the case of the first agreement; there was to be only one borrower—the Commonwealth on Commonwealth security.

Hon. Sir JAMES MITCHELL: We have been borrowing in Australia through the Federal Government for some years. We have had the one borrower in Australia for some years. That, however, is not an unalterable arrangement; it can be broken away from at any time. Still, it has suited us very well. We have absolute freedom now as regards borrowing, and we shall not have quite that freedom under the proposed arrangement. If the Loan Council cannot get money for us, we shall have the right to get it for ourselves. At all events, we must wait until we get the agreement before us. Then we shall be able to deal with it. The basis of distribution, however, seems to be hardly fair. There must be no giving away of our freedom to govern the country. We must have financial freedom.

The Premier: Long before the expiration of the 58 years forming the term of the agreement the balance will be against the per capita distribution. The balance will be very favourable to the Commonwealth after 20 or 30 years.

Hon. Sir JAMES MITCHELL: I recognise that there is no obligation on the part of the Commonwealth Government to do anything for us.

The Premier: They need not do what they have proposed.

Hon. Sir JAMES MITCHELL: I quite understand the position the Premier is in. I hope the hon. gentleman will let me have a copy of the agreement as soon as possible. Indeed, every member should have a copy. I have no more to say at this juncture. Many of these matters will come up for further discussion. If I could help the country by helping the Government, I should be only too happy to do so; but that has not been

possible to any large extent during the past three years. I do not know that it will be possible for this party to help the Government very much during the next three years. The party system has taken deep root in our politics. Still, whether the people we represent be workers, or farmers, or business men, we in this Parliament ought all to be equally concerned for their welfare. There can be no shadow of doubt about that. However, I know it is too much to hope for, and therefore we have to take the position as it is. We shall endeavour to do our duty by the country under any circumstances. Before the session closes I shall have opportunities for discussing many of the matters referred to by the member for East Perth (Mr. Kenneally).

On motion by Mr. Griffiths, debate adjourned.

*House adjourned at 9.13 p.m.*

## Legislative Council.

*Wednesday, 3rd August, 1927.*

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

### COMMITTEES FOR THE SESSION.

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

Standing Orders—The President, the Chief Secretary, Hon. J. Cornell, Hon. A. Lovekin, and Hon. J. Nicholson.

Library—The President, Hon. J. Ewing, and Hon. A. J. H. Saw.

Printing—The President, Hon. W. H. Kitson, and Hon. A. Lovekin.