

Legislative Council,

Wednesday, 1st November, 1933.

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

QUESTION—WHEAT, BULK HANDLING.

As to Fremantle Lumpers.

Hon. V. HAMERSLEY asked the Chief Secretary: 1, Are the Government aware that the wheat lumpers at Fremantle have intimated that they will refuse to handle bulk wheat, or allow it to be handled, at the port of Fremantle? 2, Are the Government aware that a public meeting was called by the Mayor of Fremantle, and that expressions of opinion were passed at such meeting confirming the attitude of the lumpers? 3, In view of the desire of these people that farmers who had arranged to ship wheat in bulk at Fremantle should be frustrated, is it the intention of the Government to grant sites to Bulk Handling, Limited, or others at the ports of Geraldton, Bunbury, and Albany to enable wheat farmers and others who desire to meet their engagements and obligations, to ship their wheat under a bulk handling scheme? 4, If not, why not?

The CHIEF SECRETARY replied: 1, Yes. 2, No. 3 and 4, The whole position is being considered and a decision will be reached when such is considered necessary.

LEAVE OF ABSENCE.

On motion by Hon. E. Rose, leave of absence granted to Hon. J. Ewing (South-West) for 12 consecutive sittings on the ground of ill-health.

BILL—LAND.

Standing Orders Suspension.

The HONORARY MINISTER: I move, without notice—

That on the consideration of the Land Bill, Standing Orders Nos. 197 and 210 be suspended.

The PRESIDENT: Standing Order 197 provides—

No question shall be put upon any clause printed in italics.

Standing Order 210 reads—

After the third reading any clause printed in italics shall be struck out, but the fresh print of the Bill as transmitted to the Assembly shall contain such clause printed in erased type, and the same shall not be deemed to form part of the Bill.

The Land Bill contains clauses in italics, and it is necessary that these Standing Orders should be suspended; otherwise it would be necessary to reprint the Bill. The clauses were printed in italics purely for the convenience of members, in order to enable them to ascertain the new matter in the Bill and distinguish it from the old matter.

Hon. J. CORNELL: I second the motion, and should like to go a little further than you went, Mr. President. My interpretation of these Standing Orders is that actually they apply only when a Bill is introduced in this House, whereas the Land Bill originated in another place.

Question put.

The PRESIDENT: There being no voice in opposition, and there being more than an absolute majority of members of the House present, I declare the motion carried.

BILL—ENTERTAINMENTS TAX ACT AMENDMENT.

Second Reading.

The CHIEF SECRETARY (Hon. J. M. Drew—Central) [4.41] in moving the second reading said: This is a Bill to take over that portion of the entertainments tax which has been relinquished by the Commonwealth. It does not add to the burden borne for years past by those who have been paying this form of tax to both the Federal and the State authorities. It simply means that, instead of the Commonwealth getting some of the money as heretofore, the State will get the whole.

It has been said by a few critics outside this House that the State should not intervene and seize taxation when the Federal Government had dropped it in order that some relief should be granted to the people.

If it were true that the Federal Government intended it as a relief to the people, there would be some force in such reasoning and some grounds for complaint. But the Federal Government did not mean the repeal of their Act to be, in effect, a remission to the people. It took off the taxation for the specific purpose of enabling the States to pick it up. In the Commonwealth Treasurer's Budget speech, it was stated that the Government proposed to evacuate the field of entertainments taxation altogether, and to leave this source of revenue entirely to the States. I will read his exact words from the Commonwealth of Australia Parliamentary Debates, No. 19, page 3217—

The Government propose to evacuate the field of entertainments taxation altogether, and to leave this source of revenue entirely to the States. This will involve a loss of revenue of £140,000 a year. The Commonwealth will, if desired by the States concerned, continue to collect State entertainments tax where it is at present doing so.

The State Governments generally, and our Government in particular, have for some time strongly urged that the Federal Government should give up some substantial source of taxation so as to effect a readjustment of the present unsatisfactory relative financial position of the Commonwealth and the State Governments. No doubt this concession, inadequate though it may be, is a result of those representations. Should we fail to take advantage of it—especially after asking that something of the sort should be done—our claim for further readjustment of this kind would be immeasurably weakened, and our sincerity would be open to question, and might well be challenged. It would also prejudice our claim for a special grant now under consideration. That should be patent to all thinking persons. The extra amount we shall receive through the relinquishing of the tax by the Commonwealth and the passing of this Bill is estimated to be approximately £11,400. That is the amount the Commonwealth expected to collect this year.

Our predecessors in office doubled the entertainments tax, both on amounts below

2s. 6d. and amounts above 2s. 6d. With the removal of the Federal Tax an anomaly would be created unless we did one of two things—either reduced taxation on the lower amounts or put upon the higher amounts the tax which the Commonwealth imposed on them, but which it has now dropped. If we did neither, it would mean that well-to-do persons who went to a theatre where admission tickets were high priced, say 3s. and 4s. and over, would pay only 1d. on every shilling, while those who went to an ordinary 2s. picture show would pay 2d. on every shilling. For instance, the buyer of a 2s. ticket would pay 4d. in tax, while the buyer of a 3s. ticket would pay only 3d. There is no necessity to stress the point that a person who can afford to go to a theatre and occupy a good seat should, instead of contributing less to the revenue in the way of tax, be called upon to contribute more. The anomaly could be removed if the present Government were to reduce the rates of tax by a penny on every shilling on amounts below 2s. 6d. But it cannot afford the loss of revenue. That loss would, it is estimated, run into over £25,000 a year. The total tax collected during last year from entertainments was £62,486. The only logical alternative to this Bill is the loss of over £25,000 a year and it would be most ill-advised to make such a sacrifice.

The Bill does not affect amounts under 2s. 6d. because, for some years past, the Commonwealth has not collected on amounts smaller than 2s. 6d. I shall explain the rates of tax imposed by the Commonwealth, the rates imposed by the State at the present time, and the rates which will be applied if this Bill becomes law. The Commonwealth tax, now repealed, represented 2½d. on a 2s. 6d. ticket, 3d. on a 3s. ticket, 3½d. on a 3s. 6d. ticket and 4d. on a 4s. ticket. The following table reveals the new position—

Present State tax.			State tax if Bill be passed.	
Ticket			Ticket plus tax.	Ticket plus tax.
s. d.			s. d.	s. d.
1 0	..	..	1 2	1 2
1 6	..	..	1 9	1 9
2 0	..	..	2 4	2 4
2 6	..	..	2 8½	2 11
3 0	..	..	3 3	3 6
3 6	..	..	3 9½	4 1
4 0	..	..	4 4	4 8

I move—

That the Bill be now read a second time.

On motion by Hon. C. F. Baxter, debate adjourned.

BILL—EMPLOYMENT BROKERS ACT AMENDMENT.

Received from the Assembly and read a first time.

BILL—YUNA-DARTMOOR RAILWAY.

Second Reading.

Debate resumed from the 18th October.

THE CHIEF SECRETARY (Hon. J. M. Drew—Central—in reply) [4.54]: The debate has shown that there is considerable misconception with regard to the question before the House. Some of the statements made simply astounded me. They were based on second-hand information, but were submitted by members in all good faith. From a few of the discussions it would appear as if the proposal were not clearly understood. Mr. Macfarlane said the line ran from Geraldton, not parallel with the Mullewa-Meekatharra railway. It is possible that I did not fully explain the matter when introducing the Bill. The proposed line is an extension of the railway which runs through the fertile Upper Chapman country on to Yuna, and which lifted 202,000 bags of wheat during the last season. Mr. Macfarlane pointed out that, on a population basis, we had 100 people to each mile of railway, and he painted a dismal picture of the possibilities of wheat-growing. It is apparent, however, that his objections would not be so strong if some of the authorised railways were constructed. He said in speaking of these projects, "The Minister will find plenty of work for the unemployed if he is really anxious to embark on railway construction." It seems that Mr. Macfarlane's arguments against excessive railway mileage are not for general application, but may conveniently be set aside in certain circumstances. I shall later give my reason why the line covered by this Bill should receive special consideration. In the meantime, I must conclude, after a careful perusal of my notes of Mr. Macfarlane's criticism, that while the prospects of the wheat market are alarming to him where the

Yuna extension is concerned, they are in no way discouraging where change of locality and order of precedence enter into the discussion. If the hon. member had continued in harmony with the first note he struck, one could differ from him and at the same time admit that he was logical. But, when change of locality and order of precedence incline him to reverse his argument on the question of excessive railway mileage, it is very hard to recognise his consistency. Mr. Macfarlane's comments sounded as though he regarded the quantity of wheat railed from Yuna as something insignificant. He sets down the number of bags as 93,000. That was from the season before last. The rail-age last year from Yuna totalled 113,000 bags. In addition to that, there are four sidings within 12 miles of Yuna which increase this output to 159,887 bags. But, taking the 113,000 bags railed from Yuna alone, is the hon. member aware of the fact that, according to the return of the Commissioner of Railways shown in his 1933 report, pages 72 to 74, there are only 13 stations or sidings in the whole of Western Australia, outside the Central Province, where the figures credited to Yuna are even reached? There are hundreds far below it, but there are only 13 that reach it or surpass it.

Sir Charles Nathan, in protesting against a continuance of the present policy of railway construction, suggested that the Yuna-Dartmoor area might prove ideal for an experiment with crude oil units; 15-ton units, he said, could be acquired for about £2,600 each. Any suggestions calculated to provide transport facilities, without undue capitalisation costs, or in any other direction which would be of benefit to the State, are always welcomed by the Government, and I have seldom neglected, when Leader of the House, to forward such suggestions to the Minister immediately concerned. Sir Charles Nathan's suggestion with reference to the 15-ton crude oil units would scarcely be a practicable one in this instance. They might be all right for roads specially built for the purpose. The roads would need to have extremely strong foundations, and would require to be designed to bear the heavy weights they would have to carry. If past experience in substantial road-making be any criterion, they would be much more costly than a railway, and the expenses of maintenance would probably be greater than that of keeping a railway track in order. While

between Yuna and Dartmoor there is a fairly satisfactory road for ordinary motor traffic, 15-ton units are a different proposition and, for the reasons I have given, their installation would be a rash experiment. For that reason most people will consider that the installation would be a rash experiment. Sir Charles' estimate that the necessary road could be constructed over a length of 30 miles for £20,000 or about £8 6s. a chain will not bear examination.

Mr. Fraser's attitude towards this railway surprises me. In the first place he wants to know why the manganese line should be pulled up. There was a lot of Geraldton money put into that line; there was a lot of Government money also and the line passes from Meekatharra to Horseshoe, both parts of my province. Yet, in view of all these facts, I say that these deposits will never be worked, and that if those who were connected with the company had made complete investigations into every aspect of the question, they would not have lost their money. There would be no one more strongly opposed than I to any interference with the line if I could see success even in the distance. It would mean much for the port of Geraldton if our expectations in regard to the manganese industry had been realised, but our hopes have been dashed to the ground, and recent statements relative to the matter are grossly misleading. Mr. Fraser said the Dartmoor proposal would merely "perpetuate the old system of running lines anywhere and finishing nowhere." He suggested that in building railways, we should link up with other lines. Let me tell the hon. member that the proposal represents an extension of the Upper Chapman line which has opened up, and assisted to develop, some of the finest agricultural land in the State—an area which is producing wheat and wool on a large scale. It links up with the Northampton railway on the Southern end, and in the years to come, it will link up with the Northampton-Ajana line on the northern end. Mr. Fraser has, of course, like other members an alternative to offer. He wants the Brookton-Armadale railway built. I have no objection to that proposition. But I would point out another aspect of the question. First, I would not ask any hon. member to support this railway unless he was convinced that the quality and area of the land and the rainfall satisfied him that the project was in the interests of the State.

There is another reason to which I referred when introducing the Bill. There is a necessity for providing work for the unemployed in the Geraldton district. At the present time there is in the district a great number of men out of work. When the Minister for Railways visited his electorate a few weeks ago, a large deputation waited upon him and placed the position before him. These men, many of them married, with families, will either have to be put to some work or go on sustenance. In keeping with the policy of the Government, the work should be of a reproductive character. This railway would meet the position from all points of view. Seeing that Mr. Fraser has been through the Dartmoor country and recognises the railway is necessary, I ask him to consider whether or not I have given a solid reason why the work should be undertaken. Only for the urgency of the question of finding employment for idle and penniless men, no railway Bill would be submitted to Parliament at the present time.

Hon. G. W. Miles: Are you not sending men from Fremantle to Geraldton?

The CHIEF SECRETARY: Yes, and some distance beyond Geraldton. The men must be carefully selected and they must have a knowledge of railway construction. There are hundreds of men out of employment who have a knowledge of railway construction.

Hon. Sir Edward Wittenoom: You need not worry yourself; every one has made up his mind about it.

The CHIEF SECRETARY: The quoted statement of a member in another place that the first 20 miles of the proposed route is sand plain has no foundation in fact. The limit of deviation will allow it to pass through settlement. Admittedly the road passes through some sand plain—about 10 miles of it—but the road is not the route. Sandalwood pullers, in the old days, made the track (which had many twists and turns) to enable the carters to strike winter water supplies. When a road from Yuna to Dartmoor was surveyed, it went fairly close to this track and became the main Dartmoor road, because, despite its twists and turns it was the nearest route.

Visitors to Dartmoor who go by the main road would quite easily form the impression that a big area of sand plain was being passed before good country was reached.

Even along this route from the railhead at Yuna, the distance to Yuna No. 2 is seven miles with good farms all the way; from Yuna No. 2 it is 10 miles over sand plain to the point where good forest land from the East side extends to the main road. Strangers travelling along this route, unless informed, would not be aware of the stretch of good country lying just to the east of Yuna, No. 2 and the main road. The route recommended by the Railway Advisory Board passes to the east of the main road and will serve the settlement there. The railway will also have the effect of bringing closer to a railway point the settlement at Wandana which is east of the proposed route, and which has not been previously mentioned in the debate. The settlers there are now carting their wheat from 20 to 25 miles to Yuna, and have been seeking an extension of the Yuna Railway to a little beyond East Yuna in order to serve them. Mr. Camm informs me that these settlers will be brought within the 15 miles radius. While the railway will fringe some sandplain as it enters Dartmoor, it is sandplain that will all be taken up as it is of the oat and lupin growing type and besides that it will be necessary to provide a change of feed during summer for stock, inasmuch as there is no sandplain in the big area of agricultural land at Dartmoor and beyond. Fresh water supplies can be obtained by boring, and it should be most profitable for carrying sheep.

Hon. G. W. Miles: You do not want a railway for carrying sheep.

The CHIEF SECRETARY: There is also Balla, to which Mr. Cornell referred, and which must be taken into consideration. I did not refer to it in my opening speech because Balla had been seeking a connection with the Ajana Railway. I have had evidence since, that the farmers there are behind this Bill and that the route proposed in it will serve them admirably. At Balla 59,600 acres have been selected, 18,000 first class, 18,600 second class, and 23,000 third class. In the opinion of the Surveyor General based on information he has secured, the first class land will yield 20 bushels to the acre, and the second class land 15. Making provision for crop rotation, he considers that the area should turn out 106,500 bags of wheat per annum.

With regard to sheep and wool, he says the carrying capacity of the land should be considerable after clearing. The centre is supplied with Government catchment tanks of a holding capacity of 70,000 gallons and bores have located good stock water and yielding 7,000 gallons a day. Experimental wheat plots conducted by the Agricultural Department in 1929, on new land, unfallowed, showed an average of 19 bushels 40lb. to the acre. There are 21 land-holders, and the area cleared is 13,050 acres.

I will now give some statistics which will put the position clearly. Where no area of crop is shown for this year, the settler has been forced to discontinue cropping for the present, mainly owing to transport difficulties, but I am assured that activity would certainly be renewed on the construction of the line.

BALLA AREA.

(Including all settlers more than 12½ miles from existing railways and situated on the western side of the proposed railway.)

Settler.	Area Cleared.	Present Crop.	Distance from Existing Railway.	Probable Distance from Proposed Railway.
Simkin Bros. ...	200	200	30	11
Duncan Bros. ...	600	450	30	12
M. Mazzuchelli ...	200	150	27	10
D. Fenton ...	350	...	26	10
S. Hammersley ...	100	...	26	15
M. J. Ryan ...	1,100	300	22	9
A. Horan ...	1,000	800	20	10
M. E. Mazzuchelli ...	1,500	800	24	5.
Criddle Bros. ...	800	500	18	8
L. Wickens ...	800	200	22	5
K. Wickens ...	300	100	24	4
N. G. Wright ...	1,000	450	21	6
A. G. Heaville ...	1,500	570	18	8
H. G. Monkcom ...	700	350	19	7
Kaiser Bros. ...	500	500	18	7
Kassmassen ...	200	...	18	6
Sharp ...	100	...	25	4
Mrs. Maley ...	600	...	22	1
Bergeren ...	500	...	19	5
Sinclair ...	400	...	15	6
F. Godfrey ...	600	...	14	12

	acres.		Av. Dist.	Av. Miles.
Total ...	13,050	5,170	22 miles	8

Average reduction in distance from railway—14 miles.

It will be seen that the average distance now from a railway line is 22 miles, that some of the settlers have to cart their wheat 30 miles—and that the railway will bring them all within an average distance of eight miles. The average rainfall is 13.41 inches, since 1926, and the average for the growing months, April to September, is 9.46 inches.

Hon. G. W. Miles: How much land has Sewell got there?

The CHIEF SECRETARY: About 9,000 acres. It is held by a syndicate, not by Sewell alone. I have information about it that I can give the House. They pioneered

the country and demonstrated the quality of the soil. It is estimated that the building of the railway will mean an average reduction in cartage distances of 14 miles or a saving of 24. a bushel.

Hon. A. M. Clydesdale: What about motor competition?

The CHIEF SECRETARY: The settlers employed contractors and I shall give the results indicating the cost of motor transport.

Hon. Sir Edward Wittenoom: I think we are all convinced now!

The CHIEF SECRETARY: The Agricultural Editor of the "Western Mail" visited the area in September, 1929. Previously that paper, lacking authentic information—like some hon. members in this Chamber—had commented unfavourably on the district but this is what the editor wrote after he had seen the area for himself:—

Balla and Dartmoor.

Balla and Dartmoor are two fertile islands of forest country separated from each other and from their respective rail outlets at Binnu and Yuna by belts of sandplain country, which may, and I believe, with encouragement will grow lupins . . . Settlers on a comparatively extensive tract of very good country are carting wheat for distances ranging from 20 to 40 miles to the railway—

I put it down at 30 miles, but the Agricultural Editor of the "Western Mail" put it down at 40 miles.

—The settlers of Balla and Dartmoor have earned, if they have not received, respect for the way they have gone forth pioneering. Their country, partly because of its distance from railway facilities and partly because of the district having once been regarded as too dry for wheat growing, has been denied full Agricultural Bank assistance even to those south of the rabbit proof fence, and there has been no assistance in the past to those north of it. Nevertheless, the development has been considerable. Balla has been settled less than three years, and the pioneer of Dartmoor, Mr. R. Oliver, is now growing his fourth crop; yet in Balla alone on 17 holdings, there are about 3,000 acres under crop and for the most part full of promise. The individual figures given are:—P. Martin, 1,000 acres; D. J. Wann, 700; Carter and Angel, 640; Mrs. S. Maley, 600; J. H. Wilson, 600; Keyte, 600; N. G. Wright, 560; A. C. Henville, 550; Ryan Bros., 500; M. Mazzuchelli, 450; Wickens Bros., 400; Hellewell and Monckham, 400; K. and D. Cridle, 350; W. Ralph, 300; E. Hamersley, 300; Duncan Bros., 200; and D. Fenton, 150; a total—if the areas given are quite accurate—

of 8,400 acres. Except in one or two cases, the crops in the Balla area a fortnight ago were forward and in good heart. Odd crops were showing signs of the dry July and August, but the day after I saw them there was a moderate fall of rain which must have done a world of good. The generally excellent promise of the Balla and Dartmoor crops is much more of a tribute to the soil than to the farming methods employed, though it must be remarked that the longer established settlers are already vastly improving their methods. I was shown a couple of crops that were merely drilled into new land, the operation being so roughly done that much of the seed lay on the surface uncovered, supplying easy provender for large flocks of galahs.

Hon. J. Cornell: At last we hear about them.

Hon. G. W. Miles: What will happen to the galahs?

The CHIEF SECRETARY: The report continued—

Yet even these crops a fortnight ago were in a condition to give good yields if the owners are lucky enough to get a good fall of rain this month. This season has shown what even mid-season wheats will do in the mild climate of the North, and on the warm friable, fertile soils of Dartmoor and Balla, given good opening rains. Once in their stride, the settlers will be able, by fallow, to reproduce the soil conditions of moisture which abnormal May and June rains gave them this season without it. I should, therefore regard these districts as safe beyond question with cropping limited to ordinarily decent fallow.

Hon. T. Moore: That is an unbiassed report.

Hon. J. J. Holmes: Was that report written the day after that famous banquet at Geraldton, of which we have heard?

The CHIEF SECRETARY: The Agricultural Editor of the "Western Mail" said that he hoped that it would not be long before they receive the further assistance that they require. He went there to curse and remained to bless. He condemned the district from his office in Perth, but when he went there he changed his mind.

Hon. J. J. Holmes: Is it a fact that the Fremantle lumpers object to being sent to the district to shoot galahs?

The CHIEF SECRETARY: Mr. Holmes, when he has had an opportunity for personal investigation, may be relied upon for the soundness of his facts. One may disagree with the conclusions he draws from these facts, but, as a rule, it would be difficult to dispute the accuracy of the data on

what his judgment is formed. Unfortunately, in this case, Mr. Holmes has had to rely on information received from others. He has no knowledge of the country with which he has been dealing, and he has had to depend upon what has been told him. And he has been grossly misinformed. His statements, in the main, are at variance, not only with the Railway Advisory Board, but with the publicity expressed opinions of the ex-Premier, the ex-Minister for Lands, the ex-Minister for Agriculture, and of every member of the present Ministry who has seen the country. The hon. member told us that the map showed the terminus of the railway would be brought within 25 to 30 miles of the drought-stricken portion of the Murchison.

Hon. J. J. Holmes: Your plan showed it, but you substituted an altered plan.

The CHIEF SECRETARY: Mr. Holmes said he was referring to Billabillong. From my personal knowledge I knew that to be incorrect, but I consulted the Surveyor General and he has written to me as follows—

The distance from the terminus of the Dartmoor proposed railway to the centre of Billabillong Station is 46 miles and from the same point to Billabillong homestead 40 miles. The distance from the centre of the Dartmoor area to the centre of Billabillong Station is 63 miles, and from the same point to Billabillong homestead, 60 miles.

Hon. G. W. Miles: What is the distance to the boundary?

Hon. J. J. Holmes: You do not go to the centre of a big station in order to find the drought area.

The CHIEF SECRETARY: The Surveyor General has given the particulars from both points. I may say that while the terminus would, in a direct line, be about 80 miles from Geraldton on the southern side, it is only about 66 miles from the coast on the western side. Billabillong is north-east and about 120 miles from the nearest coast. That should be a sufficient answer to Mr. Holmes. That hon. member said that he knows from experience that stations adjacent to the Murchison River have not had useful rains for 5 years. He is thinking of the Upper Murchison. We are dealing with country close to the Lower Murchison. For over 20 years, there has been successful settlement extending as close as 8 miles to the Lower Murchison, and it is served by the

Northampton-Ajana railway. Yallalong Station—which is a purely pastoral proposition and is likely to remain so—is 21 miles north of the outer bounds of the Dartmoor agricultural area, and I have figures supplied by the Commonwealth Meteorologist, which show that for the 29 years, from 1904 to 1932, inclusive, the average rainfall has been 10.25 inches. There has never been a drought at Yallalong in the 29 years. Mr. Holmes states that on the country between Yuna and Dartmoor there is nothing but spinifex and mulga. I can say from my own knowledge that there is neither spinifex nor mulga between Yuna and Dartmoor. This is what the Surveyor General has put in writing for my information—

A detailed classification of the blocks in the Dartmoor area shows that on the agricultural land the timber is entirely york gum and mallee. There is some mulga growing on the second class land which is stony and rocky. In the subdivided area north of Dartmoor and in the vicinity of the proposed railway terminus, there is small mulga scattered throughout, but the principal timbers are york gum, jam, mallee, ti-tree, wattle and pine with carara bush and tamma scrub. York gum, jam and wattle indicate, as a rule, that the rainfall is sufficient for wheat growing. The real mulga country is, therefore, to the eastward on stony soil with a cement or rocky subsoil. The area to be served by the railway is a deep red and brown sandy loam.

The hon. member stated that the soil had been worked in small areas like a flower garden in order to encourage the building of a railway or to facilitate the sale of the land.

Hon. J. J. Holmes: I was referring to the experimental plots.

The CHIEF SECRETARY: Surely the hon. member would not expect an experimental plot to consist of 1,000 acres!

Hon. J. J. Holmes: You cannot judge by the results obtained from experimental plots.

The CHIEF SECRETARY: They were cultivated under Government supervision, and produced over 20 bushels to the acre. A small syndicate owning the Wandalong Estate have sent me details of their farming account and profit and loss account for the 12 months ended 30th June, 1933. The statement has been prepared by Messrs.

Cavanagh and Campbell, public accountants, Geraldton, and is as follows:—

Wandalong Estate.

Farming Account.

For 12 months ending 30th June, 1933.

1933.		£	s.	d.
30 June—To Seed	93	0	0	
„ Super	148	17	7	
„ Cornsacks	238	7	4	
„ Cartage	488	3	8	
„ Crop Insurance	45	8	10	
„ Bag Sewing	31	16	7	
„ Stooking	5	5	0	
„ Twine	6	19	3	
„ Gross Profit to Profit and Loss Account	1,949	10	1	
	£3,007	8	4	

1933.		£	s.	d.
30 June—By Proceeds Wheat Season 1932/3—				
Sales 20,780 bushels	2,837	18	10	
Retained for seed 610 bushels ..	76	5	0	
Total yield 21,390 bushels	2,914	3	10	
Government Bonus	91	6	6	
Sale Oats	1	18	0	
	£3,007	8	4	

Wandalong Estate.

Profit and Loss Account.

For 12 months ending 30th June, 1933.

1933.		£	s.	d.
June 30—To Gross Loss Sheep ..	18	15	6	
„ Wages	361	5	0	
„ Oils and Petrol	249	14	10	
„ Motor Expenses	47	11	10	
„ Tractor Expenses	41	1	0	
„ Spare Parts	22	12	8	
„ Repairs and Maintenance	7	18	4	
„ Fodder	1	2	6	
„ Railage	2	6	4	
„ Depreciation	267	11	0	
„ Sundry Expenses	22	9	9	
„ Interest	310	8	8	
„ Licenses	4	0	0	
„ Insurance	21	4	11	
„ Printing, Advertising, and Stationery	4	8	8	
„ Rates and Taxes	14	19	2	
„ Net Profit to Profit and Loss Appropriation Account	683	3	7	
	£2,080	13	3	

1933.		£	s.	d.
June 30—By Gross Profits—				
Farming	1,949	10	1	
Wool	81	5	5	
Cattle	17	16	10	
Sundry Receipts	10	0	0	
Skins	4	1	4	
Stores	17	19	7	
	£2,080	13	3	

Hon. J. J. Holmes: That proves my contention that only big farms can be made to pay in these days.

The CHIEF SECRETARY: It will be seen that the cost of carting ran into £488 for one farm, a fairly large farm of 682 acres.

Hon. G. W. Miles: I thought you were quoting the figures of a syndicate. Is that the result from 682 acres of wheat?

The CHIEF SECRETARY: In spite of the cost of cartage, and of the low price of wheat, there was a net profit of £683 3s. 7d.

Hon. G. W. Miles: What was the average yield?

The CHIEF SECRETARY: This gratifying result could not have been achieved had the yield not been far ahead of anything in most parts of the State. The average was 25 bushels 38 lbs. over 795 acres. It has been said during the debate that the Advisory Board dealt with the crops of 1930 and 1931, but made no reference to 1932. Seeing that the board's report was dated 19th August, 1932, it would have been difficult for them to give the results of a harvest which was not in ear when they drafted their report. Mr. Holmes said that the Closer Settlement Act should be applied to land adjacent to existing railways. The most effective reply is that the Government have no funds for such a purpose. However, I have already expressed my views on that question, and it is not necessary to repeat them. Comparing the cost of constructing the Pemberton-Denmark line with the Yuna-Dartmoor proposition should deceive no one who knows the facts. The Pemberton-Denmark line traverses heavily-timbered forest country, with steep gradients and many wide creeks that had to be bridged, while the proposed line would traverse level country. I have been through the Pemberton-Denmark country and my surprise was that the cost of the railway did not exceed £10,000 a mile. The men who pioneered the Dartmoor district and discovered the greatest area of rich agricultural land unselected in Western Aus-

tralia are entitled to consideration. It is now over eight years since the first blocks were taken up and improvements commenced. In the early stages, owing to the absence of made roads, obstacles which appeared insuperable presented themselves. Added to those difficulties was the absence of water which had to be carted some miles. Shallow boring had failed to strike supplies, and three years elapsed before good sub-artesian water was struck. Then, when the land had reached the production stage, the problem of getting the wheat to Yuna, 30 miles away, caused much concern. A test was made of transporting it by motor truck and no loss was suffered. Until last year, no large amount of profit was made, but they did exceedingly well last year, due solely to the heavy yield. But for that fact, it would have been impossible to carry on.

Despite continuous agricultural extension in the Geraldton district and the existence of settlers long distances from stations or sidings, it is over 20 years since a railway in the district was authorised. Nor has there been any widespread agitation for one till now. We did not consider it justified. I have been approached on numerous occasions. We have had reports on the country by experts of the Lands Department, but I did not lend an ear to any of the requests. I was convinced, however, of the justice of this case, and have done all I could to ensure that the proposition received full consideration. It was realised that the harbour works were of superior importance, that a good deal of money would be required for their completion, and that it would be unfair to press for railway construction while ships could take only half a load of wheat from Geraldton and were obliged to go to Fremantle to "top-up."

However, the harbour works will soon reach the final stage, and the time is ripe to prepare for the opening up of new country for settlement, so that the harbour may be able to increase its contribution to interest and sinking fund. Apart from the Midland railway, which is a private line, the Northampton railway, which was built in the early days to help the base metal industry, and the Murchison railway which was constructed to serve the gold mining industry, we have had only the Geraldton-Yuna and the Northampton-Ajana extensions to meet the requirements of settlers, many of whom

were then from 20 to 30 miles from transport facilities.

Hon. Sir Edward Wittenoom: What has that to do with the present proposal?

The CHIEF SECRETARY: Much; it shows our sense of justice. If there is any order of precedence, it surely should apply to the Geraldton district in view of the facts I have just related, always provided that the claims submitted are based on justification.

Hon. G. W. Miles: You will have no ammunition left to support the Southern Cross southwards railway.

The CHIEF SECRETARY: There is talk about the anticipated loss on the proposal of £2,000 a year, calculated on an interest charge of 5 per cent.—a rate that does not apply now and will not apply again for years, but there is no reference to increased production. The Advisory Board emphasised this aspect in their report. Nor is there any reference to the reduction of interest and sinking fund bills on the cost of the harbour and the direct and indirect contributions to revenue in scores of ways resulting from the increased shipping and the improved prosperity which must come from the greater production of wealth. The present low price of wheat will only daunt those who see bankruptcy ahead of Western Australia. If our wheat industry collapses, the State cannot survive financially. We should be encouraged by the thought that we can produce wheat as cheaply as—and by reason of our cheaper land, perhaps at lower overhead cost than—most other parts of the world, and it should be our aim to continue to help the industry against outside competition by providing it with the facilities which we have supplied in the past and which are more than ever needed now. I hope the House will pass the Bill.

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

Ayes	..	..	..	..	16
Noes	..	..	..	..	6
<hr/>					
Majority for	..	..	..	..	10
<hr/>					

AYES.

Hon. L. B. Bolton	Hon. W. H. Kitson
Hon. A. M. Clydesdale	Hon. R. G. Moore
Hon. J. Cornell	Hon. H. V. Plesse
Hon. J. M. Drew	Hon. H. Seddon
Hon. J. T. Franklin	Hon. A. Thomson
Hon. G. Fraser	Hon. Sir E. Wittenoom
Hon. E. H. Gray	Hon. H. J. Yelland
Hon. E. H. H. Hall	Hon. T. Moore

(Teller.)

NOMS.

Hon. C. F. Baxler
Hon. J. J. Holmes
Hon. O. W. Miles

Hon. Sir C. Nathan
Hon. J. Nicholson
Hon. E. H. Harris
(Teller.)

PAIRS.

AYES.
Hon. O. H. Wittenoom
Hon. C. B. Williams

NOES.
Hon. J. M. Macfarlane
Hon. H. Seddon

Question thus passed.

Bill read a second time.

In Committee.

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

Clauses 1 to 6—agreed to.

Clause 7—Application of No. 46 of 1909:

Hon. G. W. MILES: I ask the Committee to vote out this clause. Any increment that comes from land by reason of the construction of this railway should go to the credit of the railway capital account, and should not be taken into general revenue. If all railway Bills had contained a provision of that nature, the capital cost of our system would have been materially reduced. If the clause is struck out, I propose to move for the inclusion of a new one covering this point.

The CHAIRMAN: If the clause is deleted, it will be necessary for the hon. member to move for the recommitment of the Bill for the insertion of the proposed new clause.

The CHIEF SECRETARY: I oppose the striking out of this clause. What Mr. Miles proposes cannot be done. Several other Bills would require to be amended if the suggested new clause was inserted in this Bill. The Crown Solicitor writes as follows of his own volition to the Under Secretary for Law—

1. The new Section 8 proposed to be added to the Bill will not only be in direct conflict with the present clause 7 of this Bill, but also with the provisions of the Agricultural Lands Purchase Act, 1909.

2. Clause 4 of the Yuna-Dartmoor Railway Bill authorises the compulsory purchase of agricultural land. Clause 5 for the purpose of ascertaining the amount of purchase money to be paid for land compulsorily purchased, provides that the provisions of the Public Works Act, 1903, shall apply; but the Public Works Act, 1902, does not appropriate any moneys with which payment of such purchase money may be made. Clause 7 of the Bill to rectify that omission and to make the necessary provision provides that all land acquired under this Bill shall be dealt with under the provisions of the Agricultural Lands Purchase Act, 1909, and the purchase money may be

paid out of any moneys authorised to be raised and expended by that Act.

3. This clause therefore definitely appropriates a specific fund, which is created under the Agricultural Lands Purchase Act, 1909, for payment of lands compulsorily purchased under this Bill.

4. Section 4 of the said Act authorises the Treasurer with the approval of the Governor, to expend certain specified moneys up to an expressed maximum amount in the acquisition by purchase of agricultural lands. The purchase money for the purchase of such lands may be paid in cash or by debentures secured upon the consolidated revenue (Section 4(2)). All lands thus acquired shall be deemed Crown lands, and disposed of in accordance with the provisions of the Land Act, 1898 (Section 9). A separate account showing the expenditure and receipts in connection with lands thus acquired under this Act shall be kept by the Treasurer (Section 15(1)). In the event of any profit or loss accruing under the operation of this Act, such profit or loss, as the case may be, shall be paid to or be a charge upon the Consolidated Revenue of the State (Section 15(2)). When debentures have been issued for the purposes of this Act, all moneys received as the selling price of land acquired under this Act shall, except as hereinafter provided, be paid into the credit of a Special Trust Fund and shall be applied in payment of interest upon such debentures and the surplus shall be accumulated to form a fund for redeeming the debentures at maturity (Section 16).

5. It will be obvious, therefore, that if the provisions of the Agricultural Lands Purchase Act, 1909, are to be applied in order to find the money to pay the purchase price of land compulsorily purchased under the Yuna-Dartmoor Railway Bill, the provisions of the said Act, particularly Sections 15 and 16 thereof, must also operate in relation to the application of the proceeds arising from the re-sale of such land, and those provisions are directly prohibitory to the application of any part of those proceeds to the Railway Capital Account as Mr. Miles' proposed new section requires.

6. It seems to me that before Mr. Miles' amendment can be safely accepted, the Bill itself will have to be amended by deleting the present Clause 7, making other provision for the finding of the money to pay for land compulsorily acquired, making express provision for the dealing with the land after it has been compulsorily acquired, and making special provisions for the matter of profit and loss in re-sales of the land.

7. It will be obvious that Mr. Miles' proposed new section and the Agricultural Lands Purchase Act, 1909, cannot be applied consistently with one another, and whilst Clause 7 remains in the Bill, Mr. Miles' amendment cannot safely be inserted in the Bill. If Clause 7 is deleted in order to enable Mr. Miles' section to be inserted in the Bill, then many other new provisions will have to be inserted in the Bill to deal with matters

which are expressly dealt with in the Agricultural Lands Purchase Act, 1909, and which will be applicable if Clause 7 as at present remains in the Bill.

Hon. G. W. MILES: If we are to continue selling the birthright of the people and putting the proceeds into revenue, instead of using our capital assets to liquidate the liabilities of the railway system, we can do nothing else but pass the Bill as it is. The time has arrived to alter that method, and the only way to set about doing it is to strike out this clause. If we continue to run the business of the country in the same old way, selling our assets and putting the money into revenue, the rising generation some day will want to shoot every member of Parliament, and Guy Fawke's day will be as nothing compared with it.

The CHIEF SECRETARY: Mr. Miles might have made an effort earlier in his Parliamentary career to bring about this reform. Here it is a question, not of money going into the Treasury, but of money coming out of the Treasury. More money than is likely to result from the operation of this measure will probably be needed.

Hon. G. W. Miles: I see no logic in that reply.

Hon. A. THOMSON: Is there any need for the retention of Clause 7? It relates to Clause 4. Clause 7 provides for the same object as Clause 4. I think Mr. Miles is trying to ensure that any profit made from land along the route of the railway line shall be credited to the railway accounts, and I am quite in accord with that. I shall, later, vote for the recommitment of the Bill with a view to the adoption of Mr. Miles's amendment.

Hon. Sir Edward Wittenoom: I do not think there is much land to be purchased on either side of the railway.

Clause put and passed.

Schedule:

Hon. J. M. MACFARLANE: The Leader of the House stated that the length of the line the Government intend to build is only 30 miles, instead of 51 as stated in the Schedule. If we cannot prevent the authorisation of 51 miles, let us keep the construction down to 30 miles. I move an amendment—

That the words "generally in a north-easterly direction for approximately 19 miles; thence in a generally northerly direction for approximately 11 miles, terminating at a point

near Location 9104, Victoria District" be struck out, with a view to inserting "to a terminating point approximately nine miles in a generally north-easterly direction."

The CHIEF SECRETARY: I hope the Committee will pass the Schedule as it stands. It is true that the Government contemplate building the line to the extent of only 30 miles at present, as there is no money available to extend it further and as a greater mileage of rails is not available. There is no likelihood of the Government extending the line into the heart of the Dartmoor country in the immediate future. The Bill embodies the scheme which has been approved, and there must be some guarantee of eventual railway communication for settlers who may later go to the district where the experimental farm has been conducted.

Hon. J. J. HOLMES: If there was any guarantee in this Bill, there might be something in what the Leader has said; but in view of past experience there is no guarantee whatever that this or any other authorised railway will ever be built. Parliament passes railway Acts, and Governments come and go and please themselves whether they build authorised railways or not. Some lines have been authorised for 10 years, and remain unbuilt to-day. Parliament should not lead men to settle in distant areas to grow wheat on the strength of a Parliamentary authorisation of a railway which may or may not be built. If the intention is to construct only 30 miles of railway, it is only justice to the people to say so. I support the amendment.

Hon. J. M. MACFARLANE: We should make a stand for any settler who proposes to go out such a distance as is contemplated here, so that he may clearly know his position. The misleading of settlers, perhaps unintentionally, has been going on for years. I want this project referred back to Parliament before there is any further extension. The present time is not suitable for increasing the capital cost of the railway system and creating a loss of £2,500 a year for 10 years on the running of this particular line.

The CHIEF SECRETARY: A large organisation of farmers in New South Wales proposes to send a delegation with a view to settling in the Dartmoor district. They have read about the district, and have been in communication with the town clerk of Geraaldton, and are now waiting for the construction of this railway. They are satisfied with reports made by men whom they consider

competent to express an opinion. Those New South Wales farmers regard the Dartmoor land as superior to much that is to be found in the East. By far the better course is to pass the Bill as it stands, thus advertising the district and leading to the introduction of men representing large organisations of farmers in New South Wales.

Hon. J. J. HOLMES: The Chief Secretary's admissions exactly confirm the objections I raised. Why should we lure New South Wales farmers as men have been lured from other parts of the world? Why should men be brought here on the assumption that a railway of 50 or 60 miles is to be built, when a compact exists that only 30 miles shall be built? In view of the distance from railway communication, the further settlement cannot be a success. Apparently, so long as we take someone down and get a bit of money into the Treasury, it is all right. That is the kind of thing which keeps Australia back. To-day we have heard of one successful man, and his case was dragged out for a purpose. Those New South Wales settlers will fail, and the news of their failure will be advertised throughout Australia and will give this State a setback.

Sitting suspended from 6.15 to 7.30 p.m.

Hon. J. M. MACFARLANE: I understand that the extension is to be 31 miles. I was under the impression that it would be only 30 miles. However, it does not mean a disadvantage to anybody. If the 31 miles be built and if, at a later date, it be found advisable to build the remaining 20 miles, that can easily be done. I trust the Committee will support the amendment.

The CHIEF SECRETARY: Mr. Holmes seemed to discount my reference to settlers from New South Wales. They were here last year, and they represented the Council of Agricultural Associations, Sydney. A letter from them addressed to Mr. Hall stated that there would be 40 adults in the delegation, consisting of farmers and country district men looking for land for their sons. If it should appear that we have not heard much from them since then, presumably they are waiting for the construction of the railway.

Hon. E. H. HARRIS: Evidently none of them thought much of the 1,000 farms which the Agricultural Bank has waiting for them.

Hon. J. J. HOLMES: Every time the Minister rises he proves my case. He says that 12 months ago 40 settlers from New South Wales came over here to select land in the Dartmoor locality, and that what they are waiting for is the construction of this railway over a distance of 51 miles. But the railway is to run out only 31 miles, so if those men select land 20 miles beyond the actual terminus of the railway, they will be in just as much difficulty as are the settlers we are asked to relieve now. In view of past experience, this House should say that until the State is in a position to construct the full length of the railway, the Government should not lure people out into the area by constructing only one-half the line, for goodness knows when the balance will be constructed. Thus we are misleading the very people whose cause the Chief Secretary is trying to champion.

The CHIEF SECRETARY: There has been no misleading. It is well understood that we can build only 31 miles at present. Those settlers from New South Wales were not the only ones from outside the State to show an interest in that district. They asked that the Premier should throw the Dartmoor land open for selection by the beginning of March. That was in March of last year, when the Government were in the throes of an election. An extension of 31 miles will open up a large portion of this Dartmoor country.

Hon. J. J. HOLMES: Will that section not reach Dartmoor?

The CHIEF SECRETARY: No, that will go to about Wandalong, but not to the heart of this new country.

Hon. G. W. MILES: Is there much of this land yet to be taken up?

The CHIEF SECRETARY: Yes, a good deal of it has not been thrown open.

Hon. G. W. MILES: When a railway is about to be built, do the Government place an increased value on the land, or do they give settlers from New South Wales the benefit of the expenditure on the construction of the line?

The CHIEF SECRETARY: I cannot say what any future Government may do, but it could happen to anyone who chooses to settle on the land and spend money in developing it.

Hon. E. H. H. HALL: My name has been mentioned in connection with the visit from

New South Wales. I got into touch with the secretary of their association, and we then approached the Government with a request that they should give this large party travelling facilities. An extension of 31 miles will take the line to Wandalong, and the balance of 20 miles will take it to the experimental plots. I feel sure that the reason for Mr. Holmes' pessimism is that he has not been up there to see the country. As to the holding up of authorised lines, I doubt whether a number of other lines that were actually built should not have been held up. This State would have been saved hundreds of thousands of pounds if the Government had exercised due caution in the building of railways authorised by Parliament.

Hon. J. J. HOLMES: Mr. Hall has missed the point altogether, which is that we have no right to let it go forth that we are about to build 51 miles of railway, when we intend to build only 31 miles. Then Mr. Hall compliments the Government on having set Parliament at defiance. That is an amazing attitude in Mr. Hall, for when first he came into the House he waved his arms and demanded to be told what Parliament was thinking of in allowing the Government to do certain things.

Amendment put, and a division taken with the following result—

Ayes	..	..	..	7
Noes	..	..	..	12
				—
Majority against	..	..	5	—

AYES.

Hon. E. H. Harrie	Hon. J. Nicholson
Hon. J. J. Holmes	Hon. H. Seddon
Hon. G. W. Miles	Hon. J. M. Macfarlane
Hon. Sir C. Nathan	(Teller.)

NOES.

Hon. L. B. Bolton	Hon. E. H. H. Hall
Hon. A. M. Clydesdale	Hon. V. Hamersley
Hon. J. M. Drew	Hon. W. H. Kitson
Hon. J. T. Franklin	Hon. R. G. Moore
Hon. G. Fraser	Hon. T. Moore
Hon. E. H. Gray	Hon. H. V. Piesse
	(Teller.)

Amendment thus negatived.

Schedule, Title—agreed to.

Bill reported without amendment.

Recommittal.

On motion by Hon. H. V. Piesse, Bill re-committed for the purpose of further considering Clause 2.

In Committee.

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

Clause 2—Authority to construct:

Hon. H. V. PIESSE: I move an amendment—

That the following proviso be added to the Bill:—

Provided that the construction of such railway shall be effected by private contract, following on tenders being called for the construction thereof by advertisements in the leading newspapers of the State of Western Australia, and shall not be constructed by day labour.

Provided also, that it shall be a condition of tender that in the engagement of employees for and during the construction of such railway, the successful tenderer shall be bound only by the conditions of employment as from time to time may be prescribed by the Court of Arbitration or any registered industrial agreement.

I am submitting this amendment on behalf of Mr. Thomson who unfortunately is unable to be present this evening.

The CHIEF SECRETARY: I oppose the amendment because if carried it will defeat one of the main objects of the Bill, namely, the provision of employment under the relief works scheme. Under that scheme, money has been provided for the relief of unemployment, and I do not think that the action contemplated in the amendment would be approved by the Loan Council. Even if it were approved by the Loan Council, it would not be approved by the Government, who could not accept such an amendment because under it they would not be able to carry out their relief unemployment proposals, and so the whole scheme would fall to the ground.

Hon. J. J. HOLMES: I suppose it matters not to the people who are to be served by the railway how much the public debt is added to. We have to find money to carry out the Government's policy, which is not approved by a great number of people in the State. Referring to the Pemberton-Denmark railway, the Chief Secretary has told us that that project was agreed to by this House after having been examined by the Lands Department and the engineers, and surveys having been made. The engineer's advice was that the railway could be constructed for £5,000 a mile, but because the construction was carried out by day

labour, the cost approximated £11,000 a mile.

Hon. G. W. Miles: And the Minister said he was surprised the cost was not more.

Hon. J. J. HOLMES: So much for the expert advice on the construction of railways! We authorised the construction of two sections, and this House was told that those sections could be built for £300,000. A total of £650,000 has been spent, and one section of the line has not been completed; at any rate, it was not completed a month or so ago. If it is the wish of the Government to help the people who are settled on the area in question, for Heaven's sake let us build a railway for them as cheaply as possible. True, sustenance men will not be employed if a contractor gets on the job, but an equal number of men will be taken off the unemployed market by the contractor, and so that will provide other work for the men who are now on sustenance.

Hon. J. CORNELL: There has not been a railway line constructed in the State by contract for 22 years, and in Australia for the past 15 or 20 years.

Hon. J. J. Holmes: Why?

Hon. E. H. Gray: Because it does not pay to do so.

Hon. J. CORNELL: Hon. members who intend to vote for the amendment desire to defeat the Bill. That could have been done more openly on the second reading.

Hon. J. J. Holmes: Why should it defeat the Bill?

Hon. J. CORNELL: The Bill will be defeated if the amendment be carried.

Hon. J. J. Holmes: Are you speaking on behalf of the Government?

Hon. J. CORNELL: I am speaking on the position as it is. Moreover, there is only one possible chance of the construction being tendered for in the event of tenders being invited, and that tender will come from one small corporation that has had the sense to keep enough plant together to permit of the construction of railways: I refer to that corporation controlled by Mr. Hedges of the Kurrawang woodline. Do members suggest that in these difficult times—should we determine that the line must be constructed by contract—any individual, or group of individuals, would provide the necessary capital to enable the purchase of plant, requisite for such an undertaking? I want to save the Committee from

turning a complete somersault. A similar attempt was made with regard to the Wiluna line, and again regarding the Denmark-Pemberton railway. What happened? A special session was convened, and we backed down.

Hon. J. J. Holmes: Nothing of the sort.

Hon. J. CORNELL: Yes, we did. We declared that the railway should be constructed by contract, and we defeated the Government on that proposal. Then, when the special session was held and other legislation presented, we agreed to it. I hope members will not persist in carrying the amendment, because it will endanger the Bill.

Hon. J. J. HOLMES: I know that Mr. Cornell would not wilfully mislead the House on any question. He is mistaken regarding the dispute between the two Houses on the Denmark-Pemberton railway proposal. The Bill originally introduced was to authorise the construction of a railway from Pemberton to Denmark, a distance of 151 miles. I submitted an amendment to authorise the construction of a line 20 miles out from Pemberton and 20 miles from Denmark. That would have enabled Pemberton to be connected with Bunbury harbour and Denmark with Albany harbour. Subsequently, when the legislation was again introduced, we did not insist upon the 20-mile limit, because the Engineer-in-Chief pointed out to us that the lines would have to terminate at points suitable for railway stations. As a result, we agreed that instead of constructing a line that would extend for 151 miles at a cost of £1,500,000, one line could be constructed west from Denmark for a distance of 31 miles and another line south from Pemberton for 27 miles. That saved Western Australia over £1,000,000. The intervening area has never been touched and, in view of what has happened, the balance of the line, the construction of which was not authorised, will not be built in our time. What were said to be valuable swamp lands, capable of growing anything on God's earth, have proved to be nothing but white sand below the surface of decomposed debris.

Hon. H. V. Piesse: Are you referring to the Denmark line?

Hon. J. J. HOLMES: To the country between Denmark and Pemberton.

Hon. H. V. Piesse: You ought to take a trip down there.

Hon. J. J. HOLMES: A lot of people have left that area, and others would like to leave if they could. So much for the dis-

pute between the two Houses that has been ridiculed by Mr. Cornell.

Hon. J. M. MACFARLANE: The suggestion that if we agree to the amendment, the line will not be built, does not influence me. When the Chief Secretary urged the necessity for the construction of the railway, he said it was required for the settlers.

The Chief Secretary: That is not correct.

Hon. J. M. MACFARLANE: Now he says that it is necessary to provide employment for sustenance workers. When I suggested that lines already authorised could be used for that purpose, he said I had shifted my ground. That is not so. I object to railway construction at present on principle. The railway system is a losing proposition, and we shall make the position worse by the construction of new lines. If we insist on the line being constructed by contract, it will mean that a reasonable number of men will be employed for the purpose, and the capitalisation of the railways will benefit because of the cheapest possible constructional methods being adopted. The suggestion that no tenders will be received, is a fallacy.

The CHIEF SECRETARY: I cannot allow an inaccurate impression to be created by Mr. Macfarlane. I pointed out that the Bill had a twofold objective, serving the settlers and providing work for the unemployed.

Hon. J. M. Macfarlane: That is so.

The CHIEF SECRETARY: I also said that if it were not for the fact that it was necessary to provide work for the unemployed, the Bill would never have been introduced.

Hon. E. H. HARRIS: I am amazed at the attitude of the Chief Secretary. He said that the line was necessary to serve the settlers and to provide employment for men on sustenance. He also told us that there were 14,000 men in receipt of sustenance.

Hon. E. H. Gray: There used to be that number.

Hon. J. Cornell: Who will be likely to tender for the work?

Hon. E. H. HARRIS: Does the Chief Secretary suggest that the Government have sufficient influence to persuade men that they should not take work under contract but accept sustenance conditions, so that the railway will not be built? If the amendment is agreed to, tenders will be received, and if a contract is let, there will be an ample call for men.

Hon. J. CORNELL: I am agreeably surprised at Mr. Harris's attitude. He is the last man in the Council who should talk about constructing railways by contract. Six railway Bills have been passed since he entered the House, and this is the first time he has suggested that they should be constructed by contract.

Hon. E. H. Harris: This is the first time such an amendment has been moved.

Hon. J. CORNELL: When the Wiluna railway line was under discussion, he opposed the suggestion that it should be built by contract.

Hon. E. H. Harris: You should be sure when you make such statements. I will look up "Hansard."

Hon. J. CORNELL: The hon. member had better leave "Hansard" alone. There may be an alteration in the electoral boundaries later on, and he may find Wiluna in his province.

Hon. Sir Charles Nathan: Does that guide members in the exercise of their votes?

Hon. J. CORNELL: I am surprised at Sir Chas. Nathan's interjection.

Hon. J. J. Holmes: On a point of order, is Mr. Cornell in order in imputing motives?

The CHAIRMAN: I do not think the hon. member imputed motives.

Hon. J. J. Holmes: He merely suggested them.

Hon. J. CORNELL: I was merely pointing out what might happen. The Karlgarin-Hyden Rock, Bullfinch-Lake Brown, Newdegate, Salmon Gums-Norseman, and the Wiluna railways were authorised without any suggestion, apart from the Wiluna line, that the construction should be other than by day labour. Now, in the height of the depression, when a Bill is introduced with the twofold objective indicated by the Chief Secretary, members seek to insist that the line shall be constructed by contract. The obligation rests on members to say who the contractor might be. Mr. Holmes says it is not his job to say. It is his job when he asks us to depart from the practice of years. No man would be fool enough to tender for the work.

Hon. H. Seddon: I could refer you to two firms to-morrow who would tender for the work.

Hon. J. CORNELL: Mr. Seddon should mention the names.

Hon. Sir Charles Nathan: That is not necessary.

Hon. J. CORNELL: Of course it is. I can only take the hon. member's word for what it is worth.

Hon. J. J. Holmes: Is not the hon. member calling Mr. Seddon a liar in a back-handed way? I think he should withdraw the remark.

The CHAIRMAN: I do not think the hon. member was imputing anything to Mr. Seddon.

Hon. J. CORNELL: If I have hurt the feelings of Mr. Holmes or Mr. Seddon, I will withdraw, but Mr. Seddon should mention the names of the firms.

Hon. Sir Charles Nathan: Otherwise you would not believe him?

Hon. J. CORNELL: Otherwise there is not substance in his statement.

Hon. J. J. Holmes: That is most unwarranted.

The CHAIRMAN: I do not know that a member, when advancing an argument or a point, should give the names.

Hon. J. CORNELL: In 22 years there has been only one attempt to deviate from the policy of day labour for railway construction and that attempt failed. Now we are asked to depart from that policy.

Hon. G. W. MILES: Mr. Cornell named five railways that had been built by day labour. Had they been built by contract, the country would have been in a position to build additional lines without borrowing more money. The Chief Secretary said, regarding the Pemberton-Denmark line, that he was surprised it had not cost more than £10,000 per mile. That line cost double what the engineer said it would cost if tenders were called: it cost £600,000 odd instead of £300,000. We are asked to go on squandering the taxpayers' money year after year by this day labour system instead of adopting contract. It is time we put our foot down and insisted on contract work, instead of squandering the taxpayers' money on day labour as we have been doing for the last 25 years.

Hon. H. SEDDON: I would not have spoken but for Mr. Cornell's persistence. It is not necessary for me to give names. Let me quote what happened a little while ago. My statement can be verified by the ex-Premier, Sir James Mitchell. Acting on the advice of a friend of mine I suggested that the Canning dam could be constructed by contract. I went to the Eastern States, tak-

ing with me letters to a gentleman there. After a quarter of an hour's conversation he assured me that he would be only too willing to meet the Premier and undertake that work estimated to cost £1,250,000. I understand that Sir James Mitchell met him. When I was in Melbourne, I discussed that work with the gentleman and he told me that more than one firm would be prepared to enter into a contract for that class of work. I do not make statements without knowing what I am talking about. I do not think it necessary to mention names.

Hon. J. Cornell: You are speaking exparte.

Hon. E. H. HARRIS: I wish to correct Mr. Cornell; I shall not ask him to accept my word, but shall quote "Hansard" of the 9th December, 1927, page 2536. When the Meekatharra-Wiluna railway was under discussion Mr. Hamersley moved an amendment similarly phrased. I believe Mr. Mann drafted his amendment from that one. A division was taken on the amendment and the voting was 12 Ayes and 6 Noes. Members at present in the House who supported the amendment were Messrs. Baxter, Hamersley, Harris, Holmes, Macfarlane, Miles, Nicholson, and Seddon, while those opposed to it included Messrs. Drew, Gray, and Kitson.

Hon. J. Cornell: There was another division.

Hon. E. H. HARRIS: There is no other division here.

Hon. J. Cornell: There was another division when the amendment was returned from the Assembly.

Hon. E. H. HARRIS: Members who then supported the amendment, to be consistent, must support it now.

Hon. J. CORNELL: Mr. Harris has not told the full story. When the amendment was returned from another place, this chamber did not insist on it. I was Chairman of Committees and my vote carried the motion that the Council should not insist on the amendment.

Hon. J. J. HOLMES: Surely all this is beside the issue. We should profit by experience. I have found it necessary at times to change my mind, and to do so is no reflection on a man. Members have awakened to the fact that day labour construction has put the railway system where it is—over capitalised and over-manned. To give one instance, the trans-Australian railway cost

£8,000,000 to build by day labour, and I understand a contract was refused at £4,000,000.

Hon. E. H. Gray: Not the same job.

Hon. J. J. HOLMES: A better job. Figure out the difference made by the extra £4,000,000 paid. There is an extra £200,000 a year interest that Australia has been carrying ever since, to say nothing of sinking fund. What for? For employing a lot of men, who will not work because they are employed by the Government. A contractor would do a better job for half the price. Mr. Cornell spoke of five railways having been built without a similar provision having been inserted, but he did not say what we were told those railways would cost, and what they subsequently cost under the day labour system.

Hon. J. CORNELL: It is not a question of what we were told they would cost, but what they actually cost. What I object to is the attempt to insert in this railway Bill something that has not been previously insisted on.

Hon. E. H. H. Hall: It is time we amended it.

Hon. G. W. Miles: This Chamber carried it and you let us down.

Hon. J. CORNELL: I saved the country. If the Wiluna railway Bill had been lost, there would have been no Wiluna to-day.

Hon. G. W. Miles: The Bill would not have been lost; the railway would have been constructed at a lower price.

Hon. J. CORNELL: A sum of £130,000 is to be spent in another part of South Province in which this House will have no say, because the money will be put on the Estimates. If the principle of contract could be applied to the construction of the Canning dam, well and good, but I understand that £3,500,000 is to be made available by the Loan Council, and that 90 per cent. of it will be spent on works like the Canning dam, Esperance jetty, roads, and other works, all to be constructed by day labour. Yet, for a work to cost £100,000, members say that to save the country we must insist on its being constructed by contract.

Hon. L. B. Bolton: If all the work had been done by contract we would have been in a better position to-day.

Hon. J. CORNELL: That is £100,000 out of the 3½ million that would be expended

on the relief of the unemployed. If the principle of work being done by contract were to apply all round, I should be quite agreeable, but it does not amount to anything to pick out a comparatively small undertaking like this on which to apply it. The only effect the amendment could have would be that about £220,000 would not be spent on the Wiluna-Dartmoor or Southern Cross railways, but would be spent elsewhere on day labour.

The Chief Secretary: That is so.

Hon. J. CORNELL: And by their actions members will deny many deserving settlers the right to railway communication.

Hon. R. G. MOORE: The Government are obliged to find money for the unemployed. No contractor would be able to keep men engaged at work in the way the Government can. We must not lose sight of that position. In ordinary circumstances I would favour work being done by contract but I am not prepared to force upon the Government the adoption of that principle in these times. The money that is available for the unemployed must be made to go as far as possible. If we can get something permanent for the money that is laid out that will be all to the good. It is not fair to put a sprag in the wheel of the Government by endeavouring to force their hands in this direction.

Hon. G. FRASER: It is something unusual for us on this side of the House to listen to members opposite pulling each other to pieces. If some contractor in the Eastern States secured this particular job, it would be a poor look out for our own unemployed, for it is very likely he would bring many men here with him. The Government must be given the opportunity to carry out work of this nature by day labour and make the best possible use of the money at their disposal. Even if it were cheaper to do the work by contract, it would be less economical for the State in the long run because it would still be necessary to provide sustenance for men who were not in employment.

Hon. E. H. Harris: Those who were employed on the railway would not require to apply for sustenance.

Hon. G. FRASER: A contractor would not employ men in the same way that the Government do. If the day labour system were adopted, it would be another means of providing considerable relief for the unemployed.

Hon. J. J. HOLMES: We are told that the main object of the Bill would be defeated if this proposal were adopted. Even Mr. Fraser suggests that the Bill will be the means, of finding employment for a lot of people for a long time. The people who will have to pay for all this will be the wheat producers, who are selling for 2s. a bushel what costs them 3s. to produce. When the Labour Party wanted to build the Trades Hall, they called in a contractor to do the job. Again, in connection with the trans-Australian railway, a State Labour Government bored for water supplies on behalf of the Commonwealth. A prominent Labour man told me that the Commonwealth was being charged £4 per foot for the boring. At the same time a syndicate of Labour men took up a large area in the same district and, wanting water, called in a contractor to do the boring and paid him 25s. per foot, as against £4 per foot charged to the Commonwealth. I asked the prominent Labour man, "How do you explain that." His reply was, "We come into office to carry out Labour policy, and we do it; but when we come to our own job, we exercise ordinary common-sense and call in a contractor." That is what I ask the Committee to do now—use ordinary common-sense and call in a contractor.

Hon. Sir CHARLES NATHAN: In casting my vote, as I must consistently do, in support of the amendment, the doing so will be distasteful to me. I have opposed the construction of this railway, not because I am opposed to giving facilities to the settlers, but because I am opposed to further railway construction at this juncture. Consistently with the opinions I have held for a lifetime, I am definitely opposed to the day labour system as against the contract system; I ought therefore to welcome any opportunity afforded me to defeat the Bill. However, I feel disinclined to cast such a vote, because I consider that any attack upon Government policy should be directed to the broad lines of that policy, and the opportunity should not be taken of the consideration of such a Bill as this to attack a Government policy which has been accepted by the people as a whole. The main point seems to be that the estimated cost of the line will be considerably exceeded under the day labour system. I think all members, including the Chief Secretary, agree that in the past practically no line constructed by day labour has been completed at a cost at all comparable to the original estimate. That

is the serious point requiring consideration. The other two points seem to be matters of political tactics. The higher cost of construction by day labour discounts largely the argument as to employment of men and sustenance. Roughly, instead of costing £140,000 the railway, if built by day labour, will cost about £200,000. Whatever amount the estimate is exceeded by, means the withdrawal of that amount from the workers, whether contract or day labour. If we can save £60,000 by building the railway by contract instead of day labour, the £60,000 will be available for expenditure among sustenance men. I shall support the amendment unless the Government can introduce into the measure an additional clause limiting the amount to be expended on the construction of the 31 miles of railway to a sum of approximately £140,000 plus 10 per cent. for contingencies.

THE CHIEF SECRETARY: In order to clear the air I say that the Government will not accept this or any other Bill containing a provision that the work shall be done by contract.

Hon. G. FRASER: Sir Charles Nathan has made it clear that he bases his argument on the assumption that it has been admitted that the estimated cost of the railway will be exceeded if the line is constructed by day labour. No one supporting day labour has yet said that he expects the estimate to be exceeded.

Hon. C. F. BAXTER: It always is so. Do you expect a miracle?

Hon. G. FRASER: Mr. Holmes misinterpreted my remarks. My main idea in voting for the Bill is not to find a long job for a lot of men, and I did not say so. I did say that jobs would be found for men now receiving sustenance from which the Government obtain no return.

Hon. C. F. BAXTER: The amendment brings up the old question of day labour. I have always been, and am now, strongly opposed to day labour, because that system not only increases costs but also destroys the morality of the men. The Mitchell Government's works were mostly done by contract, day labour being avoided as far as possible. Every railway built by day labour has exceeded the estimate, and by a tremendous amount.

Hon. J. Cornell: And every railway contractor has received payment for extras.

Hon. C. F. BAXTER: That is so. However, if the amendment is carried, where are

tenders to come from? Only one tender can be expected, namely from the Railway Department. Railway construction has been turned over to the Railway Department.

Hon. J. Cornell: By your Government.

Hon. C. F. BAXTER: Yes. The other arrangements existed too long. One department was building a railway and another department was taking it over. A more unsatisfactory arrangement could hardly be conceived. However, that is a thing of the past. If it can be shown to me that there is any chance at all of the contract system proving successful, I shall certainly support the amendment. I voted against the second reading of the Bill; but now that the Chamber has agreed to the measure by a large majority, I do not propose to destroy it.

Hon. J. M. Macfarlane: What about the Piawaning Northward railway?

Hon. C. F. BAXTER: Not one of the old railway contractors has any plant left. Would a man spend a huge amount on railway plant to build 30 miles of line without knowing whether he could ever get another railway contract? How can we say that in the near future any more railways at all will be built? Money is being provided now for railway construction in order to meet the unemployment situation. When that has been overcome, there may be no more money available, or it may not be possible to raise any more loans.

Hon. J. M. Macfarlane: The Government can call public tenders.

Hon. C. F. BAXTER: There is no hope of receiving tenders. The only tender received would be that of the Railway Department.

Hon. J. M. Macfarlane: Nonsense!

Hon. E. H. H. HALL: There is a good old saying that circumstances alter cases, and another good old saying that the exception proves the rule. The Chief Secretary took members into his confidence at the outset, saying quite frankly that had it not been for the unfortunate unemployment problem this railway Bill would not have been brought down. The Government are driven to find reproductive works for the unemployed, and when they come and put it before Parliament, they are told it is not suitable. Normally I stand for contract as against day labour, but in the existing circumstances the day labour system offers distinct advantages. For many years past a big day labour job

has been going on in Geraldton harbour, as compared with which in point of expenditure this proposed railway is a mere fleabite. Yet the railway will open up a fine stretch of magnificent country, which will be a permanent asset to the State.

Hon. J. M. MACFARLANE: I cannot believe it is impossible to find Western Australians to build the railway under contract. There is plenty of engineering skill in the State, and I am convinced that the labour available here is quite equal to any in Australia. But unfortunately it has been the policy of successive Governments to foster day labour, and so we find an ingrained opposition to contract work.

Hon. E. H. GRAY: The Minister has made a very definite statement in support of the Bill. Mr. Holmes should take notice of that.

Hon. J. J. Holmes: Are we to be influenced by threats?

Hon. E. H. GRAY: The hon. member should at least take notice of the Minister. Mr. Holmes says we should learn by experience. The last railway built by contract in this State was the Tambellup-Gnowangerup line, a cheap and nasty job, miles of which was destroyed by the first rains. Incidentally, the repairs were effected by day labour. Members should not be carried away by specious arguments, lest they lose the Bill altogether.

Hon. J. CORNELL: Sir, Chas. Nathan was logical when he said that, by the application of the contract system as against day labour, there might be a saving of anything from £40,000 to £80,000.

Hon. Sir Charles Nathan: The figure was purely hypothetical.

Hon. J. CORNELL: I go back to my previous statement regarding the 3½ millions made available by the Loan Council for work for the unemployed.

Hon. L. B. BOLTON: I stand for the principle of contract, as against day labour. Had this State adopted the policy which I hope this Committee will adopt to-night, it would have been saved many millions of pounds. I agree with Mr. Seddon that we shall have no difficulty whatever in getting contractors to tender for this work. I will support the amendment.

Hon. J. J. HOLMES: Since I have taken a prominent part in the discussion, I do not wish to be absent from the division without

explanation. I have agreed to pair with Mr. Williams, who has paired with me on previous occasions.

Amendment put, and a division taken with the following result—

Ayes	..	..	..	8
Noes	..	..	..	10

Majority against 2

AYES.

Hon. L. B. Bolton	Hon. G. W. Miles
Hon. J. T. Franklin	Hon. Sir C. Nathan
Hon. E. H. Harris	Hon. H. Seddon
Hon. J. M. Macfarlane	Hon. H. V. Piesse

(Teller.)

NOES.

Hon. C. F. Baxter	Hon. E. H. H. Hall
Hon. A. M. Clydesdale	Hon. Sir C. Nathan
Hon. J. Cornuall	Hon. R. G. Moore
Hon. J. M. Drew	Hon. T. Moore
Hon. E. H. Gray	Hon. G. Fraser

(Teller.)

PAIR.

AYE.	NO.
Hon. J. J. Holmes	Hon. C. B. Williams

Amendment thus negatived.

Bill again reported without further amendment and the report adopted.

BILL—SOUTHERN CROSS SOUTH- WARDS RAILWAY.

Second Reading.

THE CHIEF SECRETARY (Hon. J. M. Drew—Central—in reply) [9.32]: I listened with interest to Mr. Holmes' speech on this Bill. It was quite in keeping with his outburst on the Yuna-Dartmoor proposition. We must have no more railways till Tib's Eve, no more agricultural development until the Government can find hundreds of thousands of pounds to buy up private estates, and no more progress. We must stand still and see what is going to happen. That is not exactly what the hon. member said, but that is what his speech meant. A more dismal lament I have never heard.

Mr. Holmes stresses the fact that freight is an important factor. He overlooks the further fact that carting is an even greater burden on the farmers. It is the burden every experienced wheat-grower fears. He goes out long distances from a railway after having satisfied himself that the land is good and the rainfall satisfactory. He believes that the area he has selected will justify itself and later be given railway communication. If he thought otherwise, he would not have selected, and the result would be

the end of pioneering, and a slow extension of agricultural settlement. If farmers have convenient railway facilities, it will mean a big financial advantage to them for they can deliver their wheat to the sidings expeditiously and then devote more time to the carrying out of ordinary farming pursuits. The full effect of such an advantage cannot be estimated, but it many mean the difference between a profit and a loss. The hon. member desires to know the area of first class land that will be served by the proposed railway. In this connection, I must draw members' attention to the fact that the report of the Railway Advisory Board deals with the total area of land within reasonable distance of both the Karl-garin northwards line and the Southern Cross southwards project. Separate estimates were not made for the Southern Cross southwards line.

The Surveyor General has now supplied me with the following information in connection with the present proposal.

	acres.
Total area served within a 15-mile radius	394,250
Area alienated, of which practically all is 1st class forest country ..	132,580
1st class land unalienated	35,920
2nd class unalienated	7,940
3rd class unalienated	217,810

The total area of first class land to be served by the proposed railway is therefore 168,500 acres. The first and second class land represents approximately 45 per cent. of the total area. The hon. member wishes to know what quantity of wheat was produced on this land last season. I am not able to give the figures for the whole of the area to be served by the railway, but the Government Statistician has obtained the information relating to the Miners' Settlement. His records show that 90 settlers produced 391,000 bushels of wheat from an area of 32,497 acres during the 1932-3 season. This represents an average of just over 12 bushels per acre. An output of 391,000 bushels is something for hon. members to ponder over. It shows the possibilities of the country. It indicates what we might expect if these settlers were placed under transport conditions equal to those enjoyed by others engaged in a similar industry.

Apart from the help rendered by the Agricultural Bank, they have not had even half a show, but we find that they have over 32,000 acres under cultivation—which means

considerably more land cleared—and during the harvesting season, carting long distances to a railway siding.

Some members urge that these men should be shifted to other blocks. Is there any necessity to shift them with the record they have put up and with the rise in the price of wheat which must come before long as sure as the sun shines to-morrow. These men do not ask to be shifted. They will be satisfied where they are, if they can get railway communication, and they should be the best judges. And what about the Agricultural Bank from which they have received advances up to £120,000? I would also point out that the production I have referred to supports the Railway Advisory Board's estimate of 120 tons per farm, as the yield quoted equals an average of 116 1-3 tons per farm. I think the results quoted should prove to members that the Agricultural Bank was fully justified in advancing £120,000 to assist these settlers to carry on, and that this House would have equal justification in authorising the building of the railway.

Mr. Cornell in the course of his speech drew attention to one aspect that members are prone to overlook. He said "It is better to employ men on sustenance and to expend loan funds on works that would have to be put in hand if we had turned the corner and were actually going ahead." I have stressed this fact before. Certain moneys are advanced to us by the Commonwealth Government for the purposes of undertaking works to absorb the unemployed. These works must be of a reproductive nature, and it cannot be gainsaid that railways, provided they be warranted, are a reproductive undertaking. There is a tremendous number of men who must be given the means of earning their daily bread. Either that or get no return at all for the relief they receive, or almost as bad as that, engage them on projects of doubtful utility or of a rashly experimental character.

Mr. Cornell asked me to secure confirmation of certain statements he made in connection with land settlement in the district. He wished to know whether, in the case of abandonments, the vacated blocks were taken up by new settlers. I submitted his statements to the Managing Trustee of the Agricultural Bank and received the following reply—

Mr. Cornell's general statement, also his figures, are substantially correct. Abandon-

ments in the territory to be served by the railway have been comparatively few and no trouble has been experienced in getting vacated holdings settled.

Could there be better testimony of the value of the land? The Managing Trustee of the Agricultural Bank says that there have been comparatively few abandonments. He goes further than that and tells us that "no trouble has been experienced in getting vacated holdings settled."

Hon. J. J. Holmes: I should think not, if you advance £3 or £4 per acre.

The CHIEF SECRETARY: If the prospects of success are so black as they have been painted by some hon. members, especially by Mr. Holmes, it is to me incomprehensible that the few blocks vacated should have been so readily taken up by others.

Hon. J. J. Holmes: I would take one up myself if I could secure an advance of £4 an acre.

The CHIEF SECRETARY: One can scarcely conceive that men could be found, who, with their eyes open, would court waste of labour, and, in the end, financial failure.

Hon. G. W. Miles: Did you read the evidence of the Managing Trustee of the Agricultural Bank before the Royal Commission?

The CHIEF SECRETARY: I know nothing about the Royal Commission; I am dealing with the Bill before the House. The only conclusion that can be drawn is that the land and the rainfall are all that could be desired? Mr. Williams made a point that is worthy of consideration, when he said, "These settlers have been in the district for four or five years, and are entitled to the same consideration as other farmers. If they do not receive that consideration, their cost of production will be too heavy, and it will mean a heavy loss to the State, if the results of the Agricultural Bank advances are allowed to revert to a state of nature."

Hon. J. J. Holmes: Do you always agree with what Mr. Williams says?

The CHIEF SECRETARY: Mr. Williams statement was quite correct. There is little doubt that if these settlers are denied facilities for the expeditions and economical handling of their products, they will have a poor chance of weathering the financial storm at present raging and they must be forced to abandon their holdings—in

which case the Agricultural Bank will suffer a serious loss. I cannot understand Sir Charles Nathan. He admits he is in absolute agreement with other members as to the necessity for furnishing railway facilities to those men who are settled on the land, and he then goes on to say that he will record his vote against the Bill, as he considers that, from a financial standpoint, it would be much better for the Government to continue the carting subsidy for the next few years. He overlooks the fact that we have the money for such purposes, that we have the rails, and that the whole—or, at any rate, nearly the whole—of the expenditure will provide work within the State. It should be remembered that the subsidy is only granted for distances over 15 miles and that farmers who have to cart 15 miles or less do not get any subsidy at all. Sir Charles Nathan goes on to say that the estimated cost of the railway is £100,000 and the annual estimated loss, £4,000. When moving the second reading of the Bill, I explained that the estimate of the annual loss of £4,000 was based on a capital expenditure of £128,000, with interest at 6 per cent., which was the rate obtaining at the time the estimate was prepared. Under the reduced capital cost of £100,000 and the cheaper money now available, the estimated loss of £4,000 requires revisions. I pointed out that, under these conditions, the loss should be less than £1,000 per annum.

Mr. Miles considers that this area is more suited to grazing than for wheat-growing, because, he states, the rainfall cannot be relied upon. Practical experience is the best test. Over a number of years it has been proved that, with fallow and correct farming methods, together with the use of selected seed, satisfactory crops can be raised. As a matter of fact, better returns have been obtained in this area than in some other centres that are considered to be within the safe rainfall zone. At the same time, it is regarded as ideal country for grazing, and, in this connection, it is well to remember that it is not good policy to have all our eggs in one basket. Mr. Macfarlane also referred to the transport system, which is serving the area at a cost to the Government, and he said it would be better to continue it rather than add to the capitalisation of the railways. In addition to the other arguments I have used in this connection, let me say that the present transport system means the consumption

of imported petrol and the use of imported vehicles, with the result that large sums of money have to be sent out of the State each year to pay for these importations. On the other hand, the railways use locally manufactured engines, and locally produced coal and thus provide employment for people within the State. With the aid of the railway, wheat could be shifted from this area to Fremantle at under 6d. per bushel, whereas the cost of carting by motor transport amounts to from 8d. to 9d. per ton per mile. We have heard the speeches of those who are opposed to the Bill. Two of the main objectors go only as far as to say that the time is not opportune for building railways, and that we should wait a few more years, until things improve, paying the wheat-carting subsidy in the meantime. This recognition of the claims of the settlers to a railway, even by members who may vote against the present proposal, must be regarded as a valuable contribution to the case put up by those who have set themselves the task of proving that the district is entitled to what the Government wish to give it. Mr. Macfarlane and Sir Charles Nathan are not antagonistic to the railway, but they counsel delay until the finances are in a healthier condition. It would be wise counsel, if, as I have already pointed out, the finance available was not restricted in the manner of expenditure. But it is the other way about. What money we have to spend can be used for one purpose only, and a proposal such as this comes within that purpose. Members, too, must not overlook one fact, which, although it has been mentioned in the debate, cannot be over-emphasised. These people were settled south of Southern Cross with a definite promise of a railway. The only alternative to failure to redeem that promise is the abandonment of their holdings and the removal of the settlers elsewhere. Their transfer, together with their families, would mean the removal of 380 persons. But the statistics of production show that there is no necessity for their removal. They have done remarkably well under the most discouraging conditions. Last year, they produced 391,000 bushels of wheat from 32,000 acres. Taking the past three years, the production totalled 804,000 bushels. Instead of decreasing their output, they have been increasing it. And their capitalisation is extremely low. It will bear favourable comparison with any other portion of our agricultural territory. The aver-

age indebtedness of the settlers amounts to under £1,400. Mr. Cornell informed the House that 75 per cent. of the land had been wholly cleared, and he related other improvements that had been effected. I thought, in view of my experience and knowledge, he had made a mistake, particularly as I had been acquainted with agricultural districts for so many years. In reply to a query from me addressed to the Agricultural Bank, as to the accuracy of Mr. Cornell's statement, Mr. W. J. Grogan, the Assistant General Manager, replied—"Mr. Cornell's general statements, also his figures, are substantially correct."

It seems incredible that 75 per cent. of the land has been cleared, but the Agricultural Bank should know, and the assurance may be accepted as a fact. That being so, the question may well be asked, "Is there any other agricultural centre in Western Australia that has accomplished as much with so small an outlay in such a short period of time?" There is no doubt those men are tryers, and tryers of the best type. It cannot be gainsaid that they have carried on in the face of difficulties which would create despondency and despair, even in the stoutest hearts. Comparing them with the most industrious of our farmers, they qualify for a place in the very first rank. In giving consideration to the measure, the important fact must not be overlooked—sentimental though it may appear—that the men so vitally concerned have been placed in that particular district for health reasons, that the results in that direction have been gratifying, and that the welfare not only of themselves but of their families is involved. I considered it advisable to obtain information regarding the health of the men, and I consulted Dr. Paul Mitchell Commonwealth Chief Quarantine Officer, who stated—

The change has been definitely beneficial insofar as the men have been removed from an occupation that would have accelerated the course of the disease from which they are suffering. The climatic conditions of the farming area on which they are settled is a most important aspect of the change. The areas selected are ideal from this standpoint. It would be extremely unwise to shift such men to areas in a damp or unsuitable climate.

Hon. J. Nicholson: Has not some question been raised about the compensation to

which those men are entitled under the Miners' Phthisis Act?

The CHIEF SECRETARY: I have not investigated that question. I hope the House will recognise the merits of their labours and respect the judgment they have formed of the land they are occupying by passing this Bill, so as to enable them to continue their agricultural pursuits under conditions as advantageous as those enjoyed by wheat-growers in other parts of the State.

Personal Explanation.

Hon. J. M. Macfarlane: By way of personal explanation, I should like to say that I have investigated this matter and can support a good deal of what the Chief Secretary says. I realise that the cases for the Southern Cross-southwards and Yuna-Dartmoor railways are not parallel. I am convinced that a large area has been taken up, and that people have gone there under promise, implied or actual, that a railway would be built. Consequently I do not propose to raise objection to the Bill.

Question put and passed.

Bill read a second time.

In Committee.

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

Clauses 1 to 3—agreed to.

Clause 4—Power to Governor to purchase compulsorily land within 15 miles of railway:

Hon. J. J. HOLMES: As regards everything I said on the other railway Bill, I say "ditto" on this Bill.

Clause put and passed.

Clauses 5 to 7, Schedule, Title—agreed to.

Bill reported without amendment and the report adopted.

House adjourned at 9.53 p.m.