

Legislative Assembly.

Wednesday, 30th November, 1927.

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

QUESTION—KIMBERLEY HORSE DISEASE.

Mr. COVERLEY asked the Minister for Agriculture: 1, Have the investigations into "Kimberley Horse Disease" (or "Walkabout") been completed? 2, What is the result? 3, What method is proposed for combating the disease?

Hon. H. MULLINGTON (Honorary Minister), for the Minister for Agriculture, replied: 1, The practical field experiments have terminated with very gratifying results. 2, A detailed official report will be published in due course. After nine months' systematic feeding experiments at Fitzroy Crossing the investigators are about to demonstrate conclusively that "Walkabout" disease is actually produced in healthy horses by prolonged feeding on a plant known as Atalaya (commonly called "Whitewood"). 3, Eradication of the plant responsible—at first from the horse paddocks, and then, as practicable, from the remainder of the stations.

MOTION—STANDING ORDERS SUSPENSION.

THE PREMIER (Hon. P. Collier—Boulder) [4.37]: I move—

That during the remainder of the session the Standing Orders be suspended so far as to enable Bills to be introduced without notice, and to be passed through their remaining stages on the same day, and all messages from the Legislative Council to be taken into consideration on the day they are received.

This is the usual motion when the end of the session is approaching. The session, it is hoped, will close next week; and in order that Bills may go forward to another place without delay, it is necessary that they should pass through all their stages here in one day. Apart from the measures now on the Notice Paper, it is not intended to bring down any others, with one small exception; so that the carrying of the motion will not interfere with the discussion of Bills. Further, I give an assurance that advantage will not be taken of the carrying of the motion to force through any Bill on which the House desires full discussion.

HON. SIR JAMES MITCHELL (Northam) [4.38]: I have no objection whatever to the motion; indeed, I welcome it if no other Bills are to come down. The carrying of the motion will obviate considerable delay, and I think all members agree that if the session can be closed by the end of next week we shall be relieved. The Premier has stated that advantage will not be taken of the suspension of the Standing Orders. If it is necessary to introduce other Bills than those now contemplated, then naturally the Premier will allow the House time to look into them.

Question put and passed.

BILL—CONSTITUTION ACT AMENDMENT (No. 2).

All Stages.

On motion by the Premier, Bill introduced and read a first time.

Second Reading.

THE PREMIER (Hon. P. Collier—Boulder) [4.40] in moving the second reading said: The object of this small Bill is to increase the number of Ministers from six to eight. It will be within the knowledge of the House that the number of Ministers has not been increased since the passing of the Constitution Act of 1899; so that for all those years the numerical strength of Ministers has remained the same. It will be recognised at once that the work of administration and of the departments has grown enormously during the past 28 years. It is merely true to say that at the end of the last century we were almost at the beginning of things, and that in the interim the work of government in all directions has increased greatly. The number of departments or sub-

departments has almost multiplied; and if it was necessary to have six Ministers to administer the country in those days, it is necessary to have at least eight now.

Mr. E. B. Johnston: Will you have the two Honorary Ministers in addition?

The PREMIER: No.

Mr. Marshall: That is optional, anyhow.

The PREMIER: The appointment of Honorary Ministers is purely a matter for the Government to decide. However, it is not intended to continue the present number of Honorary Ministers. As a matter of fact, it has been possible to accomplish the work of government for many years past, only with the assistance of Honorary Ministers. I do not regard the principle of appointing Honorary Ministers as sound, and there is no reason why the State should not provide the number of Ministers needed, and also the funds needed, instead of Parliament being furnished with the services of Honorary Ministers, who, of course, in most cases, are assisted or paid by portfolio Ministers. That has been the custom or practice for many years past. I have not gone into figures, but there is no doubt whatever that the number of those in the Public Service engaged in administering the various departments has multiplied four or five times during the past 30 years or so. One need only have regard to the Lands Department, which was a very small thing 30 years ago. The work of that department alone entails three or four times the effort that it did when the last increase of Ministers was made. The same remark applies to the Agricultural Department: indeed, I doubt whether that department existed in those days. Turning to the Works Department, we see that the professional staff has increased greatly, and the work carried out by the department has of course increased enormously. So, too, with the Railway Department, both as regards mileage opened, business transacted, and operations generally; there have been immense increases during the intervening years. The Migration Department, which has been established during the past four or five years, of itself requires the services of a Minister solely, without any other duties to perform. So we are not asking anything unreasonable when we say the number of Ministers ought to be increased. In 1899, when the last increase was made, there were no trams in either Perth or Fremantle, in fact the Royal Mint was opened in that year, and the Bill author-

ising the construction of the goldfields water scheme passed the House in the same year. In that year too, the Chamber of Manufactures was formed for the first time, and the first conference of that body was held in the same year.

Hon. W. J. George: I was the first President.

The PREMIER: Then the hon. member will remember that it was in 1899 that body was formed, and the first conference was held. The first trades union conference in Western Australia was held at Coolgardie in 1899.

Hon. W. D. Johnson: In 1898.

The PREMIER: The "Year Book" gives it as 1899. The Queen's Hall was opened in that year. I merely mention these matters as showing that we were at the beginning of things in 1899.

Hon. Sir James Mitchell: Women's dresses were a bit longer in those days.

The PREMIER: Yes, the men of those days have my sympathy.

Mr. Wilson: Dresses or addresses?

Mr. Panton: The addresses made in this House were shorter than they are to-day.

The PREMIER: The State has spread out and developed in all directions since then. There were no State trading concerns in those days.

Hon. Sir James Mitchell: By Heavens, no!

The PREMIER: There again we have greatly increased work. To-day we have the tramway system of Perth controlled by Ministers, and we have our shipping system and all the other State trading concerns.

Hon. W. J. George: There were no motor cars in those days.

The PREMIER: No. I can imagine that in those days the Ministers were not so overworked as Ministers have been in recent years. Then, too, that was prior to the establishment of the Commonwealth. In fact, the "Year Book" tells us that in the year 1899 Sir John Forrest and his colleagues left for the Eastern States to attend a Federal Convention. It is rather interesting to know that all these events occurred in that one year. It seems to have been a notable year in the beginning of things in Western Australia. In that same year we extended the franchise to women. Certainly the State has expanded since then, and I am sure no member of the House who has had experience of ministerial office will decline to readily admit that the work has got beyond the capacity of any six men. It has been

only by working day and night and Saturdays and Sundays that Ministers have been able to keep anything like abreast of their work. That kind of economy is false economy. The work the Ministers have to do is so important to the people of the State that there should be ample time in which to consider all the problems and questions that come before us. To enable that to be done there must be a sufficient number of Ministers. To race through the work because of lack of time costs the State, in a number of directions, many times more than the amount of salaries involved by the proposed increase in number.

Mr. Mann: Your Honorary Ministers have had to do a full-time job.

The PREMIER: Of course they have had to work the same time as Ministers. The Government would not have been able to carry on their work during the past three years with six Ministers alone; at all events not as it ought to be done. We have been able to get through our work only because there has been a team of nine. If it is found that the work of administration requires the attention of eight or nine men, the State should see they are paid for it, just as ordinary Ministers.

Hon. Sir James Mitchell: There should not be Honorary Ministers.

The PREMIER: No, the principle is not too sound.

Hon. Sir James Mitchell: You will want a Message for this.

The PREMIER: Yes.

Mr. J. H. Smith: Do you think it is necessary to have Ministers at all? Don't you think the departmental heads could do the work?

Hon. Sir James Mitchell: I sometimes wonder.

The PREMIER: Of course, without the great assistance rendered to Ministers by the departmental heads and other responsible officers in the various departments, it would be altogether impossible to do the work. No Minister could make himself thoroughly acquainted with all the papers and documents that come before him. Of course much assistance is rendered by those whose work it is to aid Ministers in matters of administration. I move—

That the Bill be now read a second time.

On motion by Hon. Sir James Mitchell, debate adjourned until a later stage of the sitting.

BILL—UNIVERSITY ENDOWMENT ACT AMENDMENT.

First Reading.

On motion by the Premier, Bill introduced and read a first time.

Second Reading.

THE PREMIER (Hon. P. Collier—Boulder) [4.54] in moving the second reading said: This is a short Bill, which has for its purpose the granting of power to the Senate of the University to dispose of and sell the endowment lands now in their possession, mainly in the suburbs of Perth and Fremantle, and to invest the money in city or other property which will bring the University an annual income. I think I can best state the case for the Bill by reading a brief note supplied to me by the Senate of the University, as follows:—

In 1904 the Western Australian Government reserved 4,146 acres as a University endowment. The greater part of this (4,188 acres) consists of Perth suburban lots, and there are also 20 small country townsite blocks. The University cannot sell these lands, but can lease them for 21 years, or with the approval of the Governor in Council for 99 years. The University has in the past subdivided four of these areas, at Subiaco, Daglish, Claremont, and Spearwood respectively, in the hope of letting building leases, but has only succeeded in letting about six blocks, which bring in only a few pounds per annum. It is clear that people will not take building leases in the metropolitan area, where they can still readily obtain freehold. The last valuation that the University had made, about 10 years ago, showed the suburban lands to be worth over £72,000. But the income derived from these lands in 1926 was only £798. If portions of the lands could be sold from time to time as occasion offers, and the net proceeds were invested in city property, which would be easier to manage and return a steady income, the University would be better off and the State, which provides the bulk of the University's income, would be proportionately relieved.

Hon. Sir James Mitchell: And this land would be freed, too.

The PREMIER: Yes, that is a point. The note continues—

A sharp contrast is afforded near Daglish railway station, where the Government readily sold its land, but the University lots are in very little demand. It is not proposed to include in the Bill Cockburn Sound Location 549, consisting of 2,300 acres, which is being planted with pines under an agreement with the Forestry Department. Neither is it proposed to sell all the other lands, parts of which will be wanted for University purposes, but only such portions of them as have a good market value, and will not be wanted for Uni-

versity purposes. Several of the metropolitan road boards and municipalities have asked to have such a Bill introduced as they consider that portions of the endowment lands are blocking development, namely, the Claremont Road Board, the Claremont Council, and the Fremantle and Spearwood Road Boards. There is no attempt to evade the provisions of the original Endowment Act, as the net proceeds of the sale are to be used for purchasing, as occasion offers, city land and property which is to be used strictly for endowment purposes.

And here is a motion unanimously adopted by the Senate of the University on the 21st of this month—

That the Premier be asked to introduce a short Bill into Parliament to enable the University to sell certain of its suburban endowment lands as set out below, or such portions thereof as the University Senate may from time to time determine, on the condition that the net proceeds from such sales be devoted to the purchase of lands within the city of Perth, together with any building erected thereon, or for the erection of buildings on land already owned by the University, provided that such lands and buildings are used for revenue-producing purposes only, as permanent endowment for the University upon the same trusts as the present endowment lands are held.

So the money may not be used for building purposes, but is to be held on the same conditions as the trust holds land to-day.

Hon. G. Taylor: They would not be able to sell the buildings and land they purchased, any more than they can sell what we have already given them.

The PREMIER: No, they cannot be sold; they are endowment.

Mr. Thomson: They will be able to erect buildings on them.

The PREMIER: Yes, and lease them, as they have power to lease the existing endowment lands.

Hon. Sir James Mitchell: They will have to alter that clause, because if they have shops they will have to let them on shorter periods than 99 years or even 21 years.

Hon. G. Taylor: Yes, it will be necessary for them to make the leases short.

The PREMIER: Yes, I suppose it will be. With city property it will be necessary for them to make shorter leases. I think it is a very desirable proposition. With so much land available for residential purposes around the outlying portions of Perth and Fremantle, it will be several generations before these endowment lands can be of any value to the University. They are lying idle to-day. They are hampering development in the suburbs in which they are situated, and of course they are producing no rates

for the local authorities. So, in the interests of the local ratepayers and of the local authorities and in the interests of the University itself, I think the exchange—for that is all it is—it is proposed to make should be allowed. Of course the University Senate will dispose of only such lands as suit their purpose, and only at such times as prices are favourable. The power to sell will assist them in the immediate future by enabling them to obtain annual revenues from city properties such as they would be unable to obtain from the endowment lands for many years, and the local governing bodies will be assisted by reason of the fact that residences will be built on the land and will be taxable. There is no difference of opinion amongst members of the senate as to the desirability of the action proposed, and so I commend the Bill to the House. I move—

That the Bill be now read a second time.

HON. SIR JAMES MITCHELL (Northam) [5.1]: The matter of the University Senate having power to sell endowment lands was mentioned to me on several occasions when I was in office, particularly by the local authorities. It seems a pity that when the endowment lands were granted to the University it was not early enough to grant some main street land in the city of Perth, which land would have been of great value to-day. The University endowment lands will not be of real value for years, and they can be made of real value only by realising them and investing the money as suggested. It is quite true that the progress of suburbs is being held up by reason of the University holding those endowment lands. In this country people will not erect residences on leasehold land, and I do not blame them. It is customary to have freehold, and everybody wants freehold. No matter how long the term or how low the price of a lease may be, leasehold is not favoured. For that reason I am glad the University Senate are to have the right to sell the land and invest the money in something that will return them an annual revenue. The land mentioned by the Premier, particularly the block outside of Fremantle, will come under the same conditions as the other lands. We must not force people to live further from the business centres than is absolutely necessary. Both Perth and Fre-

mantle are growing, and the University lands are needed for residential purposes. I hope that portion of the land at any rate will be made available when there is need for residential sites. There is no reason why people should live far from their work, but the endowment lands are so situated that their use has not been available for residential purposes, and so people have been forced to go further afield. It was a fine thing when the endowment lands were granted years ago, but if the University Senate can realise on them and invest the money in some revenue-earning securities, no one can object. We cannot afford to have land held out of use, and this land is all-important. It is difficult for the local authorities to maintain roads through land that is not being utilised.

The Premier: It is a serious matter to some of them.

Hon. Sir JAMES MITCHELL: Yes. Without this measure the endowment lands could be treated only under a system of tenure that is not popular, and I do not think it ever will be popular in our time. If I read the Act aright, the Bill will need amending, but perhaps that can be done in another place. The trustees will need the right to lease their buildings under ordinary conditions.

The Premier: Under Section 7 they may lease for any term not exceeding 21 years. I thought the term was for not less than 21 years. They may also, with the consent of the Governor-in-Council, lease land for 99 years.

Hon. Sir JAMES MITCHELL: Then that will be quite satisfactory. The Bill provides that the senate must obtain the consent of the Governor-in-Council to sell.

The Premier: I think that is a necessary precaution.

Hon. Sir JAMES MITCHELL: So do I, because the sales may extend over years, and the personnel of the senate may change considerably. A future senate may not hold the views that are our views.

The Premier: That is so.

Hon. Sir JAMES MITCHELL: Members should welcome the Bill as something that will be of advantage not only to the University but to the city of Perth and to Fremantle.

The Premier: It will release a number of very desirable residential sites.

Hon. Sir JAMES MITCHELL: Yes, and land that ought not to be held out of use.

The Premier: The council of the Royal Agricultural Society want a big portion of that endowment.

Hon. Sir JAMES MITCHELL: Yes, beautifully situated land is being held out of use, and that is not right. I support the second reading.

MR. THOMSON (Katanning) [5.6]: I think we can all support the request of the University Senate. It is certainly a business proposal put up by business men. I agree with the remarks made by the Premier and the Leader of the Opposition. The granting of endowment lands in the earlier days was a wise provision.

Hon. G. Taylor: We knew what we were doing in 1904. It was a very intelligent House then.

Mr. Richardson: Of course, it has improved since.

Mr. THOMSON: It was a wise provision to set aside lands for endowment purposes. I should like to see the principle extended to other parts of the State. Western Australia is a growing State, and while I recognise that the blocks in question should be sold in order that the University Senate may concentrate their securities in the city, I hope the Government, when laying out new areas, will bear in mind that endowments might be made for hospitals and other purposes.

MR. RICHARDSON (Subiaco) [5.7]: I support the second reading. I may point out that I perhaps am more particularly interested in the measure than is any other individual member. I am fortunate or unfortunate in having so much of the University endowment land in the territory I represent. From time to time the Claremont Road Board and the Subiaco Municipal Council have endeavoured by means of exchange through the Government—the only way to do it—to secure some of the endowment lands, because the endowment lands granted in the early days were certainly selected spots. To-day they are probably amongst the finest building sites in the metropolitan area. Local governing bodies have been hampered by reason of the endowment lands intervening and preventing the construction of through roads, and people who decided to settle beyond have been inconvenienced. Apart from

the fact that endowment lands are not rateable, the local authorities have lost in many other directions because people would not settle beyond the endowment lands, knowing there was no reasonable prospect of getting through roads. One instance I may mention is a strip of endowment land between the Daglish estate, which was opened up by the present Government, and Jolimont. More particularly did that hamper the people of Jolimont. I am pleased that the Senate of the University have at last consented to sell some of that land, and I am glad that the Government have introduced the Bill.

Question put and passed.

Bill read a second time.

In Committee, etc.

Bill passed through Committee without debate, reported without amendment and the report adopted.

Read a third time and transmitted to the Council.

BILL—LAND TAX AND INCOME TAX.

Council's Further Message.

Message from the Council received and read notifying that it was willing, while the matter now in dispute between the two Houses was sub judice, to consider messages from the Assembly pressing requests for concurrence in Bills which the Council might not amend. The Council further notified that it had agreed to the Bill without amendment.

Hon. G. Taylor: Where are we now?

The Premier: The Bill has been passed.

BILL—MEEKATHARRA-WILUNA RAILWAY.

First Reading.

Introduced by the Minister for Railways and read a first time.

Second Reading.

THE MINISTER FOR RAILWAYS (Hon. J. C. Willeock—Geraldton) [5.16] in moving the second reading said: This is a very important Bill. It marks an alteration in the policy of the State with regard to rail-

way construction, inasmuch as for the past 10 or 12 years we have been concentrating more than anything else upon the construction of railways in agricultural areas. This proposal takes us back to the period we occupied some 20 years ago, when we were making every possible endeavour to encourage the development of the mining industry. While everyone deplores the decadence of mining, it will be agreed that nothing more could have been done by successive Governments to resuscitate the industry. Now, however, by the introduction of the Bill for the construction of this railway, we have the opportunity to do something to place mining on a more definite footing than it has occupied for the past 10 or 12 years. About 15 years ago Wiluna had produced about £1,000,000 worth of gold, but it has remained practically dormant for many years. Some four or five years ago a company went into the matter and found by geological and other data that considerable wealth awaited exploitation there. The company recognised that it was useless to endeavour to exploit this vast auriferous wealth without the necessary railway communication that would be required to keep down the cost of producing the gold. Before any attempt was made to develop the mine a letter was written to the Leader of the previous Government asking if, presuming circumstances warranted it, the Government would promise to build a railway. I have the original letter Mr. McDermott wrote to Sir James Mitchell when Premier. I do not intend to quote it all, but there are two or three passages it would be well that I should read. The position was that the company were not prepared to go on with the exploitation of the gold in the mine without the promise of railway facilities. In putting up the request Mr. McDermott said—

The gold and base metal industry of Western Australia has been sinking with alarming regularity for some years. A feeling of Government indifference to the State mining interests has been steadily growing amongst mining investors, particularly in London, so much so that large sums of cash capital earned by mining companies operating in Western Australia have been invested in other countries, and particularly within the last two years in Canada. Many of the leading directors of Western mining companies are joining Canadian mining boards and, should this drift be allowed to continue, interest in Western Australian mining will soon cease altogether. In such an event a tremendous concerted effort by the Government and people

of Western Australia would be required to regalanise a favourable opinion in outside investors. Such an opinion is essential to, and can alone secure the supply of the large sums of capital necessary to re-establish the prosperity of the State mining industry. It might never be able to be revived, no matter what effort is put forward, once the interest of the lenders and investors in the industry, who were attracted by the great Coolgardie gold rush, had finally severed their connection and interest with Westralian mining.

He goes on to say the company was very pleased to recognise the interest which the then Government took in the development of the mining industry, and said it compared favourably with the action the Government took in regard to reducing the cost of water to the mining companies operating on the Golden Mile. He proceeded by giving a promise that—

Subject to your Government promising to introduce when called upon by me as a Government measure, which will be accorded your fullest support, a Bill authorising the extension of the existing railway line to the Gwalla consolidated group of leases, Lake Way, and passing through the townsite of Wiluna, the route to be at the selection of your Government, and the building of the railway to begin immediately the Bill has received the approval of Parliament, I am authorised to state that my principals in London are prepared to form a company to purchase, work and equip with necessary treatment plant, the said leases now under option to me at Lake Way, and provide a cash capital of not less than £300,000, which money will be spent entirely in the interests of the company within the State of Western Australia.

That letter was sent to Sir James Mitchell, the Premier of the day, who replied in the following terms:—

I am in receipt of your letter of the 12th instant, asking that a Bill be introduced to Parliament authorising the extension of the existing railway line to the Gwalla consolidated group of mining leases at Lake Way, passing through the townsite of Wiluna, and in reply have to advise you that when the Minister for Mines certifies that the development at this mine justifies the construction of a light line, Parliament will be asked to authorise the expenditure, but this information must not be used for flotation purposes. All details in connection with development work that may be necessary to enable the Minister to issue his certificate must be subject to arrangement with him. The Government will welcome the discovery of mining fields of sufficient value to justify the provisions of transport facilities. Further, it will be a fortunate day for the State when the Minister can certify as above.

The position remained unaltered for some time, although considerable sums of money

were spent by the company in the development. In the meantime a change of Government occurred. The company then wrote to the Hon. P. Collier, the Premier, asking him for an expression of opinion from the Government with regard to the request that had previously been made to Sir James Mitchell. The Premier sent the following letter in reply:—

With reference to Sir James Mitchell's letter of the 22nd September, 1923, regarding the provision of an extension of an existing railway line to the Gwalla consolidated group of gold mining leases at Lake Way, I have to advise you that the matter has received the consideration of the Government, who are prepared to endorse the undertakings therein expressed.

Hon. Sir James Mitchell: We are all in it.

The MINISTER FOR RAILWAYS: Yes. Since then bores have been put down and values have been determined. The report of the State Mining Engineer, Mr. Montgomery, has been laid on the Table of the House. I do not know whether members have perused it all, but I will read one or two extracts that have an important bearing on the proposal. Mr. Montgomery states—

On the whole the bores may be said to confirm the evidence of the levels, and show that like values exist to the lowest depths attained by them, so that the conclusions as to size and value of the ore-bodies in the proved levels may be expected to hold good to seven or eight hundred feet at any rate, giving a reasonable probability of life for the mine at an output of 300,000 tons annually above the 800 feet level for something like ten years. There is no reason apparent why the lodes should not persist to like depths as at Kalgoorlie without much diminution of average values.

Being assured as to the values by what is contained in Mr. Montgomery's report, the company ask that the promise of the railway shall be fulfilled. Even if no promise had been given or asked for, on the report presented to the House by the State Mining Engineer, sufficient justification exists for the building of the line. Members would get a very good idea of the position if they would read that report. The summary of that document does not occupy very much space, and I will now proceed to quote from it. Mr. Montgomery says—

The Wiluna Mines Limited's proposition has now been well proved. The lodes are long and wide. They have provided 340,711 tons of ore from above the 100 feet level, returning £565,604 worth of gold, and it now proved that good ore extends beyond the limits of

the older workings, so that there is strong probability that the output from the first 100 feet will not be less than 400,000 tons. The diamond drill boring which has been done gives good grounds for believing that the size and value will continue much the same for another 500 feet in depth. There is no visible geological reason why they should not continue to like depths as the Kaigoorlie lodes, and have a similar life of not less than, say, 25 years.

If the company can produce annually 300,000 tons of ore valued at about £2 a ton, spread over 25 years, it means, on Mr. Montgomery's report, there is no reason why the wealth produced should not come to at least £15,000,000. Mr. Montgomery goes on to say—

Other mines at Wiluna, not at present working, have produced to end of 1926, a further amount of 197,974 tons of ore, returning 122,065 fine ounces of gold of value £518,133, bringing the total production of the field to 538,685 tons of ore returning 225,220 ounces of fine gold, of value £1,083,737, showing that the company's mines are not by any means the only ones in the district, and that if the field be revived there is great promise that a further large production of gold will come from leases other than those of the Wiluna Mines, Limited.

Some people have expressed doubt as to the metallurgical treatment of the ore in this particular district. On that particular point Mr. Montgomery says—

There is no reason to fear any unusual metallurgical difficulty in getting a quite satisfactory extraction of gold from the Wiluna ore. It is expected that concentration by flotation followed by roasting and cyaniding of the concentrates can be made to give an even better and cheaper economical result than the standard sulphide treatment by roasting the whole of the ore before cyaniding, but the latter can be relied on for very satisfactory results if flotation should not come up to expectations.

Even if the new process of oil flotation is not successful, the ordinary process of sand and sulphide treatment by roasting and cyaniding can be relied upon to give satisfactory commercial results. Members will no doubt require to be reassured with regard to the company itself. Mr. Montgomery says—

The company is understood to have very strong financial support able to provide development and equipment of the mines in the most efficient manner, provided that the Government will give connection with the State railway system.

Hon. Sir James Mitchell: Have the Government satisfied themselves upon that point?

The MINISTER FOR RAILWAYS: Yes, they have done so. Mr. Montgomery proceeds—

The company's operations will require the employment of about 800 men, and will give the town of Wiluna a population of about 4,000 persons.

I do not think anyone can suggest that Mr. Montgomery is a man who is alarmingly optimistic. He does not go in for wild-cat prognostications, or anything of a startling variety. He generally gets down to bedrock before making any recommendations.

Mr. E. B. Johnston: He is a hard-headed cautious Scotchman.

The MINISTER FOR RAILWAYS: He says—

In my opinion the prospects of the Wiluna field urgently demand very early construction of a railway to it, the earlier the better, and there is a very good prospect that the line will make a substantial improvement in railway revenue and be profitable to the State.

I could quote a lot more from the State Mining Engineer's report, but I think sufficient has been read to satisfy the House that in the opinion of our highest departmental geological expert the State would be well advised to provide the railway required for this locality. With regard to the capital at the disposal of the company, or its financial resources, according to the "West Australian" of the 15th November, the mine superintendent, Mr. Nowland, stated to the Railway Advisory Board that the company had expended approximately £200,000 on developmental work and expected to have to expend another £300,000 before the mine would be properly equipped. It is probable that the capital required will be at least £500,000. The company's general superintendent, Mr. Vail, has stated that there will be no difficulty about raising the necessary money but no written official pronouncement on the point has been issued by the company. The company's chairman in his letter to the Premier said that at that date—that was about six months ago—the company had spent approximately £150,000 and was supplying another £250,000. The information dealing with this matter is nine months later, and still later figures quite confirm the earlier ones, taking this year's expenditure into account. The Mines Department files show that the Agent General reported from London that the directors of the company there had stated that the amount of money put up as at the 16th June last was £350,000, and that

they intended to raise a further £200,000, making a total of £550,000. Thus from all these different sources we find that a very considerable sum of money has been made available.

Hon. Sir James Mitchell: There must have been a considerable sum.

The MINISTER FOR RAILWAYS: Yes.

The Minister for Mines: At the mine they have over a million tons of ore blocked out.

Hon. G. Taylor: That is not raised.

The MINISTER FOR RAILWAYS: No, the shafts have been sunk and the other workings put in ready for the ore to be taken out. There are about 120 men employed on the mine at present doing purely developmental work. When the mine is fully equipped between 800 and 1,000 men will be employed. As it has not been settled definitely what type of treatment plant will be used at Wiluna, it cannot yet be estimated more than very approximately what tonnage of machinery will be required to equip the mine. It will probably be not less than from 5,000 to 6,000 tons. In dealing with it from that standpoint it furnishes justification for the railway going from Meekatharra, as is provided for in the Bill. That clearly shows that 6,000 tons of machinery will have to be taken from Meekatharra to Wiluna. The ordinary price for cartage over that section is about £5 a ton, whereas if the railway is constructed, the cost will be about 14s. a ton. Thus on that item alone dealing with machinery for the equipment of the mine, there will be a saving to the company of £25,000 and they will have that much extra money to devote to the development of the undertaking. Having decided that the prospects warranted the construction of a line to Wiluna, it was necessary for a decision to be reached as to the point at which junction should be made with the existing railway system. The company did not ask for any particular route. During the inquiries made by the Railway Advisory Board in the course of the last week or two, evidence was secured from many people, and the mine management. The attorney expressed a desire that the line should junction at some point along the Murchison railway system. The settled policy of the Government in Western Australia for years past, regarding the question of routes and junctions with railway systems, has been to refer such questions to the Railway Advisory Board for report. The members of that body have made exhaustive inquiries and have secured evidence

from all sorts of people in a position to give information. As a result, they have submitted a report recommending that the line to Wiluna should go out from Meekatharra. That is the whole justification for the Bill. I trust that the House will agree that the report of the State Mining Engineer, as well as the reports from other sources, furnish every justification for the building of the line. It will be agreed that the object of building the line and the necessity for it is to exploit the gold mining possibilities of the Wiluna belt. If that is agreed, then it becomes a question of which route will best serve to assist in the exploitation of the auriferous belt in that district. The evidence collected by the Advisory Board and that available in other directions indicate that Meekatharra is the most suitable point from which the line should proceed.

Hon. Sir James Mitchell: And Geraldton is the proper port for that part of the State.

The MINISTER FOR RAILWAYS: Yes.

Hon. Sir James Mitchell: I do not think, unless there is some strong reason to the contrary, you can get away from that position.

The MINISTER FOR RAILWAYS: When looking through the files dealing with this matter, I noticed that the hon. member, when he was Premier, intimated that he would be prepared to give careful consideration to any request for Wiluna being connected with its natural geographical port. That seems to be the settled policy of Governments in this State, although that is not so in the Eastern States. In Western Australia we have endeavoured to give the natural trade of a district to its geographical port and we have connected up those ports with the back country. That policy has been carried out successfully in Queensland, but very unsatisfactorily in New South Wales and Victoria where practically all the railways are concentrated towards the capital cities. In Western Australia we have lines going west and north from ports, and that assists in the diverting of trade to its natural port. There is one other extract I wish to quote from Mr. Montgomery's report. He says—

The earlier stages in the development and equipment with treatment machinery of a large mine in an outback locality are characterised by very heavy working costs of all sorts, the transport costs in particular being very serious—

I have already indicated that the construction of the line will mean a saving to the company on transport costs of £26,000—

—and if construction of a railway could be gone on with at once, not only would it cause a very material lowering of permanent working expenses of the mining work, but also it would give the railway its best harvest in freights on the large amount of material required for mining and treatment plant and building and domestic material for the needs of a large sudden influx of population. It is an obvious mistake to delay the putting in of this railway until most of the construction work has been done, once its necessity is recognised.

Hon. Sir James Mitchell: And the provision of the line would give some life to the people in England who are finding the money.

The MINISTER FOR RAILWAYS: Yes. Yesterday the Premier laid upon the Table of the House the report of the Railway Advisory Board. I propose to quote briefly from that document. The members of the board gave consideration to the various routes and these they set out as follows:—

From Leonora to Wiluna, 185 miles; from Meekatharra to Wiluna, 108 miles; from Nanine to Wiluna, 118 miles; and from Sandstone to Wiluna, 113 miles.

While some people have said that the port of Geraldton could not be expected to deal with this traffic, such contentions have been made notwithstanding that the Government are committed to an expenditure of £400,000 to make the Geraldton harbour up-to-date and capable of dealing with the shipping that is likely to visit that port. Some have suggested that it would be closer to Fremantle if the line were taken out from Leonora. On that point the Railway Advisory Board give the following distances:—

From Wiluna to Fremantle via Leonora, 733 miles; from Wiluna to Fremantle via Meekatharra and Wongan Hills, 720 miles.

Hon. Sir James Mitchell: But we would not suggest Fremantle as the natural port.

The MINISTER FOR RAILWAYS: No. I do not think it could be seriously contended that Fremantle should be the port used, otherwise the expenditure we are incurring in providing an up-to-date harbour at Geraldton would not be warranted.

Hon. Sir James Mitchell: You cannot justify any other line.

The MINISTER FOR RAILWAYS: I do not think so. The capital cost is a serious condition for it will amount to something like £221,000 extra if the line is built from Leonora. From Meekatharra to Wiluna the line will follow the lay of the

country and we get practically a flat run throughout the whole distance. On the other hand, if the line were taken from Leonora it would pass over undulating country that would necessitate earthworks and the construction costs would be at least £3,000 per mile.

Hon. Sir James Mitchell: You will not have to spend that much on this line.

The MINISTER FOR RAILWAYS: I do not know. The rails cost £1,000 a mile and recent railway work that has been undertaken suggests that it will be something near that figure.

Hon. Sir James Mitchell: I hope you do not have to spend that much.

The MINISTER FOR RAILWAYS: I hope not, because there is no necessity for very heavy expenditure on the line to cope with the traffic.

Hon. W. J. George: Do you intend putting down 45lbs. rails there?

The MINISTER FOR RAILWAYS: Yes, the Murchison railway system is constructed with 45lb. rails.

Mr. Mann: What about the new Horse-shoe line?

The MINISTER FOR RAILWAYS: That was built with 45lb. rails.

Mr. Mann: Then this will become part of that railway system.

The MINISTER FOR RAILWAYS: Yes.

Mr. Mann: Did that line cost £3,000 a mile?

The MINISTER FOR RAILWAYS: The Government advanced £100,000 to buy rails for the line and it was not quite 100 miles.

Mr. Mann: The rails would represent the largest proportion of the expenditure.

The MINISTER FOR RAILWAYS: The sleepers cost a considerable sum. They cost 3s. 6d. each and large numbers have to be used.

Hon. W. J. George: What are rails worth now?

The MINISTER FOR RAILWAYS: About £11 per ton. It will be seen that it will cost at least £1,000 for the rails and with sleepers at the figure I have quoted, I do not know that £3,000 is too high an estimate.

Hon. Sir James Mitchell: It is too high for this line. The rails and sleepers will cost £1,500 a mile.

The MINISTER FOR RAILWAYS: I think the rails and sleepers will cost more than that, landed at Meekatharra. The Government will secure those supplies as cheaply

as possible, but unfortunately that is what we have had to pay for railway construction.

Hon. Sir James Mitchell: You have to pay a big amount for duty.

The Premier: The duty is very heavy.

Hon. Sir James Mitchell: We should get that duty returned to us.

The MINISTER FOR RAILWAYS: It all depends where we get the rails. Sometimes conditions are such that we require rails to be delivered promptly. Conditions may obtain that put Australian tenders out of court. We are importing rails and in fact we have imported rails that are being used on the Albany-Denmark line and on the Ejanding Northward construction. Including all costs, these rails have come out at a lower price than those we could have bought in Australia. The difference between the price of rails in Australia and the cost of imported rails landed here is so great that the Government did not feel warranted in incurring the additional expense by securing the local product.

Hon. Sir James Mitchell: They are British rails, I suppose.

The MINISTER FOR RAILWAYS: Yes. The Advisory Board go on to say—

From the evidence given by the mines superintendent at Wiluna, it appears essential that the shortest and most direct route to a seaport, should be adopted if costs of mining and treatment are to be kept down and imported stores, machinery and supplies obtained at the cheapest rate. Large quantities of round mining timber will be required, while there is also the probability that oil fuel will be used to a considerable extent, probably about 15,000 tons per annum being required. In this respect the Geraldton connection would be much more suitable for Wiluna than the Leonora one, as mining timber could be easily obtained and the crude oil required could be shipped direct to Geraldton, where bulk handling could be established.

Further on the Advisory Board say—

The Meekatharra connection would be the shortest of the routes mentioned, and therefore the least expensive to construct. The staff to work the line would be stationed at Meekatharra, and would also be available for other main line work. The Geraldton-Meekatharra line is up to standard, and would not require any additional expenditure to carry the extra traffic, and trucks returning empty could be utilised for traffic from the manganese company's line after they arrived at Meekatharra. The Deputy Commissioner of Railways states that the Meekatharra connection would be far and away the most economical one from a railway working point of view.

So it will be seen that the report is in favour of this route in almost every respect from

the railways standpoint, the capital cost, which is a very important item, working cost generally, and in fact from all aspects advantage is to be gained by constructing the line from Meekatharra. In the opinion of the Advisory Board the route from Meekatharra stands out above all others.

Hon. G. Taylor: It will go through very little auriferous country.

The MINISTER FOR RAILWAYS: I do not know whether at this stage I should quote the difference in respect of costs that will be incurred in the conveyance of freight over the various routes. The Advisory Board went into that matter also, and they have given figures, I might be permitted to quote one or two of them to demonstrate some of the differences. If the mine had to convey crude oil over the Leonora route, it would cost £6 1s. 7d. as against £4 1s. 8d. from Geraldton. On class M rates the difference in the two routes would be about 12s. a ton. On some items the cost would vary from £2 to £4 10s. per ton. On class B goods—machinery and such other heavy freight, the rate would be £4 2s. 3d. via Leonora and £2 17s 8d. via Meekatharra. Then fares as well as freights would be a considerable impost via Leonora as against the selected route. The Commissioner of Railways made a report to the Advisory Board with regard to the effect of working costs, and that too was given consideration by the board before they presented their recommendation. As I have said, all the reports are on the Table of the House, the correspondence, the report of the Advisory Board, and the report of the State Mining Engineer, and these, with the figures, are available for the perusal of members. I do not think it is necessary for me to stress the point much further. The Government are pleased to be associated with the prospect of augmenting the production of gold. Mining has done a great deal to develop the State and bring it to its present prosperous position, and the people of the State owe a debt of gratitude to that industry. We are now in the position to repay that debt to the mining industry, and we have also the opportunity to assist to rehabilitate it, and give a definite fillip to gold mining. Unwarranted optimism has done considerable damage to mining in the past, but in this instance there has been no wild-eat booming, no premature flotation of mines on hopes rather than on facts; on the contrary, there has been an ordered examination conducted over three or four years, care-

fully checked at each stage by the highest departmental mining authorities in the State who have no pecuniary interest in mines. The company have not asked for any capital in this State, but they have demonstrated, almost beyond the possibility of doubt that they have at Wiluna a property worth many millions of pounds. In these circumstances the line appears to be eminently justified, and as Sir James Mitchell said in his original reply to the company—

It will indeed be a fortunate day for the State when the Government can with confidence make a recommendation to Parliament that there is every justification for building the line.

One cannot but help feeling sanguine on the information that has been presented that every estimate conservatively prepared as they have been, will have the effect of again bringing Western Australia into the forefront of the gold-producing countries of the world. I have much pleasure in moving—

That the Bill be now read a second time.

HON. SIR JAMES MITCHELL (Northam) [5.55]: I congratulate the Minister on having the privilege and opportunity to introduce the Bill which is a sign of the revival of gold mining in Western Australia. The Minister has told us that for four years prospecting work has been carried on at Wiluna, and that the company have spent a considerable amount of money there and have taken every care to prove the value of the property. I believe that every inquiry necessary has been made and that everything the company was expected to do to prove the mine, has been done. The supervision by the department during the progress of these operations has been sufficient to justify the report that has been given to us. At this period of our history there is no need for wild optimism in regard to gold mining. If we had two or three reasonably good finds, all would go along again as it did in the years that have passed, and probably we should be floating mines galore and the Minister would tell us that this was good and the other was good, so that railways might be built. To-day, however, gold-mining ventures are not proved very hurriedly. In laying this line, we are not running any great risk. True, it is a little difficult to get authority to pull up rails where they are not being used, as we have recently found by experience. That, however, would

have to be the case with some lines in future, although it would be stupid for Parliament to order a line to be pulled up unless it was useless, and the Government were not justified in spending money on it to keep it in running order. We shall have to go on with the Wiluna line to assist in the development of the district. We are all delighted at the prospect there and I hope that the line will be built as cheaply as possible. Whatever has been the cost of the manganese railway should guide us in the amount that we shall spend on the Wiluna line, because it must be realised that the more mileage you can get out of a line for the money spent, the better will be the result. We can lay this line in the way the manganese people put down theirs, and I hope when we make a start the Minister will see that there is no unnecessary delay. Let us lay the line as rapidly as possible and bring it quickly into use. I think we have spent far too much money on some of the pioneering lines. There is another reason why we should endeavour to get the mine going. We ought not to have all our eggs in one basket. To-day wheat and wool are responsible for most of the wealth we enjoy. Now we desire that the gold output should be considerably increased. It was once £8,500,000; now the value is only £1,750,000. If we can add another two or three million ozs. of gold to the production of the State, the people will reap the benefit. Let us spread our industries and, as in this case, make use of the opportunity through the Wiluna company having done their part, and help to get this place going. I know it is necessary in the interests of the State and the Empire that such works as this should be undertaken. Development and production are of the greatest importance. We have the opportunity now. I am sorry that the people going to Wiluna by train will not pass through Northam; they will get off the boat at Geraldton. However, the loss will be theirs. In this work, and in any other work, we cannot afford to do other than serve the people as economically as possible. Undoubtedly Geraldton is the port for that part of the country, and I am indeed glad to have the opportunity of supporting a railway that will help an outport. Fremantle harbour will be overloaded for a long time to come, in spite of anything that can be done towards the construction of an outer harbour. I am very pleased that Geraldton is to have the trade that will follow

the opening of the proposed line, and more power to it! The expenditure on Geraldton harbour, moreover, will be fully justified. The Railway Department get mighty little out of the last hundred of 500 miles of haulage and therefore the district is, even from that aspect, best served by the port of Geraldton. No freehold land is to be resumed along the route of the railway, nor is there, as in the case of an agricultural railway, any land to be disposed of along the route. The relative clause is, as the Premier has a fondness for saying, one that cannot do any harm if it will not do any good. The insertion of that provision is a habit. We all agree that Meekatharra should be the junction for Wiluna, and we want the line built as cheaply as possible and as quickly as possible. Here we have an opportunity to assist in the establishment of a mining field that looks to be of great value.

The Premier: For many years the State has spent about £30,000 annually on mining development, giving a little assistance here and there, and getting very small results. Now we have the opportunity of securing a large return.

Hon. Sir JAMES MITCHELL: We spend that money in a hopeless sort of fashion, and nothing comes of it. I do not remember any real good having resulted from the expenditure.

The Minister for Mines: But for that expenditure gold production would have been considerably less than it is.

Hon. Sir JAMES MITCHELL: I hope the gold production has been increased by at least £80,000 a year. The trouble is that the Government have always given too little. The total expended amounts to a large sum, and yet our gold production has kept on going down and down and down. I know that Ministers are not responsible for the decline, but during Mr. Scaddan's term as Mines Minister he got well criticised for not increasing the gold production.

Hon. G. Taylor: Gold production also went down when the present Premier was Minister for Mines. He could not stop the decline.

Hon. Sir JAMES MITCHELL: No Minister can.

The Minister for Mines: The production will increase next year; the decline has stopped: I have gradually got the figures. going the other way.

Hon. Sir JAMES MITCHELL: We may get big things from Wiluna.

The Minister for Mines: I have had a little to do with that too, you know.

Hon. Sir JAMES MITCHELL: Another mining field was visited by the Minister quite recently. I know nothing about mining; but, like most people who know a little about mining, when I visit a gold mine I like to see the gold and the stone. At Glenelg Hills I saw a good deal of gold and plenty of stone. If that field is to be given a chance, it must have a water supply. Moreover, the country is agricultural; and so why not give the district a chance by means of a railway? Of course the Government will have to take the advice of their expert officials in the matter. But let us try to restore the goldmining business to something better than it is to-day.

The Minister for Mines: At Glenelg Hills we have established a domestic supply. The place only wants a battery supply now, and it would not matter if the supply were salt.

Hon. Sir JAMES MITCHELL: The Minister for Mines said the other day that he thought mining costs would be reduced by 4s. per ton through the introduction of a new process. Perhaps it would be a good thing if the State offered a bonus to anyone who could reduce the cost of treatment.

The Premier: For that, a big bonus might well be offered.

The Minister for Mines: The Government are now spending £5,000 on that matter.

Hon. Sir JAMES MITCHELL: We cannot expect to get mining done more cheaply through reduction of wages, or through reduced railway freights, but only through improved management and improved machinery or methods.

Mr. Panton: The Tariff has a little bit to do with it.

Hon. Sir JAMES MITCHELL: And every hon. member sitting opposite is a high tariffist.

Mr. Panton: How do you come to make that statement?

Hon. Sir JAMES MITCHELL: High protection is the policy of Australia, I am afraid. Probably I am the only moderate protectionist in this Chamber. At any rate, we cannot get the Tariff down by wishing it down; but we can, I think, improve the methods of treatment, and it would be a good thing to offer a bonus as I have suggested. I have no objection whatever to raise against the Government's proposal; indeed, I support it whole-heartedly. I re-

gret I am not in a position to stipulate that some long-authorized railways should be built before this line. However, since we are giving such generous support to the present Bill, I hope Ministers will not forget that during my Premiership certain railways were authorised, and that they ought to be constructed. I hope the Yarramony and Dale River lines will also receive consideration when the House is dealing with the money necessary for such works. I know that the passing of the Bill will have a good effect, quite part from Wiluna, inasmuch as it will satisfy London that the Government are out to help by any reasonable means any reasonable proposal for increased gold production.

MR. THOMSON (Katanning) [6.12]: Everyone is highly gratified that the Government have such confidence in the prospects of mining at Wiluna that they have brought forward a Bill for the construction of a railway to that field. The Minister will recollect that during the last election I supported his statement that there was only one place at which this railway could link up, and that was a place whose selection would imply that Geraldton would be the port of the district. The expenditure seems large, though no sum is stipulated. At £3,000 per mile, however, the total cost of the railway will be £339,000. Presumably the Government, before entering upon the construction of the line, will satisfy themselves that the methods described in the State Mining Engineer's report will enable the anticipated quantity of gold to be mined. All of us will welcome the revival of our goldmining industry. While to-day we are dependent mainly upon primary industries such as wheat and wool and other natural products, it was the gold industry that placed Western Australia on the map. The party with which I have the honour to be associated are just as keenly interested in the development of the State's mining resources as in other phases of primary production. I should like to follow the line of reasoning adopted by the Leader of the Opposition, and ask the Government to inquire whether it would be practicable to construct the railway, with due regard to public safety, on the same lines as the railway which links up Horseshoe for the conveyance of manganese to Meekatharra. It would be interesting to learn what exactly was the cost of that line, and what were the methods of construction adopted. Again, I

would be glad if the Government called tenders for the construction of some of these new railways, by way of enabling a comparison to be made and establishing a check on the Works Department. At present there is absolutely no check. The point is well worth consideration by the Government. To judge from all reports, the quick and expeditious manner in which the railway to Horseshoe was constructed ought to encourage the Government to consider the same kind of construction for the Wiluna railway.

Sitting suspended from 6.15 to 7.30 p.m.

MR. THOMSON: I do not propose to offer any objection to the passing of the Bill, because it represents the fulfilment of a promise made by a previous Government, conditionally on the company doing certain things. As far as I can understand, the company have carried out their part of the contract. I am convinced that Cabinet has given this matter serious consideration and certainly will not enter upon the expenditure of half a million of money unless satisfied that the future prospects of this mining area warrants the railway. I should be glad if the Minister could give us an assurance that the railway will not be constructed until the Government are convinced that the mining costs will not prove prohibitive. For it would be a sorry thing for Western Australia if after we had spent nearly half a million of money on this railway, we found that the mining company were not able to produce the gold at a profit. Let me repeat that in my opinion the Government, in constructing this railway, should give consideration to culling for tenders. I will support the second reading.

MR. CHESSON (Cue) [7.33]: I am very pleased with the development that has taken place at Wiluna. It certainly warrants the fulfilment of the promise made by the Mitchell Government that if the results of the development justified a railway, the railway would be built. Anybody who has been through the mines at Wiluna will be perfectly satisfied with the development done by the company. When I was there with the Minister a little while ago the company had done 1,400 feet of driving at the 290 feet level, and the average assay value over a width of 30 feet was 40s. Then winzes have been put down for 100 feet, and something over a million tons of ore have been devel-

oped. Bores were put down 700 feet and 900 feet, and the results from the cores at the lower level have been better than the assay values at the higher levels. The company have carried out their promise, and the outcome is the Bill. The State Mining Engineer, a very capable officer not inclined to be optimistic, has gone into the question very carefully, and he feels confident that the results anticipated by the company will be realised. In view of that report, it seems there is a long life ahead of Wiluna. As to the several routes of the railway, expert reports have been overwhelmingly in favour of the line going from Meekatharra. And, after all, when we appoint an advisory board of practical men to consider the matter, and they make a recommendation, it is only right their recommendation should be adopted. They have compared the mileages, and they find that a line going from Meekatharra will save 70 miles as against a line going from Leonora. Then as between Fremantle and Geraldton, the Meekatharra route gives Geraldton an advantage of 304 miles. Any low grade proposition has to be handled economically, and railway freight becomes a big factor in the success or failure of such a proposition. I think the conclusion of the advisory board was essentially a wise one. A definite promise of a railway was given to Wiluna, and I am very pleased to know that promise is to be fulfilled. I will support the second reading.

HON. G. TAYLOR (Mt. Margaret) [7.40]: I do not know that I have any objection to offer to the second reading. I am familiar with the country along the several proposed routes for I was prospecting over all that country for many years, although I have not done much of it recently. If it be the crux of the question that the line shall run from the port of Geraldton to the one mine, then no doubt Meekatharra is the proper place from which to start that line.

The Minister for Railways: That is the reason for the Bill.

Hon. G. TAYLOR: The reason for the Bill is that the mine at Wiluna is of sufficient value to warrant the building of the line. It is from that point of view that Meekatharra is the proper place for the starting of the line. But if it was desired that the line should run through gold-bearing country, there could be no question

as to where it should start; it should start from Leonora. Out from Leonora to the Four-mile are many places where batteries have been going for years, off and on. Then the next few miles out along the road on the north side from Leonora to Wiluna, within seven or eight miles of the track, is the King of the Hills, where a lot of gold has been won. Then there is Wilson's Patch on the same line and the Diorite King on a different line, 20 odd miles from Mt. Clifford. Then you strike Lawlers, which was a very rich place in the past. And 10 miles along towards Wiluna there are mines working to-day. I had the pleasure of accompanying the present Minister for Lands, when he was Minister for Mines, to Lawlers a few years ago. We then went out and inspected a mine seven or eight miles on the road to Wiluna. It is all gold-bearing country along there. Then there is Mt. Sir Samuel, 31 miles from Lawlers, after which you go on to Kathleen Valley seven or nine miles further. Then there is Mt. Keith and New England, and, towards Wiluna, you pass through the Abercrombie Range, over gold-bearing country right into Wiluna. If this line were expected to open up gold mining country, Leonora would be the proper place for it to start from. On the direct route from Meekatharra to Wiluna, as shown on the map, I do not think you pass over any auriferous country to speak of at all. However, as Wiluna alone is to be considered, Meekatharra is the place from which the line should start. There have been periods in the history of Wiluna when a dozen other places between Leonora and Wiluna were just as prominent as gold-bearers as Wiluna has been for some years past, until this recent development took place. All the great development work at Wiluna has been done within the past four or five years. It is difficult to say where gold mining is going to develop. Wiluna was down very low at one time and there were a dozen places between Leonora and Wiluna that looked just as well as Wiluna did a few years ago. However, the development at Wiluna recently has made the Bill practicable. Something like £300,000 has been spent in development work by the Wiluna company alone. That is a considerable sum of money. I have some happy recollections of Wiluna. When I first stood for Parliament I was

in Leonora on Monday afternoon and was billed to speak at Wiluna on Wednesday night, and I had to negotiate the track on a Humber bicycle.

Hon. Sir James Mitchell: Was it built for two?

Hon. G. TAYLOR: No, for one. Anyone who traversed the road in my time can appreciate the difficulties. I had to carry the bicycle on my shoulder over a spinifex belt of about six miles. Nevertheless, after leaving Leonora at 5 p.m. on Monday I opened my campaign in Wiluna at 8 o'clock on Wednesday night. Consequently I can claim to know the track pretty well.

The Minister for Lands: The camel pad must have been all right.

Hon. G. TAYLOR: There was not much more than a camel pad at that time. I hope time will prove that the building of the line was justified. The Government are evidently satisfied that the flotation or some other process has been successful in treating the ore. We have not seen any proof beyond the statement of the State Mining Engineer. I have not seen it announced in the Press that the companies are satisfied with the flotation process. I understand they are still testing it. Of course they may have reached a stage when they feel satisfied they can carry on.

The Minister for Mines: They are absolutely satisfied that even if the flotation process fails them, there is 7s. per ton profit to be obtained by the ordinary concentrating and roasting process. That is their statement in writing.

Hon. G. TAYLOR: If that is so and the ore body is exposed, the railway will be justified. If the railway were intended to serve the auriferous belt, the route from Leonora is the one that should be chosen, but as the railway is intended to serve only the one mine at Wiluna, the shorter route is doubtless justified. The Railway Advisory Board strongly recommend the route from Meekatharra, and the State Mining Engineer, who has no interest other than to give the Government the best possible advice, favours the Sandstone route. Both, however, state definitely that the railway is designed to serve the Wiluna mine. They do not hold out hope of any other mineral country between Meekatharra and Wiluna being developed. I support the second reading.

MR. J. H. SMITH (Nelson) [7.48]: I am in a quandary to know the right attitude to adopt regarding the route recommended by the Railway Advisory Board. I am given to understand that the railway is intended to serve purely one mine. I am told by men who know the country that the railway should be built from Leonora via Lawlers to Wiluna, because that offers a better prospect of opening up proved mineral country. I think the measure should be treated as a non-party one.

The Minister for Railways: All railway Bills are non-party Bills.

Mr. J. H. SMITH: The Government have their followers to support them.

The Premier: They have never been consulted about it.

Mr. Marshall: A member on this side of the House can do just as he likes.

Mr. J. H. SMITH: But the Government evidently expect every man on that side this day to do his duty. When they introduce a Bill they look to their supporters to back it up. I presume Mr. Montgomery has recommended the Meekatharra route purely from the standpoint of the Wiluna mine. I take it he has not considered the fields that have been worked between Leonora and Lawlers.

Mr. Chesson: No one should know all the mines better than does the State Mining Engineer.

Mr. J. H. SMITH: Men who know the Eastern goldfields from A to Z have told me that the auriferous belt between Leonora and Lawlers should justify that route before the Meekatharra route. I wish to know whether we are justified in authorising the construction of the Wiluna railway in view of the fact that so many urgently needed lines promised for years have not yet been constructed. There are railways promised by the present and by the previous Government that would pay from the inception. I have in mind particularly the Boyup Brook-Cranbrook line, a line that would give an assured return immediately.

Hon. G. Taylor: The Government are merely fulfilling a promise.

Mr. J. H. SMITH: Would not they be fulfilling a promise by building the other line?

Hon. G. Taylor: They undertook to build the Wiluna line.

The Premier: It was a contract.

Mr. J. H. SMITH: I am not aware that there was any contract with the rank and file who support the Government.

Hon. G. Taylor: It was public property that a railway to Wiluna would be built.

The Minister for Lands: Of course it was.

Mr. J. H. SMITH: I know men who have gone out and selected land because it was public property that a railway would be built. I wish to make it clear that I am not opposing the Bill, because I wish to see mining in Western Australia enter upon a new era of prosperity. The Wiluna railway is to be built purely in the interests of mining.

The Minister for Mines: It will suit the pastoral industry as well.

Mr. J. H. SMITH: The Leonora-Lawlers route would suit the pastoral country just as well. If we are going to spend such a large sum of money to open up the gold-fields—

The Minister for Lands: The length of the line from Leonora to Wiluna would be 170 miles.

Mr. J. H. SMITH: I am not so much concerned about the mileage; probably it would make a difference of £300,000 or £400,000.

Mr. Latham: And all the stuff would be carted to Fremantle.

Mr. J. H. SMITH: If the line were constructed from Leonora via Lawlers, Esperance might be the nearest port. I believe that every port should have the trade to which it is geographically entitled.

Mr. Chesson: Then what are you arguing about?

Mr. J. H. SMITH: I am concerned to know whether the adoption of this route will be in the best interests of mining. I consider that the line should be built from Leonora via Lawlers.

The Minister for Lands: If we spent another £100,000 on the Wiluna railway the Boyup-Brook-Cranbrook line would fade in the distance.

Mr. J. H. SMITH: The Minister knows that the South-West lines are paying for half the other lines in the State.

The Minister for Railways: Where did you get that information?

Mr. J. H. SMITH: From the quarterly returns.

The Premier: No, you did not.

Mr. J. H. SMITH: A wheat grower told me that the wheat lines are the ones that

pay, but my reply is that they pay for only a few months in the year. The Boyup-Brook-Cranbrook railway would not be affected by the building of another 70 miles of line to connect Wiluna. I am not opposed to the Wiluna railway, but I am anxious that the best route in the interests of mining should be adopted, and from what I have heard the Leonora-Lawlers route offers greater opportunities for mining development than the Meekatharra route.

Hon. G. Taylor: That applies to all the country from Leonora to Wiluna.

Mr. J. H. SMITH: That is so.

Question put and passed.

Bill read a second time.

In Committee, etc.

Bill passed through Committee without debate, reported without amendment and the report adopted.

Read a third time and transmitted to the Council.

BILL--CONSTITUTION ACT AMENDMENT (No. 2).

Second Reading.

Debate resumed from an earlier stage in the sitting.

HON. SIR JAMES MITCHELL (Northam) [8.0]: This Bill should have an easy passage through the House. The suggestion was made some three years ago, and has at last taken shape. Undoubtedly Ministers have too much to do in carrying on the business of the country. In the old days there were only six Ministers, and no Honorary Ministers. There is far too much work for six Ministers to do. Some of us have had to take several important departments under our wing. The present Government have had to appoint three Honorary Ministers to assist them in carrying on their duties. That is a very undesirable thing. If the country needs the services of Ministers, it must be prepared to pay for them. In this House we now have two Honorary Ministers, both of them running departments, and in another place there is an Honorary Minister also controlling departments. A Minister's salary does not amount to much, and he has to give up a good deal of it. Honorary Ministers also cost the State a good deal. The Premier is now asking the House to agree to the

appointment of two additional statutory Ministers. I approve of that. It is absolutely necessary in order that the work of the country may be carried on as it should be. We shall be doing our duty in approving these appointments. Whether Ministers will do their duty is another matter. I do not think they will do as well as they should, or nearly as well as we would if we changed places with them. We are, however, preparing for the time when we shall have the opportunity of appointing eight Ministers to do the work.

The Premier: I am sure they will be eight good men.

Hon. Sir JAMES MITCHELL: They will be men who will give such services to the country as the country deserves. I am glad the Premier has brought down this Bill, and I hope that in future we shall not have Honorary Ministers running departments. I know the Premier would not like to make a definite promise in that regard. There will still be one Honorary Minister left. It is not desirable that Honorary Ministers should be appointed for the future. The original idea was that they might prove useful in advising the Government upon matters of which they have a special knowledge. We have drifted from that position, for Honorary Ministers have been placed in charge of departments. As an Honorary Minister I was in charge of a department for several years. For the past 16 years Governments have always included some Honorary Minister. We shall largely avoid that necessity in the future by appointing additional statutory Ministers. It must be remembered that they have to go to the country after receiving their appointment. We know that Honorary Ministers share in the allowances that are provided under the Constitution. The Bill would seem to increase the expenditure under the Constitution to £5,800, but that is not so. In this case it is merely an additional £2,000, and we are bringing the Act up to date. The Premier did not explain that. I thought the Government were going to do something pretty useful, and that we should have to get them out in five minutes, but when I looked down the list and saw that the total amount included judges, etc., I realised what was happening.

Question put and passed.

Bill read a second time

Message.

Message from the Governor received and read recommending appropriation in connection with the Bill.

In Committee.

Mr. Lutey in the Chair; the Premier in charge of the Bill.

Clauses 1 and 2—agreed to.

Clause 3—Amendment of Section 45:

Hon. Sir JAMES MITCHELL: I thought I might make the Speaker feel a little uncomfortable if I mentioned a certain matter while he was in the Chair. When the Parliamentary allowance was increased from £300 to £400, the President and Speaker, and the Chairman of Committees in both Houses were not provided for. I think that ought to be amended. It was my fault it was not done at the time. The Chairman of Committees in this House has always had something more than the ordinary member, namely, £200, but now he receives only £100 more than the private member. That is wrong. It was my fault that these four officials were omitted from the list at the time. I hope the Premier will rectify the omission by bringing down a Bill to cover it.

The PREMIER: I do not think it will be possible to amend this Bill in the desired direction. When the allowances were raised from £300 to £400, the Leader of the Opposition failed to do himself justice in that no provision was made for increasing the salaries either of Ministers or of the Speaker, the Chairman of Committees in this House, or of the President or Chairman of Committees of the Council. The increase applied only to private members.

Mr. Davy: The margin of skill should have been observed.

The PREMIER: That is what the unions would say. At that time the margin of skill was disregarded. It speaks volumes for those who suffered that they did not hold up the affairs of the country. The last increase applied all round but those who did not get it earlier are still £100 to the bad. In the preparation of this Bill the Government did not consider that aspect of the question, but the matter will certainly receive attention.

Clause put and passed.

Clause 4—agreed to.

Title—agreed to.

Bill reported without amendment and the report adopted.

Third Reading.

Bill read a third time and transmitted to the Council.

BILL—ROADS CLOSURE.

All Stages.

Introduced by the Minister for Lands and read a first time.

Second Reading.

THE MINISTER FOR LANDS (Hon. M. F. Troy—Mt. Magnet) [8.18] in moving the second reading said: This is a Bill of the description usually introduced each session to legalise the closure of certain roads. The first road referred to in the Bill arises from a proposal received from the City Council, who desire to close portion of Streatley-road in Victoria Park in order to establish a recreation ground in that locality. The position of the road is shown on the litho. I have. The portion of the street to be closed is shown in blue, and that portion will be included in the recreation ground. The City Council secured the blocks in that neighbourhood for the purposes I have indicated, and it will be agreed that the object is a good one. There is no departmental or any other objection to the suggestion, and I presume it will be agreed to. In connection with the Midland abattoirs, with the erection of the new cold stores it became necessary to deviate a road shown on the litho. That road is in the Midland Junction municipality, and the old road can be closed only by an Act of Parliament.

Hon. G. Taylor: How long is that road?

The **MINISTER FOR LANDS**: A small portion of it only is affected. This move has been made at the request of the Main Roads Board, and the Midland Junction municipality has agreed to it. The Department of Agriculture constructed a road, and now the municipality have agreed to the closing of the old road. In the vicinity of North Fremantle, adjoining the new State Implement Works, there is an area reserved for the Workers' Homes Board. Recently the Board intimated that it did not require the area, and it is considered it would be a suitable site for the erection of an industrial establishment. Inquiries have been made for it

already. It is intended to link up the road with the reserve adjoining the State Implement Works. The two are divided by Thomson-road, and the closure of that road and a small portion of Coventry-parade will be necessary. It is intended to provide an outlet from the northern end of Thomson-road to Victoria-avenue. The position is shown on the litho. I have. I went to North Fremantle to look at the position there myself. It was proposed to make Coventry-parade much narrower, but I disagreed. Thomson-road divide the two areas and, by throwing that thoroughfare in with the other two blocks, the whole will provide a satisfactory site suitable for industrial purposes. The new street will be put in to connect with Victoria-avenue.

Hon. Sir James Mitchell: Is it all Crown land at North Fremantle?

The **MINISTRY FOR LANDS**: Yes. While at North Fremantle I made sure that no one would be inconvenienced by the closing of Thomson-road.

Mr. E. B. Johnston: Has the North Fremantle Council agreed to the proposal?

The **MINISTER FOR LANDS**: I do not know that the council is concerned. At any rate, no objection from the council is to be found on the file.

Hon. G. Taylor: Do you know whether the council was consulted?

The **MINISTER FOR LANDS**: I cannot say. I know there is no objection, because no one will be inconvenienced. I move—

That the Bill be now read a second time.

HON. SIR JAMES MITCHELL (Northam) [8.25]: It is usual to have such Bills as this before us at the close of a session, and it is usual for the Minister to assure the House that he has gone into the closure problems with the local authorities concerned. The Minister has done that in every instance, except that relating to the North Fremantle closure. In that instance, however, it appears that the land is held by the State, and no one will be inconvenienced. There is a safeguard in these matters because, as the land passes to the State, any mistake that is made can be rectified. We have to be careful when closing a road, and it is quite right that Ministers should thoroughly consider proposals, and should not agree to closing a road without consulting the local governing authorities.

The Minister for Lands: In that instance I went down to inspect the position for myself.

Hon. Sir JAMES MITCHELL: The Minister would have no right to agree to reduce the width of a street unless the local authority concurred, and even then I do not think he would be justified.

The Minister for Lands: I would not do it anyhow.

Hon. Sir JAMES MITCHELL: The Bill can be dealt with in Committee, and if there is any further information required we can get it then. Regarding the closure of Streasley-road, I understood the Minister to say that the City Council had secured most of the blocks fronting the road and the area to be used as a recreation ground. There are a few blocks in the locality that do not appear to be owned by the municipality and which will be served by the street. They may be inconvenienced, but I can quite understand they will be more inconvenienced by the establishment of the recreation ground than they are likely to be inconvenienced by the closing of the road. As the City Council has concurred, we need not concern ourselves about it.

The Minister for Lands: The City Council made the proposal.

Hon. Sir JAMES MITCHELL: I do not offer any objection to the Bill.

MR. E. B. JOHNSTON (Williams-Narrogin) [8.29]: I move—

That the debate be adjourned.

Motion put and negatived.

Mr. E. B. JOHNSTON: This is the first occasion of which I am aware that we have been refused an opportunity to look into such a Bill. I have every confidence that this measure would not have been introduced unless the proper steps had been taken to consult with the local authorities. Although we trust the Minister in such matters, on former occasions we have always been permitted an opportunity to inspect the plans and so forth. I have had no opportunity to do so at this short notice. The point that struck me regarding the road at North Fremantle is that the local authorities have not been consulted. While it is true that the area affected is Crown land, it would have been proper to have consulted the North Fremantle Municipal Council. It is rather difficult at a moment's notice to find out where roads are situated. I do not intend to oppose

the Bill but I do think that when road closures are proposed, and they may affect important thoroughfares, members should be given the opportunity to learn what is being done.

HON. G. TAYLOR (Mount Margaret) [8.32]: From the limited inspection of the litho. and listening to the Minister's remarks on the second reading, there can be no doubt about the genuineness of the measure. I gather that one of the roads to be closed is that which goes through practically Crown lands and that nobody will be affected. It does not appear to concern the North Fremantle Municipal Council. In any case they do not seem to be concerned about it because they have not opened up any connection with the Minister. Moreover, the Minister told us that he personally inspected the road. I support the second reading.

MR. SAMPSON (Swan) [8.33]: No one questions the statements of the Minister on a matter such as this, and it is quite beside the mark to suggest any attempt to mislead the House. There is, however, another aspect. What object is achieved if members have no opportunity to view the plans?

Hon. G. Taylor: You have introduced similar Bills.

Mr. SAMPSON: And the hon. member perhaps has frequently been guilty of leaving undone things that he should have done. But that does not affect the position. I join with other members in believing that the statement of the Minister is in accordance with facts, but it is farcical to ask members to approve of something when they do not know anything about it.

Question put and passed.

Bill read a second time.

In Committee, etc.

Bill passed through Committee without debate, reported without amendment and the report adopted.

Read a third time and transmitted to the Council.

PAPERS—EJANDING NORTHWARD RAILWAY ROUTE.

MR. LINDSAY (Toodyay) [8.38]: I move—

That Lands Department file No. 2437/26 be laid on the Table of the House.

I was in hopes that the Minister would treat this as a formal motion. The Minister told me that he would first look at the file and let me know later on. To-night he declared that I would have to state my reasons. I am moving for the file because I require certain information, and until I can get that information I am not in a position to give the Minister the reasons. Another file was recently laid on the Table of the House at my request, but I am not altogether satisfied with the information I have been able to get from it, and the file I am moving for now is that which may assist me to get what I require. I understand from the file I have already seen that the Surveyor General has done certain things. The Minister for Works said that the Railway Advisory Board had been asked to report. I have been able to get from the file copies of the letters that are of interest, and I was not aware until I saw that file that there was another in existence.

Mr. Kenneally: Your motion is not very informative. It does not say what the file is about; it merely gives numbers.

Mr. LINDSAY: I want to supply the information.

Mr. E. B. Johnston: I suppose you got the number of the file from the other file that you saw.

The Minister for Lands: If you will say no more I will agree to the motion.

Mr. LINDSAY: That is all I want. I submit the motion.

THE MINISTER FOR LANDS (Hon. M. F. Troy—Mt. Magnet) [8.43]: I had no idea what the file contained. There is nothing very important in it, but at the same time I think members should give their reasons when they ask for files.

Hon. Sir James Mitchell: It is connected with the other file I presume.

The MINISTER FOR LANDS: I was not aware of that. Anyhow, there is nothing very important in it and I have no objection to producing it.

Question put and passed.

BILL—WORKERS' COMPENSATION ACT AMENDMENT.

Recommittal.

On motion by Hon. J. Cunningham (Honorary Minister), Bill recommitted for the purpose of further considering Clause 4.

In Committee.

Mr. Lutey in the Chair; Hon. J. Cunningham in charge of the Bill.

Clause 4—Amendment of First Schedule:

Hon. J. CUNNINGHAM: When this clause was before the Committee yesterday, the member for Fremantle raised a question regarding certain payments that injured workers were called upon to make for chemists' requisites. The Minister for Works, who was in charge of the Bill yesterday, said he would look into the matter and if necessary bring down an amendment. The Minister for Works left for the Eastern States last night, and I consulted the Solicitor General this morning, with the result that we deemed it necessary to propose a slight amendment in this clause. I move an amendment—

That the following words be added to Sub-clause (1):—"and the words 'and incidental to' are inserted after the words 'in respect of,' in line 2 of the said paragraph."

The paragraph referred to in the amendment is paragraph (b) of the First Schedule to the principal Act. By the amendment the full responsibility will be thrown upon the employer or the insurance company of providing payment for drugs and incidentals such as those mentioned by the member for Fremantle. The Minister and the Crown Law Department are of opinion that these incidentals should be a charge against the maximum sum of £100 allowed for medical treatment.

Hon. G. TAYLOR: Last evening the Minister for Works did not take too kindly to the amendment moved by the member for Fremantle. The Minister said he had no knowledge of any need for the amendment, no complaints having reached the department. He added that he would ascertain whether any injustice had been suffered under the conditions of the principal Act. I would like to know from the Honorary Minister whether he has learnt through the department of any injustice or inconvenience having been suffered by any person owing to the absence of the words which the amendment proposes to insert. We know that a good deal of injustice has occurred under the Workers' Compensation Act as regards the £100 maximum allowance for medical expenses, and that people who should not have been guilty of

such conduct have, in fact, been guilty of making exaggerated claims. The Committee should consider the injured worker, and should be informed whether an Act passed in good faith has been abused in its operation. I should like to know whether people have been guilty of evading their duties under the principal Act.

Mr. SLEEMAN: Were not the insurance companies refusing to pay the hospital maintenance?

Hon. G. TAYLOR: That was because some of the bills absorbed the whole £100. The amendment conveys that chemists also have not been paid by the insurance companies. The fact is that some of the doctors were making a welter of the thing. One doctor's bill of £80 or £90, when examined by persons capable of examining it, was reduced by the doctor to about half. In my opinion Parliament was too liberal in allowing the maximum of £100, of which the worker has not really obtained the benefit: some doctors, I repeat, made a welter of it. Occasionally the worker was, as a result, kept out of work unnecessarily. In one case the person injured had a finger jammed, and was operated upon, and kept off work for three or four weeks. His comment was, "I was on half pay, but the doctor was on full pay." According to the statements of the member for Fremantle, there has been something radically wrong in regard to payment for prescriptions of doctors. Does the Honorary Minister know of such cases?

Mr. SLEEMAN: If the member for Mt. Margaret has sympathy for the injured worker, his way of showing it is peculiar. For a serious accident, especially on the goldfields, the allowance of £100 for medical expenses is by no means excessive. Yesterday I gave clear proof that some insurance companies were refusing to pay charges which the parent Act clearly intended they should pay, charges for liniments, lotions and so forth. If the companies split straws over such matters, the amendment moved by the Honorary Minister is highly necessary, and I am very glad it has been proposed.

Hon. Sir JAMES MITCHELL: When we deal with these matters, hon. members opposite always reproach members on this side with being unsympathetic towards the

workers. I fear too much of our legislation interferes with the obtaining of work, and therefore we have unemployment most of the time. The member for Mt. Margaret said the Amendment Act had been abused by some persons. We ought to see that the intention of Parliament is given effect to. I doubt if the language used here sometimes helps the worker at all.

Hon. J. CUNNINGHAM: In reply to the member for Mount Margaret, may I say these are the first cases brought under the notice of the Minister. Neither the Minister nor the departmental officers have knowledge of any cases other than those referred to by the member for Fremantle.

Amendment put and passed.

Bill reported with a further amendment, and the report adopted.

BILL—TOWN PLANNING AND DEVELOPMENT.

Second Reading.

Debate resumed from the 22nd November.

HON. SIR JAMES MITCHELL (Northam) [9.3]: The Premier seems to think the Bill should go to a select committee. With that I entirely agree. If we all agree, there is no need for the House to discuss the Bill at this stage. I will support the second reading in order that the select committee may be appointed.

Question put and passed.

Bill read a second time.

Referred to Select Committee.

Mr. MANN: I move—

That the Bill be referred to a select committee.

The House realises that it is a matter for a select committee, because it calls for a good deal of investigation.

Question put and passed, and a select committee appointed consisting of Hon. W. D. Johnson and Messrs. E. B. Johnston, Kenneally, Mann and Richardson, with power to call for persons and papers, to sit on days over which the House stands adjourned, and to report on the 21st December.

LOAN ESTIMATES, 1927-28.

In Committee of Supply.

Resumed from the previous day; Mr. Lutey in the Chair.

Note—Departmental, £174,617 :

HON. SIR JAMES MITCHELL (Northam) [9.14]: These are the most important estimates for the year, for they do provide for the development of the country and for the employment of men in that work. A great deal of continuous employment is furnished as the result of these votes, and the State is advantaged by the production of wealth year by year. What we must do is to increase the production of wealth from the 27 millions that we got last year to considerably more if we are to pay our way and keep everybody employed. It seems to me that is the only test necessary in considering these Estimates. If that be done, it means opportunity for all. Unless the loan expenditure is wise it must result in loss of employment and loss of opportunity. If all the workers in the country are kept employed, then the rest of the people must get their opportunity, and it is in the framing of the Loan Estimates that we provide for the solid wealth of the State. The Revenue and Loan Estimates are closely associated. The one cannot be properly considered without reference to the other. Interest on borrowed money is paid for the most part by the surplus earnings of invested money. Money invested in our railways resulted last year in a surplus of £34,000 after providing for interest, but the unfortunate part is that the invested money does not earn sufficient to cover working expenses and the interest bill, and so a good deal has to be taken from taxation. Loan expenditure on reproductive work is good for the State and can be carried on to an unlimited extent. Loan expenditure on non-reproductive work must be carefully considered. Unwise loan expenditure will lead to ruination because we cannot increase our taxation. Loan expenditure last year amounted to £4,113,054, and to that must be added the expenditure from loan suspense account totalling £592,542, which amount is shown on this year's Estimates, although it was expended last year. Thus the total of loan money expended last year was £4,705,596. It is hardly right to say that the whole of that sum was expended last year because £500,000 was written off for losses on State ships, which had accu-

mulated since 1920. The expenditure means an average addition to the debt per head of population of £12 3s. Members are aware that there are only 336,630 people in this State. While we were spending that money our population from all sources increased by 11,600. But if we compare our total net indebtedness with our population, it will be seen that the expenditure of £4,700,000, if we are to maintain the average indebtedness per head, should have been followed by an increase of 29,000 in our population. From gross revenue, that is from the earnings of business concerns as well as from taxation, this year we are under an obligation to pay interest and sinking fund of £3,529,000, and every loan adds to that amount. It is unfortunate that the surplus earnings of invested money are not sufficient to pay interest and that the shortage which has to be charged to taxation grows a little each year. That must be guarded against in all loan expenditure. The Treasurer will find that if there is a shortage in the earnings over expenditure from concerns in which we invest our money, then he will inevitably have a deficit. It is not possible from the limited amount of taxation we can collect each year to do more than carry on the free services of the country. We cannot pay too much of the amount away to cover our interest bill. When I took office as Treasurer in 1919, there was an enormous deficit, and that was broken down only by investing loan money in agriculture. We made loans to farmers totalling an enormous amount. I think nearly £8,000,000 was lent to the wheat farmers of the State in five years, but 64 per cent. of all the money we borrowed was lent to individuals to help them increase production. We realised that increased production would be followed by increased trade, and that generally the Treasury would reap further and further revenue as a result of the expenditure of money, and so we gradually eliminated the deficit.

Mr. Lambert: The railways have saved a couple of hundred thousand pounds a year since the war.

Hon. Sir JAMES MITCHELL: Yes. Last year interest and sinking fund amounted to £3,489,308. Of that amount £3,025,864 came from earnings of invested money, that is to say the surplus over working expenses from railways and other public utilities and the collection of interest from

people to whom we have lent millions of money.

Mr. Lambert: It shows how sound the State bank is.

Hon. Sir JAMES MITCHELL: It shows nothing of the sort. That left a sum of £463,562 to be debited to taxation. I do not think State trading will help us, and I think I shall be able to show that it is rather a drag upon the Treasury.

Mr. Lambert: Banking is not State trading.

Hon. Sir JAMES MITCHELL: The sum left to be charged to revenue is increasing, and that is the real danger. The Loan Estimates this year amount to £4,829,000, less the amount expended in 1926-27 from loan suspense account £592,000, which we are merely voting now. Therefore the amount we are now considering is really £4,236,000. Of that sum only £305,000 is set aside for new railway lines—in my opinion an altogether insufficient sum. If I had my way I should build railways in preference to any other work at this moment. To agriculture will be devoted £1,671,500 representing assistance to individual agriculturists, or 33½ per cent. of the total amount we are voting for the year. I dare say we shall borrow something approaching £2,000,000—I have not been able to get the figures and I do not think the Premier mentioned them—under the migration agreement at 1 per cent., costing £20,000 per annum. We may also borrow 2,000,000 at 5¼ per cent., which will cost £105,000 per annum. The small amount on the Loan Estimates that will increase our gross production is not sufficient to justify the enormous loan expenditure in other directions. Something was said about the expenditure of the cheap money. If we cannot spend 1 per cent. money under the Migration Agreement in the development of the country, we cannot develop the country at all. If we have to pay only £10,000 a year for a million of money, surely if the million is wisely expended it will produce more than the £10,000 from the beginning, and at the end of ten years will, if our experience counts for anything, return the full rate of interest, so that the public will have the expenditure of the money to develop the country, increase trade and increase employment. There will be advantages in many directions arising from the work that money will do, and it will not be necessary for us to put our hands into our pockets for a

single penny of interest, either now or in the future. That is the point to be remembered. When I was giving evidence before the Constitution Commission the other day I said that if we had another £20,000,000 to spend on agricultural development now, we could change the face of the country quickly. We cannot approach anything like that expenditure unless we get assistance such as we receive under the Migration Agreement. We want to see that the money we expend produces a permanent and lasting result and makes a great mark on the country. I think that the cost of administration, £174,617, is too high and I hope the Premier will look into it. On the same amount of loan expenditure last year the cost of administration charged to loan was £32,000 less. The increase is not justified by the expenditure. I have said that too little money has been provided for new railways. We shall have to consider seriously opening up all that country south of Southern Cross that is now being inspected and surveyed. When the inspection has been made and, provided the report of the classifiers is satisfactory and justifies the building of railways to open up that area, it will probably require 600 or 700 miles of railway. That will not be constructed at once, but it should be constructed as soon as the land is surveyed and the people are settled upon it. There is no object in holding back land settlement for the sake of railways, particularly at this stage of the country's history.

The Minister for Lands: It is a matter of getting the money for the railways.

Hon. Sir JAMES MITCHELL: When the land is surveyed and we know that railways are to be built, we should adopt some system of serving the whole territory. The Premier mentioned a loop line from Southern Cross to Lake Grace. To my mind the Lake Grace and Kondinin railways should be spur lines only until we get to the extreme of settlement or strike the Esperance-Norseman railway. It is the most uneconomical way of serving a country to do as we have done. Where we put in loop lines we do not get the service that is obtained from spur lines. If we had run our spur lines due east from the Great Southern we should have got a very much better service for the mileage and the cost. We should probably have had to link them up for the economical working of the system by one loop, but we have spent unnecessarily a

large sum of money because we changed over from the spur system to the loop system. In the 3,000 miles of railway to be found in the south-western corner of the State—that is apart from the goldfields line—we have lost a tremendous mileage of railway because land in many instances is served by more than one railway. I should like to have seen an amount on the Estimates for the construction of the Yarramony-Eastward line. I do not think the settlers in that area are getting a fair deal at all. They have been promised a railway from time to time by both parties; four years ago the Bill was passed, and now only £5,000 appears on the Estimates for that line. Other lines are authorised. I suppose some would have been started but for the fact that we are getting cheap money for the building of a line such as the Ejanding Northward line, and we have had cheap migration money for the construction of the line from Salmon Gums to Norseman.

The Premier: And Denmark.

Hon. Sir JAMES MITCHELL: That is an old matter. These lines are being built with migration money, which is apart from ordinary loan funds. No such money has been made available for the building of the Yarramony or the Dale River railways. These lines ought to be built. It is quite useless to suppose that we can have railways more than 25 miles apart. There is no chance of motor transport being anything like as cheap as railway transport. The cost of roads is greater than that of railways, while the maintenance is quite as much. We spent £3,000,000 last year on motor cars, motor vehicles generally, and tyres, whereas the total earnings of our railways came to only £3,800,000. There is no question about which is the cheaper means of transport. Where it is heavy bulk loading as in the case of wheat, which, as freight, is worth about £10 a ton, it is not possible to carry it any cheaper than it is carried on the railways. They are the cheapest means of transport. In the case of our railways, laid cheaply as they are, it is better to build them than to buy American transport vehicles and American petrol. We can use Collie coal on our railways, but all motor power has to come from overseas. I am sure the House will never agree to abandon the 25 mile limit between railways.

The Premier: I do not think there is much fear of that.

Hon. Sir JAMES MITCHELL: I am glad to hear that. On group settlements we expect to spend £1,150,000. I hope we shall get particulars of that expenditure. Last year we spent £698 per settler. If we are going to spend £563 more on each settler, I do not know what will happen. If the settler got 10s. per day every day in the year he would draw only £156, leaving £407 to be spent in other ways. It is not possible to go on with the scheme on that basis.

Mr. E. B. Johnston: There may be provision for many new groups now.

Hon. Sir JAMES MITCHELL: Last year we spent £698 on each settler. That rate of expenditure will kill land settlement. It is not possible to spend this money on individual group blocks. No doubt the advice of the board will determine what it is necessary to do to complete the work, and allow settlers on the blocks to produce as they should. I was on a block the other day with the Minister, down at the Augusta end. I noticed about 60 acres of magnificent clover, that should carry 10 cows throughout the year. The block had been unoccupied for about nine months. I suppose it will be occupied now. A great deal of money has been spent on it, and it ought to be used. The board will no doubt see to it that these blocks are used, and the settlers encouraged to produce.

The Minister for Lands: We are putting a new settler upon that block.

Hon. Sir JAMES MITCHELL: It has been vacant for about nine months.

The Minister for Lands: My instructions were that no blocks would be held up after the reconstruction was decided upon, which was in July last.

Hon. Sir JAMES MITCHELL: The Minister has been in the department only a little while. I expect to get careful management from the board and that settlers will be encouraged to produce. The board must see that not too many cows are carried, that butter is produced, and that the settlers carry on without drawing too much upon the department. If we are going to add £560 this year to the cost already set against the blocks, and the £698 we spent last year, we shall be attempting the impossible. If the settlers

receive 10s. a day throughout the year, this would not amount to one-third of the proposed expenditure. I hope the board will be allowed to do its work, that its advice will be taken, that it will handle the situation and save any further great expenditure of money.

The Minister for Lands: What do you mean by the board being allowed to work?

Hon. Sir JAMES MITCHELL: I mean that I hope its advice will be taken.

The Minister for Lands: The scheme is largely in its hands.

Hon. Sir JAMES MITCHELL: I hope it will handle the situation.

The Minister for Lands: I think it will.

Hon. Sir JAMES MITCHELL: If not, we shall have an opportunity to consider the work in a few months. It will not take long for the board to get down to business and see that the settlers are given an opportunity to earn as much as possible from their holdings. I notice that £100,000 is set apart for new buildings. I hope the Premier will recollect that he agreed it would be unwise, before determining how the Government departments are to be permanently housed, to spend more money in the metropolitan area on public buildings.

The Premier: None of this is for that purpose. It is mostly for schools, and a big slice is for the Point Heathcote home and for hospitals.

Hon. Sir JAMES MITCHELL: I hope the Premier will keep that in mind. I approve of the erection of schools and hospitals, but not the expenditure of money on such buildings as have been put up at the foot of this block for the accommodation of officials. The sum of £121,000 is set down for the reconstruction of the Canning-road. That is an enormous sum. It is not right that it should be spent in the reconditioning of a few miles of road. We cannot have perfect roads unless we spend a great deal of money upon them, but we cannot contemplate a sum of £121,000 on a few miles of road.

Mr. E. B. Johnston: That would go a long way towards building a railway.

Hon. Sir JAMES MITCHELL: We must have roads in the metropolitan area, but it is not right to concentrate upon one length. This sum could have been usefully employed elsewhere in the State.

Mr. Griffiths: It would go a long way towards building the Yarramony line.

Hon. Sir JAMES MITCHELL: It should be built. No doubt we shall get some information about this item. We have spent a great deal in the metropolitan area already. It is far more important to the people of the metropolitan area that we should produce for them and create more trade. People in Fremantle get their work from the wheat and the timber, the outward traffic, while the inward traffic is made possible by the export of wheat and timber. They will not benefit by the enormous expenditure upon a few miles of road. I believe that comparatively few people live along this road. Our job just now is to endeavour to export more. Last year we imported £18,000,000 worth of goods, and tried to pay for them by exporting £15,000,000 worth, leaving £3,000,000 on which we shall be paying interest for many years. That is the difference between the exports and the imports. If people are to live in comfort and have work, our exports must at least be equal to our imports, and in this country they ought to be more. They will not be more if we do not spend our borrowed money wisely. I notice that £66,000 is set down for trading concerns. We have about £3,000,000 sunk in these things. If there is any man who can say that the money would not have been better invested in some other way, which would have meant more work for our people, I should like to meet him. With some people State trading concerns are very popular. They are wonderful things in the minds of some. Ministers have found it a cheery occupation endeavouring to manage State trading concerns about which they know nothing. I do not suppose the present Ministers know much about handling them.

Mr. Kenneally: They administer them sympathetically, which was not the case previously.

Hon. Sir JAMES MITCHELL: Of course they have plenty of sympathy, but sympathy does not make them good managers. We want something more than sympathy. My sympathy goes out to the Ministers who have to manage them, and to the people who have to pay for them, as well as the men who are out of work because of them. My sympathy goes out in the right direction.

Mr. Kenneally: You have a peculiar way of showing it.

Hon. Sir JAMES MITCHELL: Any man who says that this £3,000,000 would not have done more to create employment and bring prosperity to the country does not know

what he is talking about. We have written off half a million on our State steamers. It is true that in the old days they made a profit of nearly £300,000.

Mr. Sleeman: Why did you not sell them?

Hon. Sir JAMES MITCHELL: I wish I had.

Mr. Kenneally: Is it your policy to sell the State trading concerns?

Hon. Sir JAMES MITCHELL: I will sell the hon. member very cheaply. These State trading concerns may get votes. Some people may believe in them. Some people believe that everyone who trades is more or less a rogue, and that the State trader is the only honest trader. People do not get timber more cheaply now they have a State trading concern. It is dearer than it was before.

Mr. Kenneally: It might have been dearer.

Hon. Sir JAMES MITCHELL: We are paying more for timber.

Mr. Sleeman: Have the State ships done anything in regard to freights?

Hon. Sir JAMES MITCHELL: I am told that someone came from the North on a State boat and saved £30. The State boats are responsible for the loss of more than £30. They have kept the North-West open, and have served that part of the State as other parts have been served by railways. The State boats trading on the North are different from the ordinary State trading.

Mr. Sleeman: So the people in the North are not to receive any consideration!

Hon. Sir JAMES MITCHELL: I do not mean anything of the sort. The workers have received more consideration from me than they are ever likely to receive from the hon. member. He merely says "Give us State trading concerns, irrespective of what it may mean to the workers." It will be difficult indeed for any hon. member to prove that the State trading concerns have made anything cheaper, or that they have provided any more work for the people. It would be much easier to prove that the £3,000,000 spent on the State trading concerns would have provided more work and opportunities for the people if the money had been spent in the legitimate functions of government.

Mr. Sleeman: It is a wonder you did not sell them.

Hon. Sir JAMES MITCHELL: I would sell them all.

Mr. North: It is not possible to chuck them away.

Hon. Sir JAMES MITCHELL: I would put the money into assistance to workers to become farmers to produce wheat for the Fremantle lumpers to ship.

Mr. Davy: If they would.

Mr. Sleeman: And which they do—

The Premier: Occasionally!

Mr. Panton: Opposition members should go down and try it themselves, then they would see how the Fremantle lumpers shift the wheat.

Hon. Sir JAMES MITCHELL: State trading is justified in some instances, particularly to break down monopolies.

Mr. Sleeman: I am glad to hear you say that.

Hon. Sir JAMES MITCHELL: Of course State trading is justified under those conditions.

Mr. Sleeman: That is what it has done.

Hon. Sir JAMES MITCHELL: On the other hand, State trading has exploited the people and made requirements dearer.

Mr. North: Yes, particularly bricks and timber.

Hon. Sir JAMES MITCHELL: Instead of pledging our faith and extending our sympathy to State trading concerns, may we not go into the question and see whether something better cannot be done with the money. In Western Australia we have learned as a State to co-operate with the individual in the development of our country for the good of the individual and the State to an extent that has been done nowhere else in the world. Is it not ten thousand times better to do that than to expend money on State trading concerns? If it is not, I am a Dutchman. Of course it is much better. Let us be honest in this and in all matters that we undertake for the public. It is right that we should be perfectly frank, and if we can see any good in these concerns, let us acknowledge it. If we see harm in them, let us say so. If we consider the expenditure of money in that direction is unwise and that we could do better by spending the money in other directions, let us say so without hesitation.

Mr. Sleeman: And if we can put a few shillings in their way, let us do so.

Hon. Sir JAMES MITCHELL: Certainly.

Mr. Sleeman: In the way of the State trading concerns, I mean.

Hon. Sir JAMES MITCHELL: I hope the hon. member buys his firewood from the State sawmills!

Hon. G. Taylor: And his beer from the State hotels.

Mr. Sleeman: And his implements from the State Implement Works.

Hon. Sir JAMES MITCHELL: I have not a State implement on my farm.

Mr. Kenneally: Now you are showing how patriotic you are!

Hon. Sir JAMES MITCHELL: I am as great a patriot as the member for East Perth (Mr. Kenneally), and I was going to say, not so great a fool! Of course I will not say that. I am wiser, however, when it comes to buying State implements.

Mr. Sleeman: Stinking fish again.

Hon. Sir JAMES MITCHELL: While we should buy Australian goods if possible, on the other hand if we can buy British rails, for instance, cheaper than the rails can be produced in Australia with the aid of highly protective duties, the Government would be foolish to pay more for the Australian rails. The duty is put on to cover added costs and wages, and if the manufacturers cannot compete with the aid of that duty, they should not make rails at all. That is the point. The Premier would be utterly wrong to pay more than is a fair thing for Australian rails. That is to say, he should not pay more than the imported price plus duty. Is it to be expected that the Premier would pay more than that? Of course he would not do so. My advice to hon. members is to see that they get good value for articles they buy. Scotland is a great place, because the people there give value and get value.

Mr. Sleeman: They patronise their own goods.

Hon. Sir JAMES MITCHELL: Yes, but they do not all do as some people here do and say, "Buy Australian goods at any price."

Mr. Sleeman: No, they say "Buy Scottish goods."

Hon. Sir JAMES MITCHELL: I do not know that they do. However, we would be foolish indeed to pay more than is a fair thing for our requirements.

Hon. G. Taylor: I like to hear these roosters talking about patriotism! Where was that patriotism a few years ago when it was needed?

Mr. Sleeman: Yes, you waved the flag.

The CHAIRMAN: Order! Hon. members must keep order. If they will not do so after I ask them repeatedly to do so, I shall have to take action.

Hon. Sir JAMES MITCHELL: Apparently State trading is a sore subject and had perhaps better leave it at that. For the development of mining, £80,000 is included and that covers repayments on account of water as well. There were some things that I did while in office that have lived long after they should have and this is one of them. We provided money to cover the rebate on water supplies, because we were paying £75,000 as interest on a loan that has since been paid from the sinking fund. As we are not paying that interest now, I think the Water Supply Department should supply the water at the increased cost and not take £45,000 each year to cover the rebate. I do not propose to deal at any great length with other items on the Estimates. What we have to ask ourselves is how best we can serve this State. I have already said that the test of service is in the employment of our people. We must provide work and we can do that only by the creation of national wealth. Again I say go to Fremantle and see the wheat pouring on to the wharves there. Each bag is worth at least 15s., and that should bring in between £7,000,000 and £8,000,000 this year. That money will be in circulation and will provide work time and again for the people throughout the State.

Mr. Griffiths: Not if the strike lasts too long.

Hon. Sir JAMES MITCHELL: I hope it will not. We are continually having strikes. The rapidity of sales is as important as the sales themselves. If the ships are to be held up there will be a very great loss to the State and to the people. It will mean tremendous unemployment. If all the people could be at work all the time all would be well, but everyone is in trouble when a lot of men are out of work. The strike will lead to a lot of unemployment and when men lose their jobs, they cannot get them back quickly. If the wheat is not shifted and money is not circulated people cannot do the work they would otherwise accomplish. We should endeavour to keep the shipping going. A strike does not mean merely the loss of wages to the lumpers; it means hanging up the State and its activities.

Mr. Griffiths: It will probably check the buying of wheat.

Hon. Sir JAMES MITCHELL: And probably decrease the price to the farmer. Then there are the railway trucks.

Mr. Griffiths: Demurrage will be charged.

Hon. Sir JAMES MITCHELL: In the circumstances the Government will not charge demurrage, but we want the trucks to move quickly. If a number of the trucks are to be held up for a fortnight it will be a serious thing for the Railway Department. If we have to provide trucks on the basis of continual strikes, we will have to supply at least 30 per cent. more trucks and engines. I believe that if the men at Fremantle had their way there would be no tying up of the ships. I am surprised that they allow themselves to be instructed from the Eastern States. It seems dreadful that because trouble occurs there our people must join in whether they desire it or object to it. I believe the trouble that occurs frequently would be avoided if our own lumpers were the deciding factors. Strikes mean losses to them as well as to the other workers. It is utter selfishness since the men are not striking because of the rates of pay they receive or because of some great principle. So far as I can see they are merely striking because the people in the East want them to do so. I suppose there is no escape for that, but I wish our people could act independently. It is useless for people to claim that the effects do not extend beyond the wharves. Already the effects are being felt from Fremantle to Kalgoorlie and from Geraldton to Albany.

Mr. Kenneally: Does the hon. member think his contribution this evening will assist in the settlement of the trouble?

Hon. Sir JAMES MITCHELL: I do not know that any contribution made by the hon. member would ever assist in the settlement of anything. I know it is customary for people after a strike has been started to say, "If you do not do as we ask, you will be responsible." That is utter childishness. I do not think that anything I say is likely to make any difference; if I did, I would say a bit more. But I do not suppose it will. At any rate I have some knowledge of the matter, and I have sufficient confidence in the men to know that they do not want this strike. My opinion is they want to do their duty to the country. I am not blaming them, I am blaming the leaders who allow such agreements to be made. I do not propose to discuss taxation at any length, but I should like to point out that if there be extravagance in the expenditure, the result must be increased taxation. Already it is

far too high when we remember that we have to pay Federal taxes, State taxes and the taxes imposed by local authorities, absorbing about 20 per cent. of all we produce. Federal taxation is the heaviest, being three times as much as that of the State. We have a great opportunity in this country, and it will come to us when we develop it thoroughly. To-day we have discussed the building of a railway to Wiluna, and I do not think anything has given this House greater pleasure for a long time than the fact that we can and have authorised a Bill for the construction of a line that will open up a new goldfield. We have an enormous territory still undeveloped, but we hope to be able to make a great deal of it available for settlement. There are great opportunities south of Southern Cross and between Burracoppin and the sea right to Esperance. Let us open it all up and not hesitate to spend three or four millions on railway construction. I think with that amount of money we should be able to make available all the agricultural land that we know of for the moment. There will be no difficulty about settling it easily, because there is an enormous demand for it. There will be no trouble in disposing of the produce from the whole of this area and at satisfactory prices. We must in addition pay attention to our outports, Albany, Geraldton, Bunbury and Esperance, and we must do a great deal more for shipping at these ports, otherwise we shall have a congestion at Fremantle. When we remember that Great Britain last year bought 491 million pounds worth of foodstuffs, we can realise that that is more than the total value of foodstuffs produced throughout the Dominions. Therefore there need be no cause for anxiety. There will be markets, and the Empire will buy what we can produce. Then in turn we should buy the Empire's goods. We can come much nearer to an understanding throughout the Empire if we adopt that policy. It will be good for our people. Some of the messages that have come through lately give us great hope with regard to the Old Land. There is no doubt that it will return to its former prosperity and that a great many people will again be at work. The Old Country is not in quite the position many people would have us believe. America, we know, has more money, which she made during

the period of the war, but England is in a better position than any other country, even allowing for her indebtedness to America. She has far more investments abroad than before the war. The amount was four billions before the war and it is five billions now. She always has a ten pound note in her pocket to lend to a friend no matter where he may be, and in what part of the world. It is marvellous to belong to such an Empire and we should do everything to assist it. It is right too that we should be more self-contained than we are to-day. We ought to buy British goods and if we do, Britain will buy food-stuffs from us. We are getting nearer to that state of affairs now, but we must not hesitate to open up the country. It is true that we do not absorb a great number of people when we are settling the wheat belt, for the reason that the blocks are necessarily large, but as time goes on the development will be greater because townships will spring up. If we go along the eastern line we notice the progress being made in towns like Merredin and Kellerberrin and many others. That must continue with our general development. We must also settle our South-West lands and the group settlements must be carefully managed. It is all a matter of expenditure. I am sorry that we have so much money on these Estimates for railway construction and much less for expenditure in other directions, but when one goes through the Estimates, it is hard to say which item should stand down. It would, however, be a fine thing if it were possible to say that most of the items had to stand down so that we might spend the whole of the four millions in opening up the country. We would then get out of our troubles very quickly. It could be done with a little risk, but it might cost the Government their lives.

The Premier: The trouble is we cannot stop other works, but I think we could do far more than it is necessary that we should.

Hon. Sir JAMES MITCHELL: It becomes a difficult load unless the earnings are adequate. Turning to some of the items, we find that we have to provide £300,000 under the Federal agreement for the construction of roads. That sum is in addition to what the Federal Government are giving us. When giving evidence before the Constitution Com-

mission I expressed the hope that the Federal Government would continue to let us have the grant that they are now paying us, freed of hampering conditions, so that we might use it for general development. We cannot spend £5,000 or £6,000 a mile on our roads. If our country were sufficiently populated to justify it, we could build solid roads that would need scarcely any maintenance for the next 20 years. We have to remember that it is several hundreds of miles to Albany and Geraldton and Southern Cross, and a long distance to Bunbury. Altogether, there are thousands of miles of roads in the State that have to be maintained under reasonable conditions, and over which people must pass frequently. We cannot devote a great deal of money to the making of a few hundred miles of road. We must have hundreds of miles of reasonably good roads rather than a few miles of perfect roads. With this expenditure we can do no more than have reasonably good roads. If the Federal Government wish to help us, they should give us a very much freer hand in the spending of the money than we have to-day. I am not referring to the contract system as opposed to the day labour system.

Mr. E. B. Johnston: The principle of the Federal Government dictating terms is all wrong.

Hon. Sir JAMES MITCHELL: Yes. Our Main Roads Board have the job of building roads and keeping them in order, but they cannot do it under present arrangements.

The Premier: They dictate conditions which are not necessary in this State. If they do not vary the attitude that was adopted at the recent conference, I am not hopeful that the arrangement will be continued.

Hon. Sir JAMES MITCHELL: I hope it will be possible to get the £380,000 a year.

The Premier: It is impossible to carry on at present.

Hon. Sir JAMES MITCHELL: It may be possible that the terms can be modified so that we can use the money as this Parliament thinks best. I am sorry a larger sum has not been provided for railway construction. I hope that when the Estimates come down again, no matter what work may be held up for a year or two, more money will be provided for railway construction. I notice there is nothing on the Estimates providing for the Wiluna line. If the Premier thinks he will have to build that next

year, he may have to bring down supplementary Estimates. I hope it will be necessary to build the line before long.

The Premier: There has been no survey yet.

Progress reported.

House adjourned at 10.15 p.m.

Legislative Council,

Thursday, 1st December, 1927.

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

ASSENT TO BILLS.

Message from the Governor received and read notifying assent to the undermentioned Bills:—

- 1, Broomehill Lot 602.
- 2, Racing Restriction.

QUESTION—LANDS BEYOND LAKE MOLLERIN.

Hon. H. J. YELLAND asked the Chief Secretary: 1, In view of the Railway Advisory Board's report, recommending extension of the Ejangding Northward line beyond Lake Mollerin, what action does the Minister contemplate taking to make the farming lands there available for selection? 2, Will he bring this land under the provisions of the Agricultural Bank Act forthwith?

The CHIEF SECRETARY replied: 1, Surveyors are now at work subdividing all the country in the locality referred to, and the Lands Department will be in a position to throw the blocks open early next year. 2, The Trustees of the Agricultural Bank will be prepared to grant advances on the usual basis on approved blocks within 12½ miles of approved lines, and 75 per cent. value of improvements over that distance up to 20 miles.

QUESTION—STATE INSURANCE CLAIMS.

Workers' Compensation.

Hon. H. SEDDON asked the Chief Secretary: 1, What number of claims have been made on the State Insurance Office under the Third Schedule to the Workers' Compensation Act? 2, What number have been admitted, and what is the total amount of compensation paid? 3, What number have been declined? 4, What number are still under consideration?

The CHIEF SECRETARY replied: 1, 36. 2, 16. £3,020 to 30/11/27. 3, 14. 4, 6.

BILL—BRIDGETOWN LOT 39A.

In Committee, etc.

Bill passed through Committee without debate, reported without amendment, and the report adopted.

Read a third time, and *passed*.

BILL—UNIVERSITY ENDOWMENT ACT AMENDMENT.

Second Reading.

THE CHIEF SECRETARY (Hon. J. M. Drew—Central) [4.40] in moving the second reading said: In 1904 the Western Australian Government reserved 4,146 acres as a University endowment. The greater part of this, namely, 4,118 acres, consists of Perth suburban lots, and there are also 20 small country townsite blocks. The University cannot sell these lands, but can lease them for 21 years, or with the approval of the Governor-in-Council for 99 years. The University have in the past subdivided four of these areas—at Subiaco, Daglish, Claremont and Spearwood, respectively—in the hope of letting building