

Mr. GRIFFITHS: I was on the goldfields at the time, and I have a very lively recollection of the deep alluvial trouble. As to the Sons of Gwalia mine, the figures quoted clearly indicate that efficiency has been carried out on that property. It should give the Kalgoorlie authorities food for reflection. The Sons of Gwalia is situated 534 miles from the coast, whereas Kalgoorlie is only 375 miles, or 159 miles nearer to the source of supplies. It was good to hear the Minister's report as to the great improvement in the position relating to miners' complaint. It was a very sad tale the Minister had to tell us last year, but it was felt that the first investigation probably would give the worst results. That is turning out to be correct. As regards oil, I have been looking through my diary and I find I marked the 25th August as a red-letter day—"Freney's struck oil; the greatest thing since Coolgardie." If there is oil in any quantity and it turns out to be a payable proposition, it will be one of the finest things that has ever happened in this State.

Mr. Marshall: There is every justification for hoping that it will be so.

The Minister for Mines: My word there is!

Mr. GRIFFITHS: I am looking forward to the time when all that country away up the Murchison will fulfil the great expectations entertained of it. Before I left the Old Country I had heard a lot about that part of Western Australia. I had read of the explorations of Mr. Calvert, but apart from what I had read, when I landed here in 1894 I came into contact with many people who spoke most hopefully of the Murchison and considered it would prove to be one of the greatest fields of all. Perhaps it might yet prove to be one of the greatest if we could only get the Federal Government to reduce the tariff. It is the tariff that is strangling the industry. If we could only get the people in the Eastern States to realise how the high tariff is murdering the mining industry and thus secure a reduction of the duty on requisites that would make possible the utilisation of low-grade ores prosperity would undoubtedly follow.

Progress reported.

House adjourned at 10.44 p.m.

Legislative Council,

Tuesday, 6th November, 1928.

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

BILL—CITY OF PERTH SUPER-ANNUATION FUND.

Report of Select Committee.

Hon. A. Lovekin brought up the report of the Select Committee appointed to inquire into the City of Perth Superannuation Fund Bill.

Report ordered to be printed.

BILL—DOG ACT AMENDMENT.

Read a third time and returned to the Assembly with amendments.

BILL—WHEAT BAGS.

Report of Committee adopted.

BILL—WATER BOARDS ACT AMENDMENT.

Second Reading.

THE CHIEF SECRETARY (Hon. J. M. Drew—Central) [4.3] in moving the second reading said: The Water Boards Act and its amendments do not go far enough to meet conditions that have developed during the last few years. The existing legislation provides for (a) water supplies to towns; (b) reticulated water supplies from the Goldfields Water Supply main and (c) reticulated water supplies from isolated schemes. These provisions fail to cover the whole situation. There is a never-ceasing demand upon the Government for other water supplies throughout the agricultural areas, and

in many instances where water supplies have already been provided, the settlers and townspeople are urging that they should be improved or enlarged. Such schemes, where no reticulation exists, are non-revenue producing. For instance, £42,775 has been expended on the provision of tanks and wells to serve small country towns. As there is no reticulation, there can be no revenue under the existing legislation. A sum of £520,519 had been expended to the 30th June, 1928, on the provision of tanks and wells in the agricultural areas. Not only is this non-revenue producing, but, despite the fact that the majority of the water supplies are placed under the care and control of local authorities, the State frequently has to step in and spend money on maintenance and improvements. In the earlier years of our agricultural settlement, large sums were expended in boring operations, well sinking, and the provision of earth tanks. Time has proved that these hastily and cheaply constructed tanks are very frequently inadequate to meet requirements and especially in those localities where farmers find it difficult to provide their own supplies. Hence it is that, with increased and closer settlement, demands for improvements and new supplies are increasing. The Wilgoyne scheme was undertaken at a cost of £7,935 19s. 10d. It was at first anticipated that the settlers in the vicinity would gladly pay a water rate, but subsequently they could not come to an agreement. As an alternative, they agreed to pay a rate per holding, if the department put in pipe lines and established standpipes from which people could cart water. The rates per holding varied from £8 to £10 per annum, according to the distance away from each standpipe. The result from a revenue point of view has been disappointing. Many of the settlers who signed agreements have neglected to pay. In the absence of legislation, any person entering into such a contract to pay who subsequently sells his land, has released himself, and the department can have no hold on the new owner. In the light of these facts and of the figures quoted, the Government have decided that the time has arrived when, in those districts where a reliable and well-equipped water supply station is established, the settlers who are located within a certain distance, which will be prescribed, should pay for the right to take water from that station. The stations I refer to would

be: (a) Those underground tanks which may be lined, or roofed, or both, and are equipped with a pump or windmill and overhead tank with standpipe; (b) to concrete tanks which are filled from rock catchments and provided with standpipes and troughing, (c) to wells which are put down at considerable expense and provided with windmills and other equipment. The Act would not be made to apply to unprotected and ill-equipped tanks or wells. Clause 2 of the Bill makes it clear that by Order-in-Council any water supply may be declared a work within the meaning of the principal Act, notwithstanding the fact that the settlers will have to go to the source of supply for their water. An area can be constituted and when this has been done the Governor may authorise the Minister to exercise the powers of a water board within such area. The areas will necessarily vary in size according to local conditions and to the ability to meet reasonable requirements within such an area in normal seasons. The Bill further provides for the levying of an annual rate upon all lands within that area. For instance, lands outside of a townsite can be rated only to a maximum of 3d. per acre, that being one-quarter of the maximum which can be levied when water is taken by pipes to the holding. Differential rates may be levied up to, but not beyond, 3d. per acre. Those settlers who would, owing to location, be required to carry a long distance would pay less than the settlers who are only a short distance from the source of supply. Provision is made for rating small country towns which cannot afford a reticulation scheme. Such rate, however, must not exceed 9d. in the pound, that being one-quarter of the amount which is provided for in the original Water Boards Act as amended in 1919, in those cases where the water is taken to each household by means of pipes. Provision is also made to meet a contingency where a town might be served by another scheme and would not be benefited by the scheme under the Bill. In that event no rates would be levied within a town. During visits of the Minister for Water Supply to country districts, many assurances have been given him that the people would gladly pay if the Government would only give them better and more reliable water supplies. In view of the expenditure incurred already on non-reproductive water supplies,

and of the heavy demands still being made on the same lines, the question necessarily arises as to whether the State can go on for an indefinite period expending loan monies without receiving some reasonable return for the outlay. The Government give an assurance that in no instance will a rate be levied that is more than sufficient to provide for interest, sinking fund, and maintenance. In this respect each separate proposition will stand alone. Members will realise that it is absolutely necessary for the State to provide adequate water supplies in newly settled districts and indeed in many cases in advance of settlement. In such instances it is not possible before putting in schemes to consult all the settlers who might be served. This legislation may perhaps be regarded as unusual, inasmuch as it gives authority to the Governor to construct works which may be non-revenue producing for a few years, and then, having done that, to levy rates, notwithstanding that no request was made for the works by the people who are required to pay. But the circumstances are such as to render this inevitable if the State is to secure some revenue from its outlay. In no instance will settlers be discouraged from providing their own water supplies.

Hon. V. Hamersley: If settlers put in their own supplies, will they be exempt from rating? Is that the encouragement you will give them?

The CHIEF SECRETARY: If the hon. member will raise such points during the course of his second reading speech, I shall reply to them. I do not like to make statements unless I am certain of them. Owing to no provision having been made in some districts during past years, water to meet settlers' requirements has to be hauled over many miles of railways this year. To illustrate the difficulty of securing any revenue to meet interest and sinking fund and maintenance charges when reliable rock catchment water supplies are provided, let me quote two instances. For the Wilgoyne area water supply, the rock provides an excellent catchment of 20 acres from which the run-off would be sufficient to conserve water to supply 40 farms. A reservoir of one and a quarter million gallons capacity was constructed on the rock at a cost of £4,516. The capacity of this reservoir was insufficient for a reticulation scheme with each farm connected thereto, and a scheme

was therefore put up to the owners the provided for standpipes, one at the reservoir itself and four others spaced so as to reduce carting to a minimum. This work cost a further £2,817. Before it was undertaken, however, the settlers who, under the Act, could not be compelled to make any payment were invited to say whether, in the event of the stand-pipes being established they would be willing to pay between them, 10 per cent. of the estimated cost with no charge for the headworks. The proposal submitted was that those who were closest to the standpipe should each pay £10 per annum and those at a greater distance away £8 per annum. Upon each settler having given his undertaking to pay the department went ahead. Experience has shown that it is extremely difficult to get a number of the settlers who gave those undertakings to honour their promises.

Hon. Sir Edward Wittenoom: Could you have them up for breach of agreement?

The CHIEF SECRETARY: It was a mutual agreement, but the Government have not received any return for the outlay.

Hon. Sir Edward Wittenoom: I suppose you are afraid to prosecute.

The CHIEF SECRETARY: I do not know that we are afraid to prosecute; the trouble is there is no legislative provision to enable us to do so. A decided weakness in the arrangement lies in the fact that, if any of the holdings changed hands, the guarantee to pay could not be enforced against the new owner. If the legislation now before Parliament is passed, holdings could be rated on a differential basis according to the distance of each holding from the stand-pipe. The average cost per acre would be 2d. Some might have to pay 3d. per acre, others 2d. and those furthest away perhaps only 1d. A somewhat similar case is that known as Kalgarin (a) supply. This is a rock catchment with a reservoir capacity of 650,000 gallons, estimated to supply a million gallons per annum. The estimated cost of the reservoir, headworks, etc., was £2,000 and pipes, and standpipes to bring the water nearer to the 22 settlers in the locality were estimated to cost £2,100. The head works were completed, but the settlers were unwilling just as the Wilgoyne had been, to make any contribution. Those settlers, however, are now pressing the depart-

ment to put in the standpipes and are willing to pay, but in view of the department's experience at Wilgoyne the Minister is unwilling to incur the extra expenditure until power is given to rate. There are other rock catchment schemes which have been constructed by the department and which provide an adequate water supply for settlers within a reasonable distance of the source of supply. They are equipped with standpipe, troughing, etc., on the road nearest to the tank or reservoir, but without legislation the department are powerless to recover any money from those who benefit. If this legislation is passed it is not the intention of the Minister to levy rates except where the department have provided reliable sources of supply either from rocks or, where such are not available, from excavated tanks which are roofed and if necessary lined and provided with pump or windmill, standpipe and troughing. There will be many hundreds of settlers who obtain water from ordinary dams and wells and will not be required to make any payment whatever.

On motion by Hon. V. Hamersley, debate adjourned.

BILL—POLICE OFFENCES (DRUGS).

Second Reading.

Debate resumed from the 31st October.

HON. SIR WILLIAM LATHLAIN (Metropolitan-Suburban) [4.55]: I support this Bill. It is one of peculiar interest because it is the first Bill I can remember having been brought before this Parliament as a direct result of Australia having entered into nationhood. This is the work of the Peace Conference in bringing forward an Imperial Dangerous Drugs Bill. For that reason I am glad to support it. I moved the adjournment of the debate in order that Dr. Saw might have an opportunity to peruse the Bill because, of all our members, he is perhaps best fitted to analyse the various clauses. There is one point with which I am in cordial agreement and that is that the old Act is entirely cancelled and we shall not have to bother with two or three measures when dealing with this subject. The Bill marks a very important epoch in the history of Australia, because it shows that Australia

has entered into nationhood and is permitted to take her part with the other nations of the world in bringing forward such measures.

HON. A. J. H. SAW (Metropolitan-Suburban) [4.57]: I have pleasure in supporting the second reading of the Bill. I do not think that a measure of this kind requires very many words in its commendation, because it is one that must meet with the approval of every thinking man. Fortunately, so far as Western Australia is concerned, the evils associated with the taking of such drugs as cocaine and morphia are, I suppose, in proportion to the population, considerably less than in almost any other part of the world. That is largely due to the fact, I think, that we are a comparatively sparse population, because undoubtedly addiction to those drugs is intensified in the larger centres of population. There is probably another reason, namely that, owing to our wide spaces and better food supply, the people of Western Australia are less likely to fall victims to addiction to harmful drugs than are people in places where the population is submitted to a greater strain on account of close environment. Although we have not a very large percentage of drug addicts in our midst, undoubtedly we have some, and as one who has witnessed the ravages of addiction to morphia and cocaine, I heartily support the Bill. Insofar as any slight restrictions may be imposed upon medical men in prescribing such drugs, I think they will undoubtedly cheerfully submit to anything that will make for the good of the people generally.

Question put and passed.

Bill read a second time.

In Committee.

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

BILL—ELECTORAL DISTRICTS ACT AMENDMENT.

Received from the Assembly and read a first time.

BILL—JURY ACT AMENDMENT.*Second Reading.*

THE HONORARY MINISTER (Hon. W. H. Kitson—West) [5.6] in moving the second reading said: The object of the Bill is to amend Sections 35 and 36 of the parent Act, which provide for the payment of jurors. Section 35 relates to the payment of ordinary jurymen and Section 36 provides for the payment of special jurymen. When the original Act was passed, some 30 years ago, 10s. a day was fixed as the payment. It was then considered that that payment was fair remuneration for services rendered, and there has been no alteration since. It is not proposed to fix the fees in the amending legislation but to provide for the scale to be fixed by regulation, and there will also be provision to alter the jury fees in the various parts of the State. The ruling fee of 10s. per day operates harshly on many men who are called upon to serve on a jury, and it is only right to say that in some cases it would not be either fair or reasonable to say that a fee that might be considered reasonable for the metropolitan area would be fair in some other parts of the State. The measure is long overdue and I am sure it will meet with the approval of members. I move—

That the Bill be now read a second time.

HON J. CORNELL (South) [5.8]: I support the second reading of the Bill. The present position is monstrous. It has existed for 30 years and it is about time the fees were increased. The proposal by which the alteration is to be made is the only logical one, that is, to differentiate in the scale of payment in the various parts of the State. It would be almost impossible to provide for specific fees. That would again create an anomaly. The fees are to be fixed by regulation and, as members know, the regulations must be tabled and can be disallowed by either House. I know of journeymen who are in receipt of up to £1 a day, married men with families or dependants who have been forced to serve on juries and who have even been locked up for several days during the course of the trial. These people have suffered a monetary loss by reason of their having been compelled to serve on juries. Others whom

I know, owners of small businesses, or who have been working in partnership, have been taken away from those businesses for as long as eight or nine days at a time. Everyone will agree that at the rate at which payment has been made in the past it must mean a serious financial loss. I support the Bill.

Question put and passed.

Bill read a second time.

In Committee.

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

BILL—PROFITEERING PREVENTION*Second Reading.*

THE HONORARY MINISTER (Hon. W. H. Kitson—West) [5.12] in moving the second reading said: From time to time complaints have been voiced in regard to the prices charged for various commodities, and demands have been made by representative bodies for the establishment of a price-fixing tribunal.

Hon. Sir Edward Wittenoom: I have never heard of them.

THE HONORARY MINISTER: The hon member apparently does not read the Press because on many occasions during the past two or three years there have been published resolutions that have been carried by a number of organisations. I believe it is only a few weeks since the Housewives' Association made such a demand.

Hon. J. Cornell: Three years ago a commission inquired into prices then existing and recommended there was no necessity for controlling them.

THE PRESIDENT: Order: The hon member will have an opportunity to speak later on.

THE HONORARY MINISTER: At the constantly increasing prices the public became dissatisfied, although in some cases there may have been justification for the increases. But, if the public are not aware of the reasons for the increases, it is only natural that they should complain. This state of affairs is not peculiar to Western Australia; it applies to the other States of the Commonwealth and to many other coun-

tries as well. In some parts price-fixing has been accepted. Queensland at the present time—

Hon. W. J. Mann: Why quote Queensland?

The HONORARY MINISTER: If I did not mention Queensland I would be asked why I did not do so. There is in existence there at the present time a comprehensive price-fixing Act.

Hon. A. J. H. Saw: Is living any cheaper there?

The HONORARY MINISTER: I do not think it is much dearer. At any rate the legislation has had a beneficial effect in some directions. During the period of the war a price-fixing commission was established in Western Australia and that commission did exercise a restraining influence on any undue increase in prices. There were many increases in prices in various places except in Western Australia. On the return of normal times, the commission was abolished. In 1925, however, a Royal Commission was appointed by His Excellency the Governor to inquire into the prices of both the wholesale and retail trades, including goods and commodities in general use, and also as to the fairness of the rents being charged. Mr. Cornell has just remarked that three years ago this Royal Commission was appointed. I was a member of the commission, and I believe it did very good work. Among its findings were the following—

(1) That there is no evidence of general excessive profit-making on the part of merchants and retailers engaged in the distribution of ordinary household commodities of such a nature as to warrant the introduction of price-fixing by the State.

(2) But in view of the almost general existence of price-fixing associations amongst merchants and traders, some protection should be afforded the producers and consumers from the possible detrimental actions of such associations.

The commission recommended that a prices commissioner should be appointed to function where prices were deemed to be excessive. But while some of the duties of such prices commissioner were, as a matter of fact, being performed by the Government Statistician, there was an essential difference between the operations; the Government Statistician being required to make available in a general way the information supplied, while the prices commissioner was required to investigate and make public information which

otherwise would remain private. The commission did not recommend that power should be given to fix prices, feeling that publicity would meet the case, and that if experience showed that this result was not realised, such powers could be granted. The Bill before the House is not a price fixing measure in the ordinary sense, but it is designed to give the Government power to make inquiries into the prices of commodities which appear to be too high. There have been recently quite a number of instances where the public generally have complained of the prices they have been called upon to pay.

Hon. J. Cornell: That applies only to bread and meat.

Hon. Sir William Lathlain: You want to be in business in Perth.

The HONORARY MINISTER: I can quite understand the position from a trader's point of view, and I think the average trader will welcome a measure of this kind, for it simply provides that if after investigation there is no evidence of undue profit making, no action will be taken. I take it that is really a state of affairs highly desirable from the trader's point of view. Mr. Cornell said there had been only two cases recently, namely, bread and meat. I think there have been quite a number in addition. But let us for a moment deal with those two. Take bread: At present we are paying a higher price for bread than we have paid during many years past, notwithstanding that the price of wheat has been reduced for some considerable time. And the price of bread here, as compared with the prices in the Eastern States, in at least two of the States, leads one to believe that there is room for inquiry as to the price of bread. We know also from investigations made, particularly by that prices commission, that there are in existence a number of associations, especially amongst the wholesalers, whose duty it is to fix the price of the commodity in which they are dealing.

Hon. J. Cornell: Are you referring to beef now?

The HONORARY MINISTER: Not necessarily to beef. I could refer to almost any article in this connection. It is surprising the number of associations in existence with that object in view. The evidence given to the Royal Commission showed conclusively that in a large number of trades the association to which most of the wholesalers belong did as a general rule fix the

prices of the commodities in which they dealt.

Hon. G. W. Miles: But they do that with the timber in the State Sawmills, do they not?

The HONORARY MINISTER: I believe so. If the Bill becomes law there will be nothing to prevent an inquiry being held into the price of timber; and in the event of it being considered that an undue profit is being made, the Government will have power to take the necessary steps to give the consumer the benefit of revision. That is a desirable state of affairs. I do not for a moment argue that there is any commodity at the present time for which too high a price is being charged—though there may be. But I do say that when the price of any commodity is constantly increased without any valid reason being given to the public, the State should have power to make the necessary investigation. Then if, as the result of that investigation it is shown that there is no necessity for those high prices, power should be provided to take steps to rectify that condition of affairs.

Hon. J. Cornell: The high price of beef was due to general shortage.

The HONORARY MINISTER: It is admitted that in some cases the high prices are justified. As to beef, I believe that nothing we could have done would have prevented the rapid increase in prices during the last few months. But it is of no use saying that to the housewife who is not in a position to secure as much meat as she requires for her family. She demands a more satisfactory reason than that.

Hon. A. J. H. Saw: This Bill proposes to give her a bone.

The HONORARY MINISTER: Nothing of the sort. It proposes that in the event of its being considered that too high prices are being charged, a commissioner may be appointed who shall have power to investigate; and if the investigation shows that there is undue profit making, the Government may, through that prices commissioner, take the necessary steps to rectify the position. If as the result of that investigation it is proved that the prices are not too high, no action will be taken, and the result of an investigation of that kind will be to give satisfaction to the general public. When dealing with such things as bread and meat, the actual necessities of life, we should be particularly careful to see that there is no

opportunity for any undue increase in price. For the average worker with a family the struggle is hard enough to-day. I know as the result of my own experience that the various increases that have taken place during the last six or nine months have made quite a difference to me, not only in regard to meat, but in regard to several other commodities. Still, I am not saying that for those commodities too high prices are being charged. If the Bill becomes an Act, we shall be in a position to get satisfaction for the general public in regard to any commodities?

Hon. G. W. Miles: What will it cost to put this Bill into operation?

The HONORARY MINISTER: I cannot say just what it will cost. It is not likely to cost very much. The Bill provides for the appointment of a commissioner, if necessary; not necessarily a permanent commissioner, but a commissioner to inquire into the prices of any commodities, whose duty will be finished when the investigations are finished.

Hon. E. H. H. Hall: He will not necessarily be a civil servant.

The HONORARY MINISTER: No.

Hon. H. A. Stephenson: What was the cost of the Royal Commission on which you served?

The HONORARY MINISTER: I cannot say. It was a Royal Commission and it did excellent work. It brought out evidence that has been very useful since that day. While the findings of that commission were to the effect that there was no evidence of any general system of profiteering, nevertheless there were instances where substantial profits were being made, and other instances where the public were called upon to pay a higher price than there was any need for. The Bill before us, while not exactly the outcome of that Royal Commission, in my opinion does show that the Government are anxious to do what they can in order to see that the public generally are not fleeced in regard to any commodity. One of the provisions of the Bill is that it does not matter what the commodity or the service may be. So we get away from commodities and get down to services rendered to the public.

Hon. W. J. Mann: Will this enable employers to speed up some of those employees who are deliberately going slow?

The HONORARY MINISTER: I have no evidence of any go-slow policy being in operation in this State, and I do not know that there is in the Bill any special provision to deal with such a situation. But no doubt if investigations were made into any article being sold at a higher price than there was any need for, and one of the reasons put forward for the high price was that the employees were responsible by going slow, the evidence would show conclusively whether there was any truth in the statement. To that extent the Bill could be used to prove whether there was anything in the statement made by the hon. member.

Hon. C. F. Baxter: Even so, the Bill would not apply to wharf labourers.

The HONORARY MINISTER: It can be made to apply to any service being rendered. The wharf labourer is not producing anything. Members may smile, but I say the wharf labourer is giving a service, and for that is remunerated in accordance with an award of the Arbitration Court.

Hon. H. Seddon: When he gives it.

The HONORARY MINISTER: Members are very prone to make these insinuations against the waterside workers and other sections of the workers, but my experience is that those men are just as conscientious as are most of the members of this Chamber.

Hon. A. J. H. Saw: Is that a reflection on the House?

The HONORARY MINISTER: If so, I will withdraw it. I fail to see where the waterside workers would come under the Bill, but in any event I submit that the Bill is necessary, not only in the interests of the workers, but also of the community as a whole. I do not know that it is necessary for me to go into details regarding many commodities, the prices of which have been increased from time to time during the last 12 or 18 months. Members know that in some instances the increases have been remarkable. They know that the prices of meat have gone up by 100 per cent. There may be good reason for it, and I believe there is: but any investigation undertaken as a result of this measure would show the public the real reason for these increases, and that, I think, would satisfy the public that they were not being called upon to pay more than was absolutely necessary.

Hon. J. Cornell: Will this Bill apply to breweries?

The HONORARY MINISTER: I said it would apply to any service or commodity.

Hon. G. W. Miles: Transport charges are mentioned as a commodity on page 2 of the Bill.

The HONORARY MINISTER: Any service or any commodity may be inquired into under the provisions of the Bill. While the measure differs from the ordinary price-fixing measure in the respect I have just mentioned, yet it provides that where as the result of investigation it is considered that the price charged is excessive, there shall be a means by which a price can be fixed. The Government have shown conclusively that they do not agree with price-fixing as a general expedient, and consequently anything in the nature of price-fixing would be undertaken only as the result of conclusive evidence, and after due investigation by the price-fixing commissioner. There is a memorandum attached to the Bill, and I think it would be only a waste of time were I to endeavour to enlarge on that memorandum. It deals comprehensively with the Bill, and the language used is such as I do not think I can improve upon. Therefore I make no apology for referring members to it. However, I propose to quote paragraphs of the memorandum, as they explain the position most clearly. Any language I could use would certainly not put the position better, but would be simply by way of alternative. Referring to Clause 3 of the Bill, the memorandum states—

The Act will apply only to such goods, wares, and merchandise, and such services, as may from time to time be declared by proclamation.

I have already made it clear that the appointment of a commissioner would be only for such a period as would allow him to make an investigation into a particular commodity or particular commodities from time to time declared by proclamation. To that extent the Bill differs from an ordinary price-fixing measure. With regard to Clause 8, the memorandum has the following:—

It will be the duty of a commissioner, if and when required by the Minister to do so, to investigate and report upon the state of the prices of any commodity; the quantity, demand, and supply; the means or sufficiency and cost of supply and transport; as to what, from time to time, should be the maximum selling price under then existing market condi-

tions; and any act or attempt to raise or maintain the price of any commodity; and the necessity or advisability of the exercise of any of the powers conferred.

That is very comprehensive.

Hon. G. W. Miles: It is comprehensive enough.

The HONORARY MINISTER: And also desirable and necessary.

Hon. H. A. Stephenson: It is not a bit inquisitorial!

The HONORARY MINISTER: If the hon. member thinks it is, he may say so. I see nothing to object to in that clause. There is reason to believe that some person is or that some persons are making excessive charges for commodities dealt in; hence the clause. With regard to Clause 9, the memorandum reads—

Under Part II. the Governor may, on the report and advice of the commissioner, fix the maximum price of prescribed commodities, and different maximum prices according to difference in quality or description, or the quantity sold, or in respect of different conditions, terms, and localities of trade.

That is an essential provision. With reference to Clause 10—

It will be unlawful for any trader to sell any proclaimed commodity at a higher price than the declared price, or to refuse to sell at the declared price if he has in his possession a quantity of such commodity in excess of a quantity which, under an order of the commissioner, he is permitted to withhold from sale.

Hon. J. Nicholson: What about the wholesaler and the retailer?

The HONORARY MINISTER: What about them?

Hon. J. Nicholson: Has the commissioner power to differentiate between the wholesaler's price and the retailer's price?

The HONORARY MINISTER: He is given power to do that. He can fix the wholesale price and the retail price.

Hon. J. Nicholson: It is not very clear.

The HONORARY MINISTER: In my opinion the clause is clear enough. At all events, if the Bill is not sufficiently clear in that direction, and if the hon. member suggests a way of making it clearer, it can be done. As to Clause 11—

The commissioner is enabled to require traders to supply returns of any proclaimed commodity in their possession, and to order that such commodity shall not be withheld from sale in excess of a fixed quantity.

I suppose Mr. Stephenson considers that inquisitorial, but I would point out that it applies only to commodities which have been declared. If there is a general desire on the part of the public that inquiries should be made with regard to any particular commodity, the powers asked for in Clause 11 are not too much. Under Clause 12—

Power is conferred on the Governor, by notification in the "Gazette," to authorise the acquisition and distribution by the commissioner of any commodity unlawfully withheld from sale, on payment of the declared price less expenses incurred.

That, again, is an essential provision. Referring to Clause 13, the memorandum states—

Under Part III. it will be unlawful in respect of dealings in any proclaimed commodity to give or undertake to give or allow rebates or discounts on condition that the recipient deals exclusively or principally with any person or class of persons or with a commercial trust or any member thereof, or on condition that the recipient does not deal with any person or class of persons in relation to such commodity; or on condition that the recipient is or becomes a member of a commercial trust; or acts or will act in obedience to or in conformity with the directions of a commercial trust in respect of the sale, purchase, or supply of any proclaimed commodity. A commercial trust is defined (Clause 2) as any association or combination of persons with the object of controlling or influencing the supply or demand or price of any commodity, or creating or maintaining a monopoly in the supply or demand of a commodity.

That clause deals with a phase of trading which during recent years has come to the front on an extensive scale. The clause is particularly necessary. Only recently there have been quite a number of instances in which, had this measure been in operation, it would not have been possible for certain traders to do as they have done. Take the case of sugar. In regard to the sale of sugar, especially within the metropolitan area, certain traders laid down conditions which made it almost impossible for people to obtain sugar from particular firms even although they had quantities on hand.

Hon. Sir Edward Wittenoom: Commercial firms act practically in the same way as unions.

The HONORARY MINISTER: Perhaps that is so. They are out to protect their own members. The object of the Bill is to ensure that they shall not go further than that and take undue advantage of the public.

Hon. G. W. Miles: Bricklayers should be made to supply their services at a reasonable price in future.

The HONORARY MINISTER: I am afraid the hon. member does not know much about bricklaying. As to Clause 14, the memorandum reads—

It will be unlawful for any person to refuse, either absolutely or except on disadvantageous conditions, to sell or supply to, or to purchase from, any person a proclaimed commodity for the reason that such latter person does not deal with any person or class of persons or with a commercial trust or any member thereof in relation to the commodity; or is not or will not undertake to become a member of a commercial trust; or does not act in compliance with the directions of a commercial trust.

Hon. J. Nicholson: There should be a provision that cash shall be paid.

The HONORARY MINISTER: If the hon. member wishes to make a farce of the discussion—

Hon. J. Nicholson: There ought to be such a provision.

The HONORARY MINISTER: It would be very nice if we could provide that any person purchasing an article should pay cash.

The PRESIDENT: I would point out to hon. members that all this discussion is really out of order in a second reading debate. The questions can with advantage be asked of the Honorary Minister when the Bill is in Committee.

The HONORARY MINISTER: I may here remark that I believe it to be a fact that a large proportion of our people do not pay cash, and that that is the real cause of some of the high prices which have to be paid for commodities.

Hon. J. Cornell: Some of them do not pay at all, and that is the cause.

The HONORARY MINISTER: It may be so. The percentage of bad debts in some businesses is rather large, and undoubtedly the customer who pays cash has to pay more on account of the fact that a large number of people practically live on credit. In regard to Clause 15, the memorandum reads—

It will be an offence under the Act to monopolise, or combine or conspire with any other person to monopolise any proclaimed commodity, or control the demand or supply of any proclaimed commodity, if such monopoly or control is of such a nature as to be contrary to the public interest.

There, again, is an essential clause, especially in view of certain experiences of recent years. As to Clauses 16 to 29—

Hon. Sir Edward Wittenoom: What about Clause 19?

The HONORARY MINISTER: I shall come to Clause 19 presently. In regard to Clauses 16 to 29, the memorandum states—

Part IV. contains miscellaneous provisions—(a) conferring on the commissioner, for the purpose of his inquiries, the powers of a Royal Commission; (b) rendering any person who gives false evidence on oath before the commissioner, guilty of perjury; (c) relating to the bribery of witnesses, the suppression of evidence, etc.; (d) prescribing penalties for offences against the Act.

That, I think, is a very fair summary of the Bill. In view of the question raised by Sir Edward Wittenoom, I will now refer to Clause 19, which reads as follows:—

The commissioner may publish such (if any) information obtained in the exercise of his functions as he thinks fit.

That also is a highly desirable provision.

Hon. Sir Edward Wittenoom: And the Bill gives the commissioner power to go and look into all business papers, and he may publish what he likes!

The HONORARY MINISTER: The commissioner is given full power to make any inquiries in the course of his functions.

Hon. Sir Edward Wittenoom: And to publish the information.

The HONORARY MINISTER: To publish what he thinks fit. Surely the hon. member does not believe that any commissioner appointed under this measure would publish evidence of a purely confidential nature, having no bearing on the investigation. If the commissioner finds, as the result of his investigations, that practices opposed to the general interest have been taking place, it is only right that information of them should be given to the public. I am convinced that the publication of such facts in one or two cases would have an excellent effect on other people. I am satisfied that in some cases practices not in the interests of the public have been carried on. Those practices were certainly not unlawful, but they are practices which, in my opinion, should not be tolerated; and we should be prepared to take the necessary steps to ensure that they are not adopted in future. In particular trades certain customs have arisen, and certain

things that are done are looked upon by everybody in the trade as being quite in order, but nevertheless they are things which, to the minds of some people, are anything but right. If publicity were given to some of these incidents, and particularly if that publicity were given in the metropolitan Press, I think the effect would be very desirable. At any rate, it would enable the public to have knowledge as to the reasons why they were called upon to pay increased prices, if it was a question of prices that was being dealt with, or they would be informed as to why certain commodities were being sold under various conditions by wholesale or retail organisations.

Hon. J. Cornell: In the United States all income tax returns are public property.

The HONORARY MINISTER: I was not aware of that, but I think that would be an excellent provision to adopt in this State. I do not see why there should be any secrecy in regard to the incomes of private persons or business firms. So far as the general public are concerned, they have nothing to hide and there should be no reasons for secrecy.

Hon. E. H. H. Hall: If the returns were screened at the picture shows, it would be very interesting!

The HONORARY MINISTER: That would be going to extremes. I do not think the hon. member is serious in his suggestion. I do not think the hon. member would desire secrecy to be maintained regarding matters dealt with by the Bill. My experience has demonstrated conclusively in regard to a number of commodities that may be said to represent the necessities of life, the need for inquiries regarding lines that the public consider are held by firms and which could be released by them for consumption. On the other hand, those lines have been short and the people have had to pay high prices for them. The Bill will enable matters of that description to be investigated and dealt with. Why should an individual be placed in the position of being able to hold up supplies at his own sweet will and to charge whatever price he may think fit, merely because he has been able to secure control of a particular line. I do not know that I need say any more about the Bill. The necessity for it is apparent. The fact that price-fixing is already carried on by a large number of

organisations or associations at the present time is, in itself, sufficient justification for the Bill. I do not say that the prices fixed are higher than they ought to be, but if we are to be guided by experience in other countries, we must take notice of results elsewhere. It often happens that those concerned in various businesses are banded together in associations or organisations to protect the interests of those particular traders. In many instances they have started off by fixing reasonable prices for the commodities in which they dealt, but they often get into the habit of charging excessive prices later on because they have secured a monopoly of the goods. In recent months, we have had an indication in Western Australia of what such an association will do. I refer to the Bakers' Association. They have gone a long way further than the mere fixing of the price of bread. They have gone so far as to prohibit their members from selling to other than their own customers for a given period. When such an association is prepared to go so far as to prohibit their members from supplying the general public with such a commodity, surely hon. members will agree that there is necessity for the State to have the power to make investigations, such as are contemplated under the Bill. It is time that the Government had power to take the necessary steps to prevent the continuance of such a state of affairs. I would also point out that the question of price control represents no new principle in Australia. From time to time Governments have had to fix prices of various commodities. For instance, I will mention dried fruits and butter, the prices of which have been fixed.

Hon. Sir William Lathlain: To the detriment of the consumers.

Hon. G. W. Miles: And that has been on account of high protection.

The HONORARY MINISTER: The practice of price fixing has been accepted, and there has been no outcry from the general public against the system. What Sir William Lathlain suggested is correct in some instances, because in Western Australia the people have had to pay higher prices than have been charged in the Eastern States and also higher prices than those charged for commodities overseas. There has been good reason for that course being adopted from time to time. If in the future

there are no such good reasons to be advanced, the Bill will provide power for the necessary investigations to be carried out. If it is found that insufficient reason can be advanced for the high charges, the Bill will enable steps to be taken to alter the existing state of affairs.

Hon. G. W. Miles: Is there anything in the Bill about rent-fixing?

The HONORARY MINISTER: No; there is no mention of specific commodities in the Bill. It applies to all matters that may be proclaimed.

Hon. G. W. Miles: Then the commissioner could deal with rents.

The HONORARY MINISTER: Yes; or with services rendered or anything that has been declared a commodity. In conclusion, I need only reiterate that the time is ripe for the introduction of a Bill of this description. It is necessary that the Government should have power to authorise the investigations that are covered by the Bill. While the measure does not provide for price fixing as under the Prices Regulation Act, it does provide for an investigation being carried out by a commissioner and if it is found that prices charged are too high, they can be fixed. I move—

That the Bill be now read a second time.

HON. SIR WILLIAM LATHLAIN

(Metropolitan-Suburban) [5.53]: I oppose the second reading of the Bill because I think the measure is absolutely unnecessary. The traders of the State were subjected some years ago to an inquiry by a Royal Commission and I have heard to-day for the first time that the Honorary Minister was a member of that commission. After that body had collected all the evidence possible, they could not bring in an adverse recommendation, because they found there was no foundation for the statements that had been made from time to time regarding price fixing and unduly high charges. At that time a different atmosphere prevailed; we were much closer to the war than we are now. Many reasons could have been given for various prices that obtained during that period. For instance, it was well known in the trade that many lines were sold three and four times over because the commodities concerned were scarce, and each time they were sold it was at a profit. I know as much about the commercial life

of this State as most men, and I claim there is no city in Australia where competition is so keen in various lines of business as in Perth.

The Honorary Minister: In some lines.

Hon. Sir WILLIAM LATHLAIN: I say in practically all lines.

The Honorary Minister: There is no competition in some lines.

Hon. Sir WILLIAM LATHLAIN: Then I have yet to know of them.

Hon. E. H. Gray: There is no competition regarding bread.

Hon. Sir WILLIAM LATHLAIN: I will deal with bread later on. The only price fixing that is done to-day that I know of, refers to patent medicines. The object of that is to prevent people making a special line of them in order to make them an attraction for a particular day. Unless that were done, a firm might take Enos Fruit Salts, for instance, the price of which is 2s. 9d., and on a particular day that firm might sell 50 dozen bottles of that medicine at 1s. 6d. each. That would be a long way below cost price. That is the reason why the prices of patent medicines have been fixed. In running that particular department of my business, I can make the statement here candidly that I do not make five per cent. profit on the whole of my turnover. If the Government are so keen about this matter and are concerned about what they regard as extortionate prices, the Bill is not necessary to enable them to gain the information, for the income tax returns will disclose whether men are making excessive profits. I venture to assert that no person in business in Perth would object to showing his balance sheets in order to disclose the profits made. It must be realised that it is difficult to define what constitutes profit. I have had a wide and long experience and I would find it difficult indeed to define "profits." I remember some time ago when I took a particularly keen interest in my business, that I bought a certain line of millinery at 42s. each and endeavoured to sell the articles at 65s. The deal was of a precarious nature, and the profit was a small one. As a matter of fact, I did not sell all the articles at that price and, to make a long story short, I saw some of the articles in one of the shop windows marked down to 2s. 11d. each. Although I may have made a good profit on some of the articles that were sold at the outset, I made enormous

losses on many of them, for they were sold at a great deal below cost price. There are more large businesses in Perth than in any other city when we consider the position from a population basis, and also larger stocks are carried here than elsewhere. In the running of large businesses, the question of stocks represents another important factor that has to be considered. It would be quite easy in a large business such as mine, if it were conducted in Melbourne, to order 100 pairs of trousers, to be delivered 20 pairs at a time at fortnightly intervals. In a business in Perth, however, that class of deal would not be possible. The trader would have to buy his 100 pairs of trousers and get them in one lot. If that were not done, the charges for landing them here would be considerable. Much has been said about traders, but I think it is time they had a little rest from legislation. It is difficult enough for them to get along under existing conditions. It will be of interest to members of the House, and particularly to the Honorary Minister, to know that the waterside workers' strike, has cost traders here an enormous amount. I bought some thousands of pounds worth of goods and had to pay for them a couple of months ago, but I have not got the lines yet! I understand that they are on their way across now.

Hon. C. F. Baxter: What about the charges against the goods?

Hon. Sir WILLIAM LATHLAIN: It has yet to be decided whether we, or the shipping companies will have to pay. That is a possibility we have to face. The Honorary Minister referred to the price of bread, and said that although the price of wheat was lower, the price of bread was higher. I do not know much about the bread position, but the Honorary Minister did not tell us whether the awards governing the carters and the bakers provided for higher wages and whether the hours worked by bakers were much shorter. That is a phase that would account for a considerable increase in the price of bread. It represents a phase that the Honorary Minister did not deal with when he presented the Bill to the House. Not long ago we had before us a Bill dealing with baking that sought to impose further penalties upon master bakers and would have tended to increase prices. During the war a representative of the Prices Regulation Commission made inquiries into my business. An inspector came to me and scrutinised the

balance sheets, and one particular item he queried was travelling expenses. I had been to Melbourne on a buying commission and the inspector considered I had spent too much money on the trip. I think I am one of the most modest men alive as regards travelling or living expenses.

Hon. H. A. Stephenson: And a teetotaler as well.

Hon. Sir WILLIAM LATHLAIN: Yes, a teetotaler as well. Anyhow, the inspector criticised the amount for travelling expenses. When I go to Melbourne on a buying commission I stay at a good hotel, and I never allow anyone to treat me. I myself do the treating.

Hon. G. Fraser: Did you go to the Cup?

Hon. Sir WILLIAM LATHLAIN: No. The fact of that inspector criticising my expenses showed how little he knew about the business. I have dealt with the question of what is a profit, which is a very difficult point to determine. I see nothing in the Bill to regulate the cost of new buildings. We know that a bricklayer nowadays does not lay more than 400 bricks a day.

Hon. E. H. Gray: Who told you that?

Hon. Sir WILLIAM LATHLAIN: If the hon. member says much about it, I shall produce evidence to show that a bricklayer lays fewer than 400. In stating 400 I am really allowing a pretty good average. As bricklayers formerly laid 1,000 bricks a day, it is no wonder that the cost of houses and goods has increased considerably. There is nothing in the Bill to require a man to render service in proportion to his ability or to the wages he is paid.

Hon. E. H. H. Hall: Have an inquiry.

Hon. Sir WILLIAM LATHLAIN: I do not know that an inquiry would achieve much good. The Honorary Minister made special reference to the high price of meat. I do not profess to know much about meat prices.

Hon. F. H. Gray: You do not know too much about laying bricks, either.

Hon. A. J. H. Saw: You might mistake some of the meat for bricks.

Hon. Sir WILLIAM LATHLAIN: I know quite enough to be aware that bricklayers do not lay the number of bricks they are able to lay or that they used to lay per day. During the recent trip to the Midland districts I made some inquiries regarding the high price of meat. On Yatheroo station there were about 700 bullocks that

had been brought down from the Murchison. When I ascertained the price paid for them, the cost of getting them from the Murchison to Yatheroo, and the further cost that will be entailed to get them to the Midland saleyards or wherever they are disposed of, I failed to see that even bullocks were bringing an extraordinary price.

The Honorary Minister: I did not say they were.

Hon. Sir WILLIAM LATHLAIN: It goes to show that there is no necessity for appointing a commissioner of prices. Business men do not want inspectors prying into their business. It is bad enough at present, for morning, noon and night either factories inspectors or other people are poking their noses into one's business. I am very friendly with a young man who is running sheep in a northern district. During the recent dry spell he lost 2,000 sheep. He had over 1,000 bags of oats and although he fed the sheep, in my opinion he did not start to feed them early enough, and the sheep would not then eat the oats as they should have done. Nevertheless, he lost 2,000 sheep and also the 1,000 bags of oats in endeavouring to keep the remainder alive. That is one sound reason why the price of meat is very much dearer than it otherwise would be. The Honorary Minister excluded any reference whatever to the price of tobacco, which is controlled by probably one of the biggest combines in Australia. Of course, the combine is out of this State. Still, a considerable quantity of tobacco is sold in the State, and I am wondering how the Government will deal with that. I should also like to know how they intend to overcome the difficulty regarding sugar. The Honorary Minister referred to traders being restricted to certain houses. That applies to breweries and many wholesale houses. If a wholesale house has financed a man into a business, and helped him to establish the business, it is not likely to render him such assistance in order that he may trade with someone else. Therefore, the trader must confine his purchases to the merchant who has supported him. It is one of the conditions of trade and it is a condition well known to everybody.

The Honorary Minister: In that event there is nothing to fear from this Bill.

Hon. Sir WILLIAM LATHLAIN: There is a lot to fear from the Bill. One of the things that might be feared is the possi-

bility of investigation opening the eyes of the people to the operations of the Government, because it has been definitely stated in this House that the State Brickworks would not supply bricks to contractors unless they purchased their timber from the State Sawmills. Consequently, the operations of the Government in trading concerns may come in for severe criticism. We can all remember the time when the State Brickworks management howled because the other brick makers quoted a lower price for bricks.

The Honorary Minister: What ground have you for that statement?

Hon. Sir WILLIAM LATHLAIN: It was common knowledge at the time. Further, the Government who are asking for this profiteering prevention legislation have joined up with the biggest combine existing in Western Australia—the timber combine—and they are asking the poor placid traders to submit to conditions to which their own actions would by no means conform. When the Government are running a trading concern and become associated with a big combine to charge the prices they do, it is a different matter, but if anyone wishes to sell a tin of jam to a poor retail man, he is to be subjected to the investigations and criticism of the commissioner of prices.

Hon. G. W. Miles: Or satisfy the housewife who has a vote that they have inquired into the prices.

Hon. Sir WILLIAM LATHLAIN: The whole measure is quite inconsistent with the Dried Fruits Bill recently passed, in which we gave legislative sanction for charging higher prices locally for dried fruits than could be obtained elsewhere. The same thing applies to butter. For both those commodities more than a fair and reasonable price is charged locally because it is impossible to obtain payable prices in the markets of the world. It is inconsistent to sanction an increase of the price of dried fruits and then compel a trader to sell some of his other lines at prices that do not show him a fair and reasonable profit. The cost of running a big business in the city of Perth is exceptionally high, and it is very difficult to secure a big turnover on account of the smallness of our population. In the other States a business man with a big turnover can afford to sell commodities at a comparatively low rate. What with arbitration awards and all the other restrictions

imposed upon a trader in this State, it is a difficult matter to make a reasonable profit. I venture to say there are very few traders in Perth who, in proportion to their turnover, the capital invested or the stock they are carrying, are making anything like what may be described as excessive profit. I feel satisfied there is no justification for the Bill and that the conditions the Honorary Minister implies exist do not in fact exist, and that the competition alone in a city like Perth is more than sufficient in every line to keep prices at a fair and reasonable level. For those reasons I shall oppose the second reading of the Bill.

On motion by Hon. H. A. Stephenson, debate adjourned.

BILL—GROUP SETTLEMENT ACT AMENDMENT.

Second Reading.

Debate resumed from the 30th October.

HON. J. EWING (South-West) [6.12]: This is a very short Bill, but its brevity is no indication of its great importance. I consider it the most important Bill that has come before the House this session. Members who have spoken, not excluding the Minister in charge of the Bill, have shown themselves rather pessimistic about group settlement. At any rate, I think the feeling of the Government is somewhat pessimistic. Therefore it is necessary at this juncture to analyse the position and show what has been accomplished in the last six years. I am satisfied that the Bill is necessary. It has been rendered necessary because far more money has been expended on group settlement than was thought would be entailed when the scheme was inaugurated. The writing down of the capital cost of holdings has become necessary. The Bill is simply to amend the Act of 1925, under which the Managing Trustee of the Agricultural Bank was appointed valuer of the blocks, in order that the duty might be entrusted to a board. Mr. McLarty has too much work to do. His services are of such value to the Government in other ways that they have decided to appoint a board of three members, for which appointment they are seeking the sanction of this House. I am wondering what has happened to the board already appointed to report to the

Minister on the linking up of group blocks. That board was appointed by the present Government, and I believe it has done excellent work. It has investigated the position and acquired a knowledge of the groups much greater than any stranger could possess, and I hope that when the Bill is passed, the Government will take at least one member from the present board and appoint him to the new board. The Bill makes it obligatory for one member of the board to be an official of the Agricultural Bank. That is necessary because Mr. McLarty has a knowledge of the whole business of group settlement and though he personally will not be on the board, he will be in a position to see that whatever is done is in order.

Sitting suspended from 6.15 to 7.30 p.m.

HON. J. EWING: It seems that the holdings, owing to the large expenditure of money, necessitated adjustments being made. This I regret, but when we look at the position we find that the result is not going to be as bad as some people would have us believe. We hear a lot about mal-administration on the part of either one Government or another, but whatever may be the position now it is our duty to see that the genuine settler on the land is given an opportunity to make good. If there has been mal-administration we must see that the board to be appointed is composed of men who will understand their duties and who will be given such powers as will enable them to give effect to the desire of everyone, which is that the genuine settler should have every chance to make good. I know that the board will be constituted in such a way as to give satisfaction to all who are to be served. It will be largely in the hands of Mr. McLarty and some of his officers, and therefore we can rest assured that the writing down to be done will be only that which is absolutely necessary in order to save those who are now on the land. Looking back over the years we find that in 1921 Sir James Mitchell, who had up to that time successfully established the wheat areas, turned his attention to the South-West. Sir James Mitchell who has always been a far-seeing man, recognised the necessity for increasing the output of dairy products. The South-West, in the opinion of Sir

James Mitchell, was the part of the State to afford that opportunity. He conceived the idea of establishing group settlements, and they have in a measure been successful. That his original aim has been achieved is proved by the success of the South-West Co-Operative Dairy Products Limited. That organisation has gone on increasing its output of butter until it has become a profitable concern. Its success is due entirely to the group settlements. (Going further south we see what has taken place at Busselton. The butter factory in that town was purchased by the South-West Co-Operative Dairy Products Ltd., and was brought up to date largely through the instrumentality of my colleague who sits on my left, until at the present time the factory is well established. The machinery is modern, and the work that has been done there during the last 18 months has been very good indeed and demonstrates the benefits of co-operation. It must be gratifying to hon. members to know that there are between 400 and 500 suppliers of cream to that factory. This also helps to demonstrate that not all of the groups have been a failure. As the South-West is developed we will find that factories will spring up in other parts of the State as well, and the suppliers of cream will not have to send their commodities such long distances as is the case to-day. It is gratifying to know that since the initiation of this scheme in 1921, it has always been treated by whichever Government happened to be in power, as a non-party question. I have a vivid recollection of the support given to it by Mr. Collier when Sir James Mitchell was in power. Mr. Angwin was also an ardent supporter of group settlement and always expressed himself as well satisfied with everything he saw. So far as I am concerned, the matter will always be discussed on non-party lines. If I quote figures to show what was done during the period of the Mitchell administration, and further figures to demonstrate what has taken place since, I assure the Leader of the House that they will not be quoted with party motives in view but merely to demonstrate the position. It has been said in this House that Sir James Mitchell never had a policy. As a member of his Government I know that he had a definite policy and that in connection with group settle-

ment his idea was that each block should have 25 acres cleared and that when it was cleared it should be grassed and stocked and a house and outbuildings erected so that the settler should have every opportunity to make good. If that had been carried out Sir James Mitchell's policy would have been a success, and we would not be in the parlous position we find ourselves in at the present time. So far as I can see, Sir James Mitchell's policy has not been carried out. After a man had become settled on his block and stock had been supplied to him, he was to go on the Agricultural Bank and be under the jurisdiction of the bank. There was to be no question of increasing expenditure; the settler was to be on his own resources; and it depended on him entirely then as to whether he succeeded or not. That was Sir James Mitchell's policy in 1921-22. Sir James Mitchell went to England and the papers there and throughout Australia extolled him and declared that he was the only Premier who had a policy and was prepared to submit that policy to the Federal and Imperial Governments. While he was in England Sir James Mitchell succeeded in finalising an agreement with the Imperial Government.

Hon. A. Lovekin: An agreement about which he knew nothing himself.

Hon. J. EWING: It is not fair to say that. I am satisfied he knew all that he was doing and if it had been possible to get a better agreement, Sir James Mitchell would have got it. The Mitchell Government was defeated in 1924 and Mr. Angwin was put in charge of group settlements, and continued in control until he left for England. During Mr. Angwin's period of office he was able to obtain a far better agreement than that which Sir James Mitchell got. Instead of getting money at 3 per cent., he got it for 1 per cent. for five years and 1½ per cent. for the remaining period. But Sir James Mitchell did the best he could for the State and he made provision in the original agreement for the State to come under the jurisdiction of any other agreement that might be made in the future. That made it possible for the improvement in the interest conditions that took place at a later date. Therefore, through the instrumentality of Sir James Mitchell, those who are now in possession of blocks have been able to get the advantage of the splen-

did agreement that exists at the present time. I cannot understand how things have drifted into the position in which we find them to-day, because I maintain that any Government or body of men having control of money at 1 per cent. and $1\frac{1}{2}$ per cent. should be able to do anything. How all the accumulation that we hear of has come about is beyond my comprehension. When the Bill was introduced in 1925 by Mr. Angwin it was provided that the aggregate cost of a particular crop should be assessed and each settler would have to pay his share. At that time Mr. Angwin evidently thought everything was all right, and he was satisfied with the position because he was carrying out the policy initiated by Sir James Mitchell. If hon. members will look up Mr. Angwin's speech delivered on the 16th August they will find that he made use of these words—

There has been a total expenditure to date of £2,557,280 on group settlement blocks. There are 2,334 group holdings and 61 vacancies, to fill which people are already on the water. Immediately this Bill becomes law we shall be able to place 54 groups under the Agricultural Bank.

That emphasises what I have said, that Mr. Angwin was satisfied that the Mitchell Government had done what was right and that he proposed to carry out the policy that was in existence when he took office. Mr. Angwin expressed himself on many occasions in public as a great admirer of Sir James Mitchell and said that he was satisfied that the policy being carried out was quite all right. We have evidence in "Hansard" that Sir James Mitchell's policy was being carried out by Mr. Angwin. I am not going to criticise the present Minister, because I believe he has done his best, but I am going to state some figures that appeal to me. The position did not improve. Mr. Troy appointed certain men to be members of a board, and they have carried out certain work. Whether or not that work is satisfactory, I cannot say without seeing the file. I only know they are practical men and I believe they are doing their duty in the positions they occupy. The total cost of the scheme has been £7,820,000. Included in that are roads and railways £1,588,000, and drainage £778,000, or a total of £2,305,000. If that is deducted from the £7,820,000 it leaves £5,515,000 expended directly on clearing, housebuilding, stock, etc., on the group settle-

ments. These are the figures quoted by everybody.

Hon. G. W. Miles: Was all that money expended, or does it include interest?

Hon. J. EWING: I have not come to interest yet. During the Mitchell administration there was spent on the groups £1,593,000. That is all Sir James Mitchell spent on them during the time he was administering the scheme. Yet members would say that he is responsible for the group settlements. He cannot be blamed for the administration of the group settlements since he left office. His policy may have been the right one, and the policy carried out by the present Government may not be the right one. No one can blame Sir James Mitchell for the work he did. Including the Peel Estate groups, he spent in all £1,053,000.

Hon. A. Lovekin: But he left a tremendous lot of legacies.

Hon. J. EWING: That does not matter. Any Government have the right to do what they think is proper in the interests of the State. Mr. Angwin carried on on exactly the same lines as Sir James Mitchell, and I believe on many occasions consulted Sir James. At all events, he was always very nice to him. If we deduct that £5,515,000 I have quoted from the total, it leaves £4,462,000 which has been spent by the Collier Government, either under the administration of Mr. Angwin or under that of Mr. Troy as Minister controlling group settlements.

Hon. E. H. H. Hall: And you say they were carrying out the policy of Sir James Mitchell!

Hon. J. EWING: I do not say that. I say that for 18 months or two years Mr. Angwin carried out Sir James Mitchell's policy. Mr. Angwin brought in the Bill of 1925 in order to carry out that policy. He then said he had 54 groups to place under the Agricultural Bank. But after the Bill went through he did not hand over those groups. I do not know what happened, but at any rate the policy was entirely changed when Mr. Troy knew what happened, but at any rate the position in which we find ourselves to-day, which means that the Collier Government have spent practically $4\frac{1}{2}$ millions on group settlement. I maintain that roads and railways should be national questions and I believe they will be dealt with by this board

as national questions. Drainage will help those on the group settlements who require drainage and will also help a great many other settlers who have been on the land for a number of years past. Consequently the cost of drainage should not be charged up against the group settler, but should be regarded as a national question. We have to see what the position is going to be when this board shall have finished. It is apparent to me that we must pass the Bill. It is a bad Bill because it should not be necessary, but on the other hand it is a good Bill because it is going to give a chance to the men settled on the land, and endeavour to show them where they stand. On no account would I be a party to passing any legislation that would permit of the penalising of the settler, because of the mal-administration of any Government, the Mitchell Government or the Collier Government. In my opinion all that should be charged up to the group settler is the tangible assets created. If a man takes up a block of land, and so much money is spent on it, and so much stock is put on it, these factors mean tangible assets, and should be charged against the settler. But the cost of all mal-administration, whether of the one side or of the other, and of all things of a national character, such as roads, railways and drainage, should be cut out altogether, and the only things charged up to the settler should be the tangible assets. After all, we look to the settlement of those men on the land—a great many of them are Australians. At the first settlement made by Sir James Mitchell at Manjimup—I was down there with him—the men were all Australians. Most of them had come from the goldfields and are successful farmers on the group settlements to-day. In fact, some of the goldfields people make the best farmers we have ever had in the South-West. That being so, a chance should be given to them, and if the Bill is passed I trust the Government will give early consideration to it and see that the best men are appointed—men in whom we have the greatest confidence. If that is done, I am sure some position will be arrived at which will be not only in the interests of the people of Western Australia, but also in the interests of the people of the Old Country who advanced the money for the scheme, and in the interests of the Commonwealth as a whole.

Hon. G. W. Miles: The Bill would not be necessary at all if both Governments had taken notice of the Royal Commission's report.

Hon. J. EWING: The Government of which I was a member had no opportunity, because they were not in power then. The Mitchell Government were out of office before that report came in, or at all events, within three weeks of its coming in. We were defeated by the present Government, and so I do not know what Sir James Mitchell would have done. But there is not the slightest doubt that every consideration would have been given to that report. So far as I can see, things have drifted along during the last $4\frac{1}{2}$ years, and there is an enormous amount of money chargeable against group settlement, a position which is now being tackled by the present Government. I give them every credit for tackling it, hoping and believing that when the question is settled we shall find self-reliant and splendid settlers on the group settlements in the South-West. What I cannot make out is what has happened to this cheap money. The 1 per cent. money has gone, and the $1\frac{1}{2}$ per cent. money has not started. But has the group settler been charged $1\frac{1}{2}$ per cent., or has the money been charged up to him at 5 per cent., while the balance of 4 per cent. has gone into Consolidated Revenue?

Hon. G. W. Miles: We ought to have a Royal Commission to inquire into that.

Hon. J. EWING: If so, the money for the time being will swell the revenue, while the group settler is charged $4\frac{1}{2}$ per cent. and while the money has been borrowed from the Old Country or from the Commonwealth at 1 per cent. So we are in a bad position, and that money must come back eventually to the group settler, who should get the benefit of the money at 1 per cent. or $1\frac{1}{2}$ per cent. Originally there were 2,442 settlers on the group settlements, whereas now there are 1,766, a difference of 656. Where have those men gone to? Some are filling the ranks of the unemployed or working for other men in the South-West, or looking for work in the South-West. I do not know what has happened. I cannot understand why those men should have been put on the group settlements and why they are not there to-day.

Some of the farms have been abandoned and others have been linked up. With this policy I do not altogether agree. One can go into the South-West now and on the abandoned farms see beautiful grasses, knee-high. That wealth is not being used, unless, indeed, the Group Settlement Board are taking advantage of it and finding some use for the feed. At any rate, those blocks have been abandoned. Notwithstanding that, I verily believe there is but little poor land in the South-West. Given subterranean clover and top dressing, there is very little land in the South-West that will not produce wonderful pastures. I wish hon. members could have an opportunity of going through the South-West on the conditions on which they were taken through the Midland Company's property last week. Unfortunately I was not there, but many members have told me that they enjoyed the trip, and that it was greatly of advantage to them. Nothing better could be done than by letting people see what the land will produce. If members could go to the South-West and see the cattle and sheep and grass down there, they would be surprised.

Hon. G. W. Miles: But most of the results in the Midlands are secured without top-dressing.

Hon. J. EWING: I do not want to detract from any land, not for a moment. I rejoice that there is such wonderful country in the Midlands. I know every acre of that land. Also I know the South-West. Travelling down there last week, between Perth and Bunbury and up to Collie, I saw some of the best pastures I have seen down there for years past. As for the sheep, there are now two or three where previously there was but one. The production in the South-West is wonderful.

Hon. G. W. Miles: Yes, the South-West is being boomed.

Hon. J. EWING: That is the position. Yet it is not booming in the way the wheat belt is booming. People are coming over from the Eastern States and buying wheat land, because the price of wheat is very high, the yield is good, and the rains have been so good. Consequently in a year or two a man may make a fortune on the wheat belt. The process is much slower in the South-West where one has to clear the land and till it, and then put in clover and top-dress it, and so on. As a result it is

not possible to make a fortune in the South-West as quickly as it can be made on the wheat belt.

Hon. G. W. Miles: But clover will grow in the South-West without top-dressing, will it not?

Hon. J. EWING: That is so. Great exception has been taken to the abandonment of farms established by the previous Government. At Hester, close to Bridgetown, there were 44 groups formed by Mr. Angwin. But since then some 300 men from these groups have been moved away, and land found for them elsewhere. So I say this all-round criticism of Sir James Mitchell is not fair. Some of the groups have been abandoned and some have been linked up. The same thing happened when Mr. Angwin was in power. So all this criticism of Sir James Mitchell is entirely unfair. At any rate, he is able to stand his ground for he knows he has done the right thing. If he had remained in power to administer the group settlements, as they should have been administered, they would have been in a better position to-day than they are. Hon. members talk about what assets have been created. Although it is found necessary by this Bill to adjust the values of the land to make it possible for the settler to live and prosper, we have to see what has been done. I have here certain figures, which I understand to be approximately correct. A total of 350,000 acres is being dealt with by way of group settlement. Of that area, 96,000 acres has been cleared. That is a matter of five or six years' work, and surely it is of some benefit to the State. The land had remained uncultivated for years. Further, 79,161 acres has been put under grass. All the blocks may not be bearing grasses at present, but those that have gone back as the result of bad seasons will be replanted. On the group settlements there are 3,262 cottages, 1,920 dairy buildings, and 6,182 cows. If any hon. member says that those cows do not represent wealth to the country, I disagree with him. Although Mr. Holmes said the other evening that it was dreadful to have to find millions of money for the group settlements, they seem to me one of the best things I ever encountered.

Hon. A. Lovekin: Where did you get the 6,000 cows from?

Hon. J. EWING: They are in the South-West.

Hon. A. Lovekin: But where did you get them from?

Hon. J. EWING: From the Eastern States largely.

Hon. A. Lovekin: Read the evidence taken by the select committee.

Hon. J. EWING: I know that many of the bulls and cows came from the Eastern States, and they were very good cattle. One has only to go to the South-West and see those cows and their progeny to realise what the producing capacity of that country is. On the group settlements there are 168 bulls and 2,275 horses. I have tried to prove, without being unfair to anybody, that there may be faults on every side; but, still, a man should be given an opportunity to make good if possible. Sir James Mitchell had not that opportunity. The present Government had the opportunity, and they have not made any greater success of it. It is true that at the present time there is no further group settlement in progress in the South-West. The number of holdings has been reduced considerably, down to about 1,700; but there is available now for group settlement land that should be taken for the purpose, land which should receive the early consideration of the Government. Mr. Angwin, when administering the group settlements—and I believe the present Minister, Mr. Troy, has done the same thing—went to inspect Harvey and the flats out from Wokalup. Settlement could take place there. The present Government are in a far better position to develop that area than were the Mitchell Government, who could only settle on Crown lands, that being part of the agreement. Under the present agreement the Government can buy up good land, drain it, and make it perfectly suitable for settlement. In the Harvey district, down towards the Estuary, there is an area that will well repay the earnest consideration of the Government. Plenty of group settlements could be established there. The other day I visited Harvey in company with Mr. Mann, who I think will agree with me that closer settlement in the Harvey district is the best opportunity offering in Western Australia.

Hon. V. Hamersley: There is also Yandanooka.

Hon. J. EWING: But this would be much closer settlement than that at Yandanooka. At Harvey the farms, converted from

orchards, are of 20, 30 and 40 acres. I say advisedly that a dozen Harveys could be obtained between Perth and Busselton. The land is equally good, and only requires drainage to enable settlers to succeed. I hope the present Government will, under the new agreement, purchase that land and do what is necessary. In the early part of my speech I used the word "pessimistic." I do not wish to infer that the Minister in charge of group settlements is pessimistic. However, many things contrary to fact are said by responsible people in this country about the group settlements. One never hears the good side of group settlement mentioned except from people like Mr. Mann and Mr. Rose, who know all about it. I have quoted figures to show the good side. The land is there crying for the help of man to make a wonderful territory. I am not speaking of the South-West in comparison with any other portion of the State, and I applaud the Government's policy of developing the north, south, east and west. In doing that, they are doing right.

Hon. G. W. Miles: Developing the north, do you say?

Hon. J. EWING: So far as I can see, the Government are at present ignoring the development of the South-West. They are not making provision for further group settlements. Some members say we have enough of them. I say we cannot have too many of them. The original idea of group settlement was not to settle the man with money, but the man, practically penniless, coming from the Old Country to Western Australia to establish a home, which he would have no hope of doing in Britain. That was the idea underlying Sir James Mitchell's group settlement policy, to give the poor man land, to provide him with funds through the Agricultural Bank and so to make him a successful settler. If we have a thousand of those settlers in Western Australia to-day, it is a fine thing for the State.

Hon. G. W. Miles: Do the cattle still get rickets in the South-West, and have they still to be shifted from the coast inland?

Hon. J. EWING: There are few cattle with rickets in the South-West now. I welcome the Bill, and hope it will have a speedy passage through the House. I hope and believe a good board will be appointed. I hope the members of the board will do their duty irrespective of anybody. I would

leave it to the Government themselves to decide what writing down shall be done. Conditions are favourable for the Government and their officers having jurisdiction over that matter. I think the writing down should be done as speedily as possible, because time is the essence of the contract. Group settlers from the Old Country and from the Eastern States and Western Australia are people who want to know exactly where they stand, and whether they can pay interest and sinking fund upon the capitalisation of their blocks and still make a living. If they can do that, these wonderful lands will be fully developed. While we have such country, let us not do as the Minister is doing in the South-West, but let us open up our wonderful territory.

HON. A. LOVEKIN (Metropolitan) [8.10]: Hon. members do not expect me to be an apologist for the Government, but still I think that in this matter, whatever our party inclinations may be, we ought to be as fair as we can. I would not have risen to speak on this Bill but for Mr. Ewing's speech. You, Mr. President, will remember when we were in Canada a number of speeches were made by eminent men as to what ought to be the Empire policy, and it was stated over and over again by men like Lord Burnham and Sir Campbell Stuart that the policy should be to pool Empire resources in order to meet Empire needs for the time being. In one place in Canada—I forget its name now, as this was so long ago—it was suggested, as you, Sir, will remember, that Great Britain had not got very much money but had almost unlimited credit, and that that credit should be used to put the surplus population of the Mother Country on to the lands of the Dominions; that the Mother Country should find the men and the money, whilst the part of the Dominions should be to find the land and the organisation. Seeing the support a scheme on those lines had, one would have thought it would have been given effect to. When I returned here from that trip, the delegates had got Home; and the settlement scheme was beginning to be talked about. The result was that Sir James Mitchell made a trip Home. When he was about to make that trip I thought it quite the right thing to tell him what I had heard in Canada, and to give

him some extracts from the speeches. I wrote them out, and gave them to him on board the steamer on the night he was leaving. I expected to hear some result from that, but when Sir James Mitchell returned I was staggered to find that there was no such scheme as that suggested. Then I made some inquiries and found that Mr. Amery, then Secretary of State for the Dominions, had asked Sir James what he wanted, and that Sir James had told him, and that Mr. Amery had given him exactly what he asked for. Later on Mr. Amery told the members of the House of Commons what he had arranged with Sir James Mitchell, and pointed out to them that he had made a very good deal so far as Western Australia was concerned, inasmuch as he had been able to get off his hands 75,000 people at a cost to the Mother Country of £8 per head. That was the agreement which was made. On the 1st August, 1922, I addressed this House and quoted parts of the debate on the subject in the House of Commons. I mentioned an estimate of what the scheme as it then was would cost this country, and what its results would be. If anyone likes to read the speech to-day, he will acknowledge that if I had lived a thousand years ago and had written some of the books of the Bible I would have been classed as one of the major prophets, because what I set out—and I made several other speeches on the subject—was what the scheme proved to be and what has happened. When the scheme was gone into by a select committee of this House appointed to inquire into the first group settlement—this is hardly credible, but it is nevertheless the fact—as any member can see by turning up the evidence given before the select committee, it was discovered that the sponsor of the first group settlement did not even know that that settlement did not come within the scheme at all.

Hon. J. Ewing: It comes within the scheme now.

Hon. A. LOVEKIN: Yes.

Hon. J. Ewing: It did not at that time.

Hon. A. LOVEKIN: No. When that fact was put up to Mr. McLarty by Mr. Holmes, the chairman of the select committee, Mr. McLarty was staggered, asked for an adjournment, and consulted Sir James Mitchell. It was then agreed that the group did not come within the

purview of the agreement at all. Therefore we were getting no cheap money spent on the estate. I do not want to make the position appear worse than it is, but I do not think it is fair for Mr. Ewing to chastise the Government for the results of the scheme. The Bill before us is the natural corollary of the initial scheme. It is true that the Government, with which Mr. Ewing was associated, went out of office when only £1,500,000 had been spent.

Hon. J. Ewing: No, only £1,000,000.

Hon. A. LOVEKIN: Despite that, it is not fair for the hon. member to condemn the present Government, because numerous legacies were left by them involving the payment of many hundreds of thousands of pounds in connection with the scheme. Let it be said to their credit, and especially to that of Mr. Angwin, that the next Government have done their best to make a success of the scheme and to meet the legacies that were left to them.

Hon. J. Ewing: They believed in the scheme.

Hon. A. LOVEKIN: They have endeavoured to make it a success whereas other Governments might not have adopted that policy but would have preferred to allow the scheme to become a failure. It was inevitable that that would be the result from the inception, because it started off with the sponsors not knowing the conditions under which the scheme was to be developed. There was no co-ordination whatever among those working in connection with the scheme. No minute was to be found on the file dealing with the scheme except one that referred to a request for £500 for surveys at the Peel and Bateman estates. That was marked "Approved, but I think it is much too much." Mr. Ewing knows something about surveying. Here were 60,000 acres of swamp land and sandy hills that had to be surveyed into small blocks, and yet £500 was regarded as "much too much"! Hon. members will realise from this how little was known about the scheme, how little organisation there was and how few instructions were given. If hon. members so desire, they can go through the report of the select committee, and they will see that various departments were involved in the development of the scheme. They will also find that there was no co-ordination whatever between the

different departments. Mr. Ewing spoke about the number of cows that were provided. The evidence tendered to the select committee showed that the original proposal was to supply 10 cows to each settler on the Peel and Bateman estates. There were 600 groupies and that meant, with 10 cows each, the provision of 6,000 cows. When we were investigating the position by means of the select committee we asked where the authorities were to get the 6,000 cows. The answer was that there were plenty of cows in this State and statistics were produced to us showing that there were 50,000 cows in Western Australia. Mr. Holmes knows the country and the position regarding stock better than most of us and he said, when that was put up to us, "Oh, yes, but they are beef cows! I know them; they are in the North-West. Those cows cannot provide sufficient milk for their own calves, let alone for butter and cream." Then we said, "You have a dairy expert in the employ of the Government," and we were met with the reply, "Yes." Then we asked, "Have you consulted the dairy expert?" The answer to that was, "We have not seen him yet but we are going to do so." Fancy starting off a proposition such as that at the Peel estate and other dairying propositions without having consulted the dairy expert! The select committee called Mr. Hampshire, the dairy expert, and we spoke to him about the 6,000 cows. He said it was all moonshine about getting 6,000 cows in the State, and said that he could not get 600 milch cows unless he was to take them away from those who were milking them now, and he did not want to do that. He told us that if they wanted to get that number of cows they would have to get them from the Eastern States. He said in that regard, "You must not forget that every cow we take from the Eastern States to bring here means that the price of the next cow will be so much more."

Hon. J. Ewing: Very good cows were obtained for the group settlers.

Hon. A. LOVEKIN: I am giving particulars of the evidence from memory, but I know that at the time I was very much impressed with the fact that a scheme of such magnitude was being embarked upon, and yet the dairy expert was not even consulted! The agricultural expert, Mr. Sutton, was not consulted regarding fodder crops and so on.

Here was a vast scheme launched in such circumstances, and is it a matter for surprise that the losses have been so great? Mr. Ewing knows something about surveying. I went over the estate and Mr. Rose, too, was there. I stood on a hill.

Hon. G. W. Miles: On a sandhill.

Hon. A. LOVEKIN: Yes, bare white sand. There were 60 houses in a row, all in white sand. Not one of the blocks there would have fed a crow!

Hon. E. Rose: Did Mr. Angwin abandon those blocks straight away?

Hon. A. LOVEKIN: Of course he did.

Hon. E. Rose: Well, he did not.

Hon. A. LOVEKIN: Mr. McLarty told us other blocks would be provided. I looked down upon the swamp and at the blocks and then at the hills and asked, "Are you going to make a salt water lake there?" The reply I received was that they intended to drain the swamp so that they could grow potatoes. I said, "Have you found out how you can make water run up hill without providing pumps?" That is the way the scheme was launched! I am sorry I am dealing with these questions, because I do not want another inquest upon it.

Hon. H. A. Stephenson: Whom do you blame for trying to run the water up hill, Sir James Mitchell or the engineers?

Hon. A. LOVEKIN: I suppose Sir James Mitchell received advice from those who were in charge. Anyone who looks up the evidence will find out the facts, and he will be convinced that there was no co-ordination about the work at all. Mr. Ewing must not get up in this House, as he does from time to time, and attempt to blame other people for what was the fault of the Government with which he was associated.

Hon. J. Ewing: I do not believe that.

Hon. A. LOVEKIN: It should be quite clear to anyone that the Mitchell Government left legacies that the present Government had to honour and did honour to the best of their ability. The result is that we have the Bill before us now to write off an enormous amount of borrowed capital.

Hon. G. W. Miles: And you prophesied that in August, 1922.

Hon. A. LOVEKIN: Exactly. I checked the figures the other day, and if hon. members take what I dealt with in 1922 and

then traverse the period up to the end of June last, they will find that my estimate was only about £5,000 out. As a business proposition the loss was absolutely inevitable. It is impossible to start a business proposition and go on in a happy-go-lucky way without losses accruing.

Hon. E. H. H. Hall: Do you believe in this honouring of a rotten policy?

Hon. A. LOVEKIN: I say the Government were bound in the interests of the State to do so, whether they lost a bit or not.

Hon. E. H. H. Hall: Lost a bit!

Hon. A. LOVEKIN: They were bound to do it rather than scuttle the ship straight away. Mr. Ewing suggested that the roads should be nationalised. That is merely another way of escaping from his Government's policy. The roads were part and parcel of the original scheme. So much was set aside for the drainage work, so much for buildings, roads, etc. In that way the cost was divided up and debited to each block of land, and the settlers were to pay that cost. Now the capitalisation has got so much out of hand that any excuse is good enough, and so Mr. Ewing says we should nationalise the expenditure on the roads.

Hon. J. Ewing: That was the policy from the outset.

Hon. A. LOVEKIN: I object strongly to some of the provisions of the Bill. This will mean millions before it is done with. In a business it is only possible to write off against profits, but there are no profits to write off against in this instance and the only way to overcome the difficulty is to borrow more money for the purposes of writing off.

Hon. A. J. H. Saw: How was the deficit on the Wyndham Meat Works written off?

Hon. A. LOVEKIN: Yes, Mr. Ewing's Government had something to do with that. There was an instance where the cost of the works was £274,000. The capitalisation now stands at £1,300,000, brought about by adding the annual working losses to the capital value of the works. Does Mr. Ewing suggest that that is the way to improve the position, merely by adding the losses to the capital of the works, with no provision made regarding depreciation? Some day there will

be a Bill introduced in this Chamber for the writing down of the losses in connection with the Wyndham Meat Works. I shall vote for the second reading of the Bill if I can get it altered so that Parliament shall know the truth, the whole truth, and nothing but the truth.

Hon. Sir William Lathlain: That is a bit involved.

Hon. A. J. H. Saw: It sounds like the extension of the Jury Act.

Hon. A. LOVEKIN: We borrowed cheap money, it is said, at 1 per cent., but at the end of five years we shall have to pay a slightly increased rate and so it will go on until we have to pay full rates. We have been debiting up, according to the statements made in the Public Accounts, against the groupies on not 1 per cent., but $5\frac{1}{2}$ to 6 or more per cent. interest, thus increasing their capitalisation. That means to say $4\frac{1}{2}$ per cent. or 5 per cent. has gone into revenue.

Hon. J. Ewing: Is that fair?

Hon. A. LOVEKIN: It has meant a fair profit to revenue over some years. Now the time is coming when we shall have to pay the full rate of interest, and it means that we shall have to write off capital and borrow money to do so. In other words, we will have to borrow money twice over for the same purposes, and in the meantime we have profited at least to the extent of $4\frac{1}{2}$ per cent. by which the general revenue has been increased. I do not wish to pursue this question any further.

Hon. G. W. Miles: The difference in the interest rates must have been of great benefit to the Treasurer.

Hon. A. LOVEKIN: I do not think it is fair that Mr. Ewing should get up at every opportunity and chastise successive Governments for what has happened in connection with group settlement, seeing that he and his colleagues were really responsible for it by not having placed the scheme on a business footing to start with. I object to three men having the power given to them by Parliament to write off millions of money and to their decision being final. That seems to be an unthinkable position for any Parliament to create. Surely Parliament must be the final arbiter in writing off this money, and not three individuals that the Government may appoint. In Committee I shall try to give effect to that suggestion by an amendment, and if I can get it through, I think we

shall have done all we can after having lost so much money on an experiment. We need not have lost anything like so much if the scheme had been put on a proper footing and if there had been proper organisation from the start. I support the second reading.

HON. SIR WILLIAM LATHLAIN (Metropolitan-Suburban) [S.32]: Other members of the House are more conversant with the details of group settlement than I am and I do not intend to speak at great length. Mr. Lovekin stated that he was quoting from the major prophets; but I rather think he was quoting from the Book of Jeremiah.

Hon. A. Lovekin: He was one of the major prophets.

Hon. Sir WILLIAM LATHLAIN: But he did not have the same bright outlook, and that is the difference between Mr. Lovekin and Mr. Ewing. The position of group settlements has to be faced. Very serious losses have been made and they must be adjusted. I agree with the contention of Mr. Lovekin in regard to the writing down. If we are going to write down railways and group settlements, I want to know what we are going to write them down against. The one redeeming feature of group settlement is that it marks a definite and distinct start to increase the production of dairy requirements that we have been so slow in producing. I do not offer any apologies for the enormous cost of group settlement, but from the Eastern States last year we imported $8\frac{1}{2}$ million pounds' worth of goods—dairy produce was an important item in the $8\frac{1}{2}$ millions—and we sold to the Eastern States only £1,300,000 worth of goods. Anything we can do to overcome that great financial loss, even if it costs us a great deal of money, will be of great importance to the State. I wish to refer to the position of the present board. Mr. Cornell suggested that the present board would probably be more qualified, even if it were enlarged, to deal with the question of writing down. It would be a serious matter not to take advantage of the knowledge that the present board has gained, not only of the requirements but of the condition of the various blocks. That board is best qualified to judge. It may be necessary to strengthen the board by the appointment of a statistician or an official of the Agricultural Department, but I should prefer

that the present board should have some say in making the various valuations. I agree with Mr. Lovekin that the powers it is proposed to delegate to the board are too great and that Parliament itself should have the final decision. I do not think Parliament should endeavour in any way to alter the valuations that will be made by the board, but the amount proposed to be written off will be so serious that the matter should be referred to Parliament for consideration in order that it may be brought home to every member of Parliament, at any rate, what the experiment has cost the State.

Hon. A. J. H. Saw: If Parliament does not know the details how can it judge the total amount?

Hon. J. Ewing: It cannot do so.

Hon. Sir WILLIAM LATHLAIN: Another point on which I should like some information is regarding the amount of money borrowed at 1 per cent., which we are told has been lent to the settlers at $5\frac{1}{2}$ to 6 per cent. I think the Honorary Minister must have made a great mistake when he introduced the Bill earlier in the evening for the prevention of profiteering. Here we have an instance of the Government making a profit of 400 per cent., and I am not sure that they would not be the first people to be charged under a profiteering Act.

The Honorary Minister: We are doing as we should do. Why make insinuations until you have heard the facts?

Hon. Sir WILLIAM LATHLAIN: It has been definitely stated that the money has been borrowed at 1 per cent. and charged up to group settlers at 5 to 6 per cent.

The Chief Secretary: The whole of this money?

Hon. A. Lovekin: The cheap money.

Hon. Sir WILLIAM LATHLAIN: I am speaking of the 1 per cent. money. That is a point to which the Chief Secretary may well reply. I wish to emphasise that the present board must have a great knowledge not only of the valuations but also of the future possibilities of each of the various blocks, and I contend it would be unwise to discard its advice. The existing board would be in the best position to make the valuations. I do not propose to refer to the history of group settlement. I shall support the Bill in order that a proper

valuation might be made and the settlers given every opportunity to make good. There is no industry more necessary or of greater value to the State than dairying. During the time I was president of the Chamber of Commerce I wrote several articles on the dairying industry and its growth in Victoria. Although many people maintain that the dairying industry made great progress in Victoria owing to a system of bounties, I hold it was nothing of the sort. The reason that Victoria made such great progress in dairying was because it was established at a time when the people were very hard up.

Hon. V. Hamersley: Hear, hear!

Hon. Sir WILLIAM LATHLAIN: It was established at the time of the big bank smash, and people were glad to get work of any description. That was really the main factor in the success of dairying in Victoria. One important point about dairying is that it causes the circulation of a tremendous amount of ready money, once a fortnight or once a month, between the dairy farmers and the storekeepers, and that money is in constant circulation. Thus dairying differs from wheat growing. The wheat farmer is compelled to wait 12 months for his money. If the industry is established on a sound basis, as in Victoria, it will conduce greatly to the material welfare and prosperity of the State. When the revaluation is made and the settlers are established on a proper footing, I can only hope that we shall be able to build up the industry with the same splendid success as has been achieved in Victoria.

HON. H. A. STEPHENSON (Metropolitan-Suburban) [8.41]: I did not intend to speak on this subject, but I cannot allow to pass without some protest the remarks of Mr. Lovekin regarding Sir James Mitchell and the inauguration of the scheme of group settlement. It is well known to every member of the House that about the time the scheme was initiated, the whole of Australia, including Western Australia, was in a bad way financially. Mr. Hughes, then Prime Minister, asked the Premiers of the various States to meet him in Melbourne and discuss the financial position in particular. At that conference he asked the Premiers to return to their States and think the matter over, and then to submit any scheme they could devise

that would tend to effect an improvement. When the Premiers again met, the only scheme worthy of consideration was that submitted by Sir James Mitchell.

Hon. A. Lovekin: I do not think history bears you out.

Hon. H. A. STEPHENSON: Am I not right?

Hon. J. Ewing: Quite right.

Hon. H. A. STEPHENSON: I thank the hon. member. Sir James Mitchell returned to Western Australia, told the people what he proposed to do, and everyone was delighted. It was decided almost immediately that Sir James should visit the Old Country and see what he could do with the Imperial Government. Prior to his departure he was banqueted.

Hon. A. Lovekin: You are quite wrong in your facts.

Hon. H. A. STEPHENSON: I attended the banquet and I think it was the most representative gathering of its kind I have ever attended in this State. Sir James went to the Old Country and submitted his scheme to the Imperial authorities.

Hon. A. Lovekin: He was invited by Mr. Amery.

Hon. H. A. STEPHENSON: The outcome was the Imperial and Federal Governments agreed to assist the State under certain conditions. The great feature was that before Sir James Mitchell left England he made an arrangement with the Imperial Government that if any more advantageous agreement was made with the States, Western Australia should receive the benefit of it. I think that showed great vision on the part of Sir James Mitchell, for it certainly gave Western Australia the advantage of the later schemes. Consequently we did not lose anything financially by having a higher rate of interest in the first place. Sir James Mitchell said to the Imperial authorities, "If you will not give me anything better now, let me have an assurance that if you concede something better to other States later on, we shall all share alike." I think that showed great foresight on his part.

Hon. A. Lovekin: The hon. member has not his facts in proper sequence.

Hon. H. A. STEPHENSON: The hon. member has had his say. At any rate, his sequences have all been upside down and inside out. In my opinion, what I am saying is correct. Mr. Ewing was a

member of the Mitchell Government at that time, and he will bear out what I am saying. So far as the scheme itself is concerned, the Bill before us seeks to provide for the appointment of a board possessed of certain powers. My opinion is that the various boards have been largely responsible for the financial position in which we find ourselves to-day. I feel sure that before the Peel Estate was bought, a board was appointed to inquire into and report upon the advisability of purchasing it and as to whether it was suitable for the purpose for which it was required. One can only expect the head of a Government to be guided by his responsible officers. That is done every day, but unfortunately grave mistakes are sometimes made. I think it was on the recommendation of a board that the Peel Estate was purchased. Then engineers were appointed and it was a well-known fact that a proportion of that estate consisted of white sand, but that a fair area of it was known to be really good swamp land. It was thought that with a few acres of that swamp land and a number of acres of sand country it would be possible for dairying to be carried on. It was also understood that the carrying out of the drainage of the estate would be a simple proposition. There again the Government have to be guided by the responsible officers. What was the result? Mr. Lovekin said that the engineers made an effort to run water up hill and he told us that he stood on a sand hill on a moonlight night and watched the water trying to force its way uphill. The engineers said that there would be no difficulty in draining the swamps and that then it would be possible to produce 20 tons of potatoes to the acre on some of the land. We all thought then that that would be a really good thing. It turned out, however, that the swamps were never properly tested. Surely no member would expect the Premier of the day to go down there himself with a pick and shovel to test those swamps. Are we to blame the Premier for the mistakes of his engineers?

Hon. V. Hamersley: The swamps certainly should have been tested.

Hon. H. A. STEPHENSON: Another thing that added to the cost of the Peel Estate was that at the time when there were

some hundreds of unemployed in Fremantle and rather many were sent to the Peel Estate and paid fairly good wages. I am convinced that for every pound that was spent on those people they did not give 1s. worth of work in return. All that has been added to the cost of the Peel Estate. Mr. Lovekin wants us to believe that Sir James Mitchell was responsible for charging the high rate of interest to the settlers, instead of 1 per cent.

Hon. A. Lovekin: I do not think he got any 1 per cent. money in his time.

Hon. H. A. STEPHENSON: Mr. Lovekin tells us that he likes to be fair, but he took Mr. Ewing to task because Mr. Ewing declared that Mr. Lovekin had not treated the present Government fairly. I also declare that Mr. Lovekin was too severe. We must give Sir James Mitchell credit for what he did. His ideas were good and if they had been carried out as it was intended to carry them out, the results might have been different. I intend to support the Bill.

HON. E. ROSE (South-West) [8.52]: I cannot allow the Bill to pass without expressing my views upon it. I am surprised at the remarks Mr. Lovekin thought fit to make. He put all the blame for the failures on the shoulders of the Mitchell Government. If Mr. Lovekin had looked up the figures, as Mr. Ewing did, he might have expressed different views. Mr. Lovekin should also have taken the trouble to peruse the reports of the Royal Commissions that were appointed and the advice given to the Government at the time. Both those Commissions condemned a lot of the country, and condemned the management. But what was done? The Mitchell Government went out of power a few days after one report was issued. The other one saw the light of day shortly afterwards. If the advice tendered by the Royal Commissions had been put into operation, there would have been less money wasted. Mr. Lovekin blames the Mitchell Government for most of the money that has been wasted on group settlement. The truth is that a good deal of that money has been spent by the present Government, and it would have been saved if many of the blocks that the Royal Commission suggested should be abandoned, had been abandoned. Those suggestions were

made in 1924, and if they had been adopted, not half the money would have been wasted. Therefore I fail to see how all that waste can be the previous Government's funeral as suggested by Mr. Lovekin. Then again, in connection with the drainage, a lot of that work was done by unemployed. What are we doing with the unemployed to-day? We are feeding many of them, and others are on the dole. Sir James Mitchell rightly said, "We will find work in the country for them." It is a well-known fact that men who are accustomed to city life know no more about the handling of a pick or a shovel than does a new-born babe, and it was not expected of them that they could earn big wages. All the same it was of advantage to the State that those men should be found employment at the Peel Estate or anywhere else.

Hon. V. Hamersley: So they were given the dole somewhere else instead of in the city.

Hon. E. ROSE: Mr. Lovekin referred to water running uphill, but if he only looked up the levels of the drains and compared those levels with the surrounding country, he would find that the north-east corner of the estate—Byford-street was 197 feet above sea-level. How water could run uphill in those circumstances, I do not know. Further down Mundijong is 128 feet above sea-level. Mardella, which is flat, level country, is 94ft. above sea-level. If Mr. Lovekin thinks that they were draining water uphill from those places, I would like him to have a look at that country again. I admit, however, that a mistake was made by starting the drain at the wrong end. It should have been started at the outlet instead of at the top end. Serpentine, at the railway station, is pretty low country, but even that is 104ft. above sea-level.

Hon. A. Lovekin: The salt water was going back into the swamps.

Hon. E. ROSE: No water goes back into the swamps. The trouble occurred through the drains being permitted to fill in. There were not enough men there to keep the drains cleaned out, and consequently the water overflowed on to the flats. On these flats there are to be seen some of the finest of English and other grasses. Only a fortnight ago I took the trouble to go over the

Peel Estate again to see what was taking place, and I was astonished at the grasses that I saw growing there. I was very disappointed to see so few stock about. I also saw where there had been hundreds of acres of bare sand, condemned in 1924, it had all been cleared and developed. A great deal of money has been spent there during the last four or five years. If that money had been devoted to the Folly flats, a great number of settlers would have been thriving there to-day. With regard to the Bill itself, we are asked to agree to the appointment of a board of three members. I agree with hon. members who have spoken that it is too much power to place in the hands of any one board, seeing that there will be probably a couple of millions to write off. I think that should only be done with the Minister's approval. Ministers should certainly not shelve their responsibilities on to a board. Right throughout the South-West, on some farms that have been condemned, it is possible to see magnificent grasses growing to-day. I hope the Government will not allow those farms to go back to their original wild state. If they cannot get Australians to take up those areas, then they should let them to whoever cares to have them. I do not advise selling the blocks, because in a few years' time a lot of the land which stands condemned to-day will find a ready sale. Therefore it should be let on easy terms provided the undergrowth is kept down. It is discouraging to see the number of empty cottages and the number of abandoned farms down there. I maintain that in years to come, where we are now carrying 10 head of cows, we shall be carrying no fewer than 100 head. With the exception of the blocks Mr. Lovekin was speaking about, that land will produce magnificent grasses. We have only to see the alteration in the country during the last 10 years to realise what science has done for it. Land that 10 or 15 years ago was condemned as being utterly useless is to-day looked upon as some of the finest country. That has been due to the introduction of superphosphates and subterranean clover. We do not know what another 10 years will bring forth, when we may have different fertilisers and different grasses. But with the bountiful rain of the South-West, I am sur-

prised that so many members should condemn the whole of that country. It is the worst possible advertisement to go forth throughout the world. The criticisms made here are published in other parts of the world and so the South-West is condemned out of the mouths of Western Australians. Members should be the last to condemn the country as it has been condemned lately. Throughout the South-West, we have the dairying referred to by Mr. Mann and others. Dairying is increasing by leaps and bounds, but we have not the number of dairy cows on the group settlements that we had two years ago. I should like the Chief Secretary to let us know the number of cows there are to-day compared with the numbers of two years ago. A lot of cattle have been sold off the groups during the last 12 months, and I should like to know why the younger stuff is being parted with. Perhaps next year the department will be paying £12 or £15 per head for young stock for which they are getting only from £3 to £6 per head to-day. Next year in all probability there will be a run on cattle, and the people buying them to-day will then sell them for double the price. When we come to look at the different farms and see the quantity of feed going to waste, it seems a shame that we have not more cows to eat it off. A number of visitors from the Eastern States touring the South-West say it reminds them more of Gippsland than does any other place they have seen. We all know what Gippsland was before development. To-day it is one of the chief dairying districts in Victoria. What dairying has done for Victoria, it will do for us in a few years time with the market we have at our doors. Even at the present time we are sending away over a million sterling per annum for dairying produce, stuff that we can produce in Western Australia. With all that money circulating in the West, and developing our country, it would go a long way towards solving many of our problems. We have not anything like the number of settlers on the groups to-day that we had three years ago. I think the Government would be wise in developing the country more in the South-West. The northern and eastern and southern areas should go hand in hand, so that men could be drafted to those areas for which they may be more particularly fitted. The South-West will carry

a very large population. Of that there can be no doubt. When some member referred to that, Mr. Hamersley interjected, "What about Yandanooka." If Yandanooka can carry the settlement on the small areas that the South-West does, it is a very different country from what I have understood it to be. When we come to think that a small area of only a couple of thousand acres in the South-West can send over 200 children to school, it gives an idea of the productivity of the country. Those people have to be provided for.

Hon. V. Hamersley: That is why you have had seven millions of money spent down there.

Hon. E. ROSE: That shows Mr. Hamersley's ignorance of the subject. Harvey is a very old settlement and yet very little loan money has been spent there. Members would be wise to travel through the South-West before speaking about it. It would be an education to them and would show them what that part of the country is capable of doing. I am not condemning either the wheat country or the North. I say the North and the South and even the East should work hand in hand and should be developed systematically. In reference to the board to be appointed, I hope its members will take into consideration the development down on those farms. I have seen one farm highly developed with bountiful pastures and splendid gardens of vegetables and flowers, whereas the very next block is lying almost undeveloped. Visitors, unless they know that the value of the land in those two blocks is the same, would regard the one as being of much higher quality than the other. The explanation is that a number of the settlers, after doing their contract work, put in overtime growing vegetables and in other ways seeking to reduce the cost of living. Therefore, their farms appear to the outsider to be of ever so much higher value than other farms on which no overtime is spent. I agree that the present board should be the most capable for the Government, because they know the farms, they know the value of the land and they know the men on the farms. So I think the Government would be wise to appoint the present board or at least one member of that board to the new board. There are many different points to be considered. All through the Manjimup area the board will

have to re-value the whole of the properties. It must be remembered that a lot of those groups have been under development for the past six years. In respect of those, the 10s. per day sustenance has been paid. But a number of the men have left the farms and even taken them up again. Certainly not all those charges can be debited against the farms as for developmental work. Many of the original men never intended to continue as farmers; rather was it their intention to follow other avocations. The Bill is of great importance, for it means the handling of a tremendous lot of money, if we are to reduce the value of the properties by about two million pounds. A great deal of the administration has been so costly that I do not think it right that those farms should be debited with it. The Chief Secretary in moving the second reading detailed a few of the farms and their cost, running up to over £3,000, with under 150 acres cleared. How is it possible for a man working less than 150 acres to pay interest and sinking fund on £3,000? The farms will have to be written down very considerably. I give the Government credit for what they have done. Mr. Troy has tackled the problem in the way it should have been tackled five years ago. A lot of the expenditure should never have been countenanced, not for a moment. If Mr. Angwin had but cut out this at the first onset, we would not have had this Bill now. I do not altogether agree with those members who say the Bill should be left till next session of Parliament. I think we require to get the whole of the farms re-valued and let the settlers know what they have on their shoulders. If we were to wait until Parliament meets again, quite a lot of those men would leave their farms altogether. The findings of the board should be subject to the approval of the Minister, who can get what information he wants from the Agricultural Bank or from other departmental officers. If the Minister thinks the farms are being reduced too much, he can amend the findings. I do not agree to this board being appointed and having full control and the right to put whatever valuation they like on the farms without approval from the Minister. I will support the second reading, but if in Committee no other amendment is moved I will move that the findings of the board be subject to the Minister's approval. I

regret that so many members should have condemned our country. It is a great mistake. We who come from down there know what the South-West can produce. If only a comprehensive drainage scheme could be agreed upon, the whole of the South-West would become thickly populated. Only the other day the chairman of the Cresco Fertiliser Works, with two other directors from South Australia, travelled through the South-West. On their return I was sitting at breakfast at the Palace Hotel, when the chairman remarked that he had just returned from visiting a gold mine. Knowing he had been down the South-West I said, "You mean the dairy country?" He said, "You have struck it. If ever a State had a gold mine, your State has it in the South-West." They were all agreeably surprised to see what that country could produce. So I say it is a great mistake to condemn the South-West, especially when those who condemn it know very little about it.

THE CHIEF SECRETARY (Hon. J. M. Drew—Central—in reply) [9.13]: The Bill now under consideration was introduced with the object of appointing a board to reduce the heavy capitalisation on the group settlers, due to the immense cost of bringing the land under production. In this connection there are many wise after the event, but Mr. Holmes is one of the few members of both Houses who are entitled to say, "I told you so." He has from time to time sounded notes of warning in regard to the scheme. But he has had little backing in this Chamber. I remember that in 1925, when Mr. Tom Moore spoke in support of the Royal Commission's report, he met with a frigid reception, and Mr. Ewing, a former Leader of this House and a member of the Ministry which originated the scheme, was most scathing in his criticism of the personnel of the Commission and the report itself. I quote Mr. Ewing from "Hansard" for 1925, page 19—

My opinion is that the Royal Commission should never have been appointed. Its personnel never appealed to me for an instant; it was not good, inasmuch as no member of that body was thoroughly familiar with the conditions existing in the South-West . . . (Pages 20 and 21) . . . This report comes as a cold douche to the people of Western Australia. It is astounding and damaging; astounding because it is the outcome of the deliberations of men who do not understand the South-West . . . (Page 21) . . . I say that

the men who made the statements contained in this report have no knowledge of the South-West. There are members who will challenge this report, and say it is an attempt to condemn the South-West . . . (Page 23) . . . My duty now is to condemn, with all the emphasis I can, this report. I stand or fall by what I say. I have no feeling towards any member of the Commission. I know that each one endeavoured to do his duty, but wrong deductions have been drawn from the evidence.

Mr. Baxter defended the Commission, but Mr. Burvill took a different view. In another place the report was held up to ridicule by the Leader of the Opposition, who has the confidence of all members of both Houses who are opposed to the present Ministry. Mr. Latham, a member of the Commission, presented a minority report in which he dissented on important points from the views of his fellow Commissioners. Even Mr. Holmes himself, owing to the infectious atmosphere by which he was surrounded, showed signs of weakening in his hostility. For instance in August, 1926, he expressed himself in these terms, reported in "Hansard" on page 282—

The whole trouble has been due to our endeavour to put on the land men that did not know their job. The land in the South-West is very much better than any of us used to think. I was born there, and I have since acquired some knowledge of land, notwithstanding which until a little time ago I did not know we had so valuable an asset in the South-West. The evidence before the Commission was conclusive on the one point, that a man who knew his job would succeed on inferior land, whereas a man who did not know his job would fail on the best of land. We have put about £4,000,000 into the group settlement scheme already, which should increase our interest bill to £250,000 per annum.

Hon. J. Ewing: Are they not getting the money at one per cent.?

Hon. J. J. HOLMES: Not yet.

Hon. J. Ewing: Yes, they have had a million and a half at one per cent.

Hon. J. J. HOLMES: Mr. Glasheen dealt with the danger of this cheap money, and its investment amongst people who do not know its value, and do not know how to use it when they get it. The trouble is that we are endeavouring to develop the South-West with thousands of people who do not know their job. The rainfall is right, the land is right, and I believe we have intelligent administration, but we must have also an intelligent and experienced population down there if we are to get the required results.

Of course, as Mr. Holmes knows, if we are not getting the right type of man for the job the fault is not with this Government but with Australia House, which selects the migrants. Unfortunately, also, all the land was not "right," as we have found to our

sorrow after a thorough test; and the country will have to shoulder the burden. The present Government found that a very heavy responsibility rested upon them when they entered office in 1924. Mr. Lovekin has clearly pointed out their position. They had to administer a big scheme initiated by their predecessors, and endeavour to make it a success. To ensure that the administration would be, as far as possible, on the lines laid down by the originator, the Government retained the services of the Advisory Committee, and other officers who had been working on the project for the previous three years, and who apparently had the confidence of Sir James Mitchell. That board and those officers were in no way hampered by the Government. They were permitted to proceed along the same paths which they had followed from 1921. We had to be doubly careful in regard to every movement we made in connection with this proposition lest it might be charged against us that we were actuated by political motives and desirous of strangling an undertaking for which our predecessors were responsible. If we had not given the scheme a thorough test, we would have been accused of desiring its failure. We strove to try out the scheme on the plans laid down by those who conceived it, and we used exactly the same machinery, human and otherwise, to assist in our aim. The result is that while some may say now that we persevered in this course too long, no one can truthfully state that we did not give the experiment an honest test. Not until after the middle of last year was any alteration made, except to add Mr. Sutton and Mr. Hampshire to the Advisory Committee. The first important departure was announced by Mr. Troy in another place on the 10th August, 1927, in the following terms:—

The first group settlement was established in 1921. Since then the group settlements have been controlled, under the administration of the Group Settlement Advisory Board, consisting of the Managing Trustee of the Agricultural Bank, the Director of Agriculture, the Superintendent of Dairying, and the Accountant of the Lands Department, with the Secretary of the Group Settlement Department as the executive officer. These gentlemen have given their best services to the scheme. They have taken upon themselves great responsibilities, and, as I discover from the files, they have had very anxious times. It is not intended that these gentlemen shall serve in that capacity much longer. Mr. McLarty's activities are so many and so great that it is not

reasonable to expect him to give proper attention to the scheme and its administration. The same applies to other members of the board. It is unfair to ask those officers to accept such responsibilities and at the same time to give their services in the offices to which they were appointed originally. It is proposed to appoint a new board, and I hope to make an announcement at an early date. . . . I desire that we shall have a board capable of understanding the scheme, with practical experience in settlement in the South-West, understanding the position from the dairying standpoint, and able to give encouragement and assistance to the settlers, so as to help towards the ultimate realisation of the scheme.

The new Group Settlement Board was subsequently appointed, and has been functioning since. Mr. Holmes, in dealing with the capitalisation, says—

We have now before us a proposal to write off a lot of the capital; how much we are not told. Certainly Parliament should know and Parliament should be the final authority for saying how much should be written off.

Other members have expressed a similar opinion. How Parliament could tackle such a task and perform it successfully passes my comprehension. There are eighty members of Parliament, and it is safe to say that not thirty per cent. of them have ever travelled through the groups, or know anything about the land except what they have heard. All they could do would be to act on what they had heard. I presume that the duty of the board under this Bill will be to value each holding after careful personal investigation. After such investigation, followed by re-valuation, surely it would be nothing short of farcical for members to sit down here and elsewhere to revise the decisions arrived at.

Hon. A. J. H. Saw: That would pave the way to political pressure.

The CHIEF SECRETARY: Mr. Holmes further remarked—

We have now before us a proposal to write off a lot of the capital, how much we are not told.

This is a peculiar view to take. It will dawn on most people that there would be no need to appoint a board if we knew how much should be written off, and if we could rest assured that our decision on the matter would be accepted without question. Under this Bill no one will know by how much the blocks should be reduced in capitalisation until the board has completed its work. If, after the board has finished its task, it were to be the duty of the Minister in the first place, and of Parliament later on, to go through the valuations and amend them ac-

cording to their several ideas, the whole thing would end in utter confusion.

Hon. A. Lovekin: No one suggested that.

The CHIEF SECRETARY: I am commenting on what was said. It has been stated by one hon. member that probably when the capital accounts have been written down, the Agricultural Bank will take over these securities at amounts to be fixed by some outside authority. Let me say the bank will do nothing of the kind. Under the Group Settlement Act of 1925 the capital debt is not to be a charge against Agricultural Bank funds. The bank will be merely an agent administering a suspense fund in the Treasury. The bank, in the future, will be concerned only with advances beyond the capital debt at taking over. Mr. Mann says that no matter how he figured it out, he was not able to discover that any more than 50 or 60 per cent. of the amount charged against the groups had been actually spent on the group locations. I have here a list of what are regarded as typical groups in each district. It shows the percentage of total expenditure, as regards interest and overhead costs, on the older and younger groups. Interest itself varies from 18 to 9 per cent. Overhead costs range from 3½ to 5 per cent. The balance is for advances to settlers, buildings, seed, manure, wire, etc. Plant and stock are not included in the expenditure

shown, as they have been advanced on eight years' terms. Interest is, of course, a higher percentage on the older groups, on account of the longer period; but overhead is practically constant at 3½ to 5 per cent. The phrase "overhead expenses" may lead some members to think it means cost of administration, or something like that. I will read the details of the "overhead expenses" for Richmond Group 10, which clearly represents the items covered by this designation—

	£	s.	d.
Fodder	96	1	8
Freights	10	13	4
General Wages	51	15	4
Horse Hire	17	11	0
Tools, Plant	22	6	5
Sundries	19	18	4
Supervision	56	1	5
Insurance	13	16	0
Potato Crop	9	5	2
Oats Crop	0	14	2
Maize Crop	0	6	5
Pigs	0	4	9
Cows	2	12	3
Temporary Camps	7	7	10
Total	£308	14	1

The following details give the interest and overhead costs shown against the total expenditure on the group areas mentioned. It will be noticed that the figures relate to old and new groups, the latter being the Northcliffe groups—

INTEREST AND OVERHEAD COSTS SHOWN AGAINST TOTAL EXPENDITURE ON UNDERMENTIONED GROUPS.

Group.	Total Expenditure.	Interest.	A. Rate.	Overhead Costs.				A. and C. Total.	Total A., B. and C.
				Items applicable to Group.	B. Rate.	Actual Overhead Costs.	C. Rate.		
	£ s. d.	£ s. d.	%	£ s. d.	%	£ s. d.	%	%	%
MANJIMUP AREA.									
8	63,987 17 0	10,876 10 10	17.1	5,657 6 1	8.0	2,182 5 6	3.4	20.6	29.4
10	53,468 15 3	9,205 1 6	17.2	5,422 14 2	10.1	2,062 17 9	3.8	21.0	31.1
11	40,454 14 5	6,964 13 6	17.2	3,302 17 11	8.1	1,306 10 4	3.3	20.5	28.6
RUSSELLTON AREA.									
22	56,097 6 2	9,865 18 8	17.6	7,395 12 4	13.2	1,478 4 7	2.6	20.2	33.4
27	62,150 16 11	9,542 10 4	18.3	4,050 11 0	7.7	1,873 15 1	3.2	21.5	29.2
28	41,705 7 0	7,709 11 7	18.5	3,849 17 9	8.7	1,478 4 3	3.5	22.0	30.7
DENMARK AREA.									
41	44,461 9 11	6,251 19 4	14.0	5,623 2 9	12.6	1,550 5 0	3.5	17.5	30.1
42	40,368 11 3	5,771 13 7	14.3	4,163 19 1	10.3	1,628 5 4	4.0	18.3	29.6
58	38,460 11 11	4,849 12 9	12.6	4,769 11 0	12.3	1,347 1 6	3.6	16.2	28.6
NORTHCLIFFE AREA.									
94	82,071 15 2	3,186 8 0	9.0	5,893 18 7	18.3	1,377 16 0	4.3	14.2	32.5
95	33,885 11 5	3,350 10 8	9.9	5,703 19 2	16.9	1,593 19 6	4.7	14.6	31.5
96	35,326 7 10	3,452 7 0	9.4	5,821 9 9	16.4	1,593 0 4	4.5	13.9	30.3
PEEL ESTATE.									
35	46,211 7 8	9,084 9 3	19.6	4,043 17 9	8.7	1,542 14 9	3.3	22.9	31.6

Under the heading "Items applicable to group" are general charges such as:—General Wages, Horse Hire, Fodder, Freights. Depreciation on Plant and Sundries divisible equally on holdings.
Actual Overhead Costs include Supervision, Insurance, and Sundries.

Mr. Mann remarked that the settlers were being charged $5\frac{1}{4}$ per cent. to 6 per cent. for money which cost the Government only 1 per cent.

Hon. W. J. Mann: One man told me he was charged 7 per cent.

The CHIEF SECRETARY: I am not going to dispute those statements to a certain extent. May I state that under the migration agreement, neither the group settler nor anyone else is entitled to have money at 1 per cent. The so-called cheap money has been provided to enable the Government to carry out various works and undertakings as well as group settlement. Even if the migration agreement gave the settlers the benefit of the cheap money—which it does not—the concession would only cover to the extent of £1,000 a holding on 2,031 farms and to the extent of £1,500 on 80 farms, and the dear money would come into the business thereafter. On group expenditure we are entitled to borrow at the cheap rate to the extent of £2,151,000, and on the balance of the total of $5\frac{1}{2}$ millions—that is £3,372,000—we are paying the full rate of interest. I have not taken into account road work or drainage, but the actual cost of clearing the land and settling the men on it.

Hon. W. J. Mann: That is nearly the amount I quoted myself.

The CHIEF SECRETARY: But the hon. member said the Government were getting the benefit of the 1 per cent. money right through.

Hon. W. J. Mann: No, only on the £3,372,000.

The CHIEF SECRETARY: The main cause of the large amount of interest loaded on the groups is the extended period necessary to bring them to the self-supporting state. Sir James Mitchell's anticipation of making farms in two or three years was not realised. Had expenditure stopped at 25 acres of clearing, as set out by him, and suggested by Mr. Ewing to-day, further expenditure by the Agricultural Bank would have been necessary and the settler could not have existed, let alone pay the interest.

Hon. J. Ewing: Whose statement is that?

The CHIEF SECRETARY: I am leading up to other facts that will impress hon. members. Parliamentary authority has been secured for the capitalisation of interest. Instead of clearing only 25 acres, it has been found necessary to clear 70 acres of

the good land and 100 acres of the lighter land, and this accounts for the milk in the cocoanut. If we had cleared only 25 acres of land, the State would not be so heavily involved as it is to-day. Sir James Mitchell was grossly misled in his views, and if 25 acres only had been cleared the settlers would have starved.

Hon. J. Ewing: But they would have been put on to the Agricultural Bank.

The CHIEF SECRETARY: Mr. Mann talks about "drift" and maladministration, but he does not point out where it has been, and who has been guilty of it? He asks, "Are the Government piling up costs in order to make profit out of the interest bill?" I have already explained that the Government can only get a rebate of interest up to £1,000 capitalisation on 2,031 farms, and up to £1,500 capitalisation on 80 farms, and that above these amounts the State is burdened with the full rate of interest. Every penny expended on a holding above £1,000 on 2,031 farms and every penny above £1,500 on 80 farms carries the big rate of interest. So that increasing the costs to £3,000 and over would mean no benefit to the Government, but a deadly disadvantage, for the money could be profitably spent in other directions. The hon. member implied that the Government had some object to serve in piling up the costs.

Hon. W. J. Mann: If you look at the "Hansard" report of my speech you will see that I asked the question.

The CHIEF SECRETARY: I have an exact copy of what the hon. member said. Mr. Holmes interjected: "They are doing this to reduce their interest bill and still affect their deficit." This is unfair of the hon. member because he knows better. He stated the position accurately last year, when he said—and his remarks will be found in "Hansard," 1927, page 319—"If we did not establish them"—the group settlers—"for £1,000, we were not to get any interest or any contribution towards any amount in excess of £1,000. Thus, if we spent £2,000, we would get a rebate of interest on only £1,000." Yet the hon. member's interjection to Mr. Mann gives quite a different impression. The fact is that the expenditure is greater than the founder of the scheme contemplated. It is greater, not be-

cause of money wasted, but because to have stopped at the 25 acres of clearing proposed by Sir James Mitchell, would have left the settlers without any means of support, and the necessary continuance of development under the Agricultural Bank would have meant continuance of expenditure. Not only that, it would be unfair to the Bank to push these farms on to it at a period when they were in the purely experimental stage and when the prospects of success were not at all assured. That this was a wise course is shown by the fact that 434 of the holdings have had to be abandoned and 386 linked, with a loss through the abandonment alone of £892,000. What the loss by linking and writing down will be cannot be known until the capital debt is fixed on each holding. For the first time I have heard to-night that the abandonment of the blocks was unwise and that if an inspection were made, it would be found that grass was growing luxuriously on some of the blocks.

Hon. J. Ewing: That is true.

Hon. W. J. Mann: Do the Government intend to sell the abandoned blocks?

The CHIEF SECRETARY: I do not know what the Government propose to do.

Hon. W. J. Mann: Would you be surprised to know that they asked £1,500 for one block?

The CHIEF SECRETARY: If anyone wishes to purchase the abandoned blocks, I think they will find the Government a ready seller. Mr. Mann referred to the 48-hour week being in vogue on the groups. It had been so, and that condition was laid down by Sir James Mitchell, who stipulated that the settlers should receive 10s. a day sustenance and that they should work at least 48 hours a week. They were not on wages; they were improving their own holdings; and spare time effort was encouraged. But 48 hours is the minimum. What was the object of the hon. member in introducing matter like that into his speech, especially as the old system of sustenance has been abolished, except in regard to the first three months a new settler is on his block.

Hon. W. J. Mann: It shows that the system was wrong.

The CHIEF SECRETARY: I cannot understand the hon. member.

Hon. G. W. Miles: It was to show the effect of contract against day labour.

The CHIEF SECRETARY: Mr. Mann said—

No matter how I figure it out, I have not been able to discover that any more than 50 or 60 per cent. of the amount suggested has been actually spent on group locations. The balance, I take it, represents interest compounded

That has a very ugly sound. He insinuates that 40 per cent. of the capitalisation is represented by interest.

Hon. A. J. H. Saw: The people who never pay their interest always have a great objection to compound interest.

The CHIEF SECRETARY: Yes; but I do not think there is much cause to worry about interest or anything else. In reply to Mr. Mann, I will say that if that were so, the settlers could claim that they had been robbed. But it is not so, as the statement I have read has proved.

Hon. W. J. Mann: I did not say they had been robbed.

The CHIEF SECRETARY: The figure is 18 or 19 per cent. as a maximum.

Hon. W. J. Mann: That is a fair lump, you know.

The CHIEF SECRETARY: The interest due by each settler is paid as it becomes due out of the Group Settlement Vote to the Treasury, and he is debited with the amount. That was what Sir James Mitchell did, what the present Government are doing, and what Parliament provided the money for. With regard to the treatment of interest, the same procedure is adopted as is followed by a private bank. If a man has an overdraft at a private bank, the interest is debited half-yearly, and, unless he meets the interest, his indebtedness increases, and he pays interest on his indebtedness. The same thing is done by the Agricultural Bank, and is provided for by legislation passed by this House in connection with that bank. I do not know why the prospective grower of subterranean clover should be treated any differently from the prospective grower of wheat. But, whether it is right or whether it is wrong, it is part of the scheme handed down to us by our predecessors. Personally I do not see what else could be done consistently with sound finance. A farmer who borrows from the Agricultural Bank comes in under exactly the same conditions as does the group settler, except that the rate of interest to the group settler is less than is charged to

the farmer who gets a loan from the Agricultural Bank.

Hon. J. Ewing: It is compound interest all the same.

Hon. G. W. Miles: That is the usual thing.

The CHIEF SECRETARY: If Mr. Ewing had an overdraft at the bank and did not meet his interest, it would be treated in exactly the same way.

Hon. G. W. Miles: That is the only business way of doing it.

The CHIEF SECRETARY: We may call it compound interest or anything else, but the fact remains it is the usual business method. Mr. Mann evidently thinks that the settlers should be able to get their accounts whenever they ask for them. He says that a good many applications have been made to the Government for information as to costs, but in practically every instance the request was met with a refusal. I am told that this is not so—that in cases where it was evident there was a genuine desire on the part of the settler to know the amount of his liability, a statement was sent to him. But, unless a big staff of accountants was employed it would be impossible to do that regularly in a large scheme like this, for every month there are alterations in the accounts and, as it is, the accountancy side of the business is a huge task. Mr. Mann expects some information to be given to Parliament as to how much it is proposed to write off the indebtedness of the people on the groups. Obviously it is impossible to give that information. We do not know, nor will anyone know, until the board investigates and reports. But we wish the board to have a free hand in the matter, with two objects in view—justice to the settler and justice to the State. There was not much to complain about regarding Mr. Ewing's speech. On the whole he was very generous, but there are one or two points on which I disagree with him. At the same time there is nothing to which strong exception could be taken. He said the policy of clearing 25 acres had not been carried out and that a huge expenditure had been incurred in consequence. I have dealt with that point. I have shown not only that 25 acres would be insufficient, but that even 50 acres of good land would not be sufficient, and that the minimum of good land necessary to enable a settler to succeed was 70 acres, while of lighter land 100 acres

was required to ensure success. Mr. Ewing said the policy was all right up to the time Mr. Troy took office, but that the policy had been changed since then and hence we were in the position in which we found ourselves to-day. I do not know what Mr. Troy has done to merit such condemnation. I can scarcely believe that the hon. member intended what he said. Soon after coming into office Mr. Troy investigated group settlement matters and did his task thoroughly and well. He appointed a board with a thorough knowledge of the South-West to make investigations and those investigations have led to the abandonment of farms that could not possibly succeed and to various reforms leading to the Bill now before Parliament. The hon. member said the Government were now ignoring the South-West and making no further provision for group settlement. I think we have a big task before us to prove the present settlements and to make them a success, and it would be very unwise to extend in a great degree the present settlement until existing settlers have had an opportunity to make a success of their holdings.

Hon. A. Lovekin: That is common sense.

The CHIEF SECRETARY: Consequently it is hardly fair to press the Government to proceed with further expenditure.

Hon. G. W. Miles: Have you anything to say about Mr. Lovekin's speech?

The CHIEF SECRETARY: I am not acquainted with the facts. Mr. Seddon was anxious to know how the two positions on the board are to be filled. I do not know, for the simple reason that no selection has yet been made. If the Bill is passed Cabinet will meet and determine the question. How political considerations can enter into the matter, as he suggests, I cannot see, but if Parliament selected the board there would still be people who would suspect that political considerations were not overlooked. Politicians should not have anything to do with a question of this kind.

Members: Hear, hear!

The CHIEF SECRETARY: If politics were introduced—and I fail to perceive how they could be decently introduced—it would be fatal to the purpose of this Bill. If the Government had desired to drag politics into the business, they could have done so at a very early stage, and

perhaps have scored from the standpoint. But the matter is too grave, the question too important and the issue too momentous to be made the sport of politicians. The group settlements should be regarded by all as an honest attempt to solve a great problem—the production within Western Australia of articles of daily consumption that are now imported on a large scale, resulting in a considerable amount of wealth going out of the State that should be kept within its own borders. It has taken much money in the effort to solve the problem and it may take a good deal more. Our great aim should be to bring the South-West under successful cultivation. Having once done so, we shall have achieved our objective, for the land will then be capable of yielding its riches for all time. In that case, not only will the present generation reap some reward from this daring enterprise, but future generations will benefit by the results, and we shall have done our duty to posterity.

Question put and passed.

Bill read a second time.

BILL—BUNBURY ELECTRIC LIGHTING ACT AMENDMENT.

Second Reading.

Debate resumed from the 31st October.

HON. W. J. MANN (South-West) [9.59]: I thank the Minister for giving me an opportunity to speak at this late hour, and I promise the House not to detain it long. I am anxious to say a few words, as I shall be prevented from attending during the remainder of the week. The Bill proposes to amend the Bunbury Electric Lighting Act of 1911, which gave the municipality authority to borrow money to instal electric lighting and power plant. That plant has done very good service since it was put in, but it is now obsolete. The Bunbury Municipality are forced into the position of having to come before Parliament to ask for authorisation to increase their borrowing powers for the purpose of purchasing a new plant to supplement the old one which has become costly to operate and has outlived its usefulness. The Bunbury Municipality had authorisation to borrow £25,000. That amount was raised

and a sum of £16,000 was spent. Now it is desired to put in another plant that will cost £14,000 or £15,000. The amount of money the municipality has from the first authorisation is something like £8,500, but it is not sufficient to pay for the plant it is desired to secure. Consequently they wish to raise another £10,000 to enable them to get a plant that will carry them on for a few years. If the national scheme had been undertaken, there would have been no necessity to make this request, but the position is that the town of Bunbury has increased to such an extent and the demand for current has become so great that the municipal authorities have been obliged to refuse additional current to consumers.

Hon. Sir William Lathlain: All the more need for a greater scheme.

Hon. W. J. MANN: While I advocate giving Bunbury additional authority to borrow, I want it to be understood that I am still firmly of the opinion that the time has arrived when the State should carry out a national scheme. Unfortunately, the Government have shown a disinclination to go on with the proposal and Bunbury has no alternative but to make an addition to its existing plant until such time as the national scheme is carried into effect. The increase in the demand for current at Bunbury during the last 12 months has been phenomenal, and on several occasions the municipality have found themselves in the position of having to advise their consumers not to put in motors of any size because it was questionable whether the plant would carry them. I do not think any hon. member would like to see the progress of any town hampered when it is merely a matter of giving that town permission to borrow money to tide them over a difficulty. Sir William Lathlain desires to know how much has been paid back by the municipality. Of the £16,000 borrowed originally, the Bunbury council have repaid in interest and sinking fund £6,990, which is a fair proportion of the £16,000 borrowed. I cannot honestly see how anyone can reasonably deny the authority that is being sought by the municipality. The amount that it is desired to raise is not excessive.

Hon. Sir William Lathlain: Have they taken a vote of the ratepayers?

Hon. W. J. MANN: They must first of all secure the authority of Parliament. I

hope the Bill will be passed speedily so that the municipality may get the plant which is so urgently required.

On motion by Hon. J. Cornell debate adjourned.

House adjourned at 10.7 p.m.

Legislative Assembly.

Tuesday, 6th November, 1928.

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

SELECT COMMITTEE—TOWN PLANNING AND DEVELOPMENT BILL.

Extension of Time.

On motion by Mr. Clydesdale, the time for bringing up the select committee's report was extended to the 20th November.

BILL—ELECTORAL DISTRICTS ACT AMENDMENT.

Third Reading.

THE PREMIER (Hon. P. Collier—Boulder) [4.35]: I move—

That the Bill be now read a third time.

MR. THOMSON (Katanning) [4.36]: I move—

That this Order of the Day be adjourned to enable me, in accordance with Standing Order 297, to place a notice on the Notice Paper.

Motion put and negatived.

MR. THOMSON: I move an amendment—

That "now" be struck out with a view to inserting other words.

Hon. G. Taylor: You must give reason for that.

MR. THOMSON: I propose to do so. Some of them will be personal, whilst other will be as showing that the House should have an opportunity for further considering the Bill. In 1923, when a similar Bill was adopted, the discussion started at 2.4 p.m. on Thursday, the 25th January, and was completed at 7.47 p.m. on the Friday after a continuous sitting of 29¼ hours.

The Minister for Justice: There was a lot of opposition to that Bill.

MR. THOMSON: The motion I had desired to move was on similar lines to one which the Premier himself moved in this House on a Bill of the same character, namely, that the Bill be referred to a select committee. Had I been here during the second reading, I would have endeavoured to have the Bill referred to a select committee in exactly the same terms as the Premier himself moved in 1923. One of the reasons why I am asking that this Bill be deferred or recommitted is that members should have an opportunity to go more closely into it than they have done. For a Bill providing for a redistribution of seats to be introduced on the Tuesday and pass all its stages except the third reading by the Thursday certainly is something quite unusual. I want to give some of the reasons why I do not think the Bill is quite fair. We find that the population of the metropolitan area is 1,131 persons to the square mile of that area.

MR. Marshall: On a point of order. I should like a ruling as to whether the hon. member is in order in discussing the nature of the Bill on a motion to postpone the third reading of the Bill.

Hon. G. Taylor: Not to postpone.

MR. SPEAKER: Up to the present the hon. member is giving his reasons for proposing to omit the word "now," and he is in order.

MR. THOMSON: That is to say, in an area of 136 square miles we have 154,873 persons. Taking so much of the rest of the State as is considered rural, which includes all country towns, we have an area of 975,730 square miles with an average of .013 persons per square mile.