

essential that something should be done. Another question regarding the railways that was not mentioned in the Speech, but which, I hope, will be considered, is the superannuation scheme. This scheme was turned down by a big majority, it being found altogether impossible for any working man. It meant nothing short of a reduction of wages. Under that scheme a man would have to pay as much on account of his superannuation as he now pays in rent. An improved scheme should be brought forward for the railway men, because after having brought up a family a man, on being retired from his position, has practically nothing whatever to depend upon.

Mr. Mann: Superannuation has worked well in the Police Department.

The Minister for Railways: Why it is absolutely insolvent!

Mr. WITHERS: Another question affecting the Railway Department is the long service leave, which was lost by one vote. I hope that will be given further consideration. The men of the service are very much disappointed at having missed the concession after getting so close to it.

Mr. Latham: That is a matter for the Government.

Mr. J. H. Smith: The Government could grant it to-morrow.

Mr. WITHERS: Then there is the question of Government hospitals in the country. Indigent people going into those hospitals are forced to pay, even though they cannot afford it. I know of a man with a family of seven children who, after his wife had been in hospital, was met with a bill of £22 12s. 6d. He went on paying it off as well as he could from time to time, but eventually fell ill himself. With nothing coming in for weeks, naturally he got into arrears with this hospital account. Then he received a summons for those arrears, and with it a bill for £1 9s. costs. I know of another instance of a man who fell into arrears in similar circumstances and who had exactly the same experience. Since we have these Government institutions for the relief of the sick, there should be some tribunal to go into such cases and treat them on their merits. Again, I have it on good authority that the food supplied to patients at those hospitals is not of a nourishing nature. One patient I know of, requiring special food and being unable to pay for it, received that food through the kindness of the doctor. Now one more point and I am finished: I hope the Government will be able, if not this session at all events next session, to raise the exemption from income tax. It is one of the planks of their party platform.

Mr. Latham: Raise it to what, £1,000?

Mr. WITHERS: No, £300 would do for the time being, and would bring it into line with the Commonwealth exemptions. One man, attending a deputation to the Minister for Railways recently, told the Minister that the policy of the party was a means of raising revenue. If that be so, I think we

ought to be able to use that policy as a means of raising the exemption from income tax. I hope that when the Estimates come down we shall find in them provision in respect of some of the matters I have mentioned; if not I shall take occasion to mention them all again.

On motion by Mr. Mann, debate adjourned.

*House adjourned at 10.8 p.m.*

## Legislative Council.

*Wednesday, 6th August, 1924.*

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

### QUESTION—ARBITRATION ROYAL COMMISSION.

Hon. A. LOVEKIN asked the Colonial Secretary: 1, Will he supply details of the expenditure incurred in connection with the Royal Commission appointed to inquire into the working of the Industrial Arbitration Act and other matters? 2, Will he lay upon the Table the file covering the appointment and dissolution of the commission?

The COLONIAL SECRETARY replied: 1 and 2, The file, including details of expenditure, has been placed on the Table to-day.

### QUESTION—CATTLE FROM NORTH-WEST, EMBARGO.

Hon. J. EWING asked the Colonial Secretary: 1, Will he lay on the Table of the House papers dealing with the raising of the embargo on tick cattle from the North-West entering the southern portion of the State? 2, How many of these cattle have entered the southern districts since the embargo was removed?

The COLONIAL SECRETARY replied: I am tabling the file this afternoon, but I ask that the other portion of the question be postponed until to-morrow.

## LEAVE OF ABSENCE.

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

On motion by Hon. J. Cornell, leave of absence for six consecutive sittings granted to Hon. J. E. Dodd (South) on the ground of ill-health.

## ADDRESS-IN-REPLY.

*Fifth Day.*

Debate resumed from the previous day.

Hon. A. LOVEKIN (Metropolitan) [4.37]: I had not intended to intervene in this debate but I am impelled to do so by reason of the remarks of at least two members, Mr. Kirwan and Mr. Ewing. Before I proceed to discuss the Speech and the matters connected with it, I desire, in common with other members that have spoken, to congratulate the new members on their return. I specially congratulate my old friend Mr. Drew. I have known him ever since the early days when I first came to Western Australia, and I give him an extra meed of congratulation because he is here not only as a member but as a representative of the Government and Leader of the House. Mr. Drew is a journalist, and although I do not think journalists make good politicians, I consider they make very fair members of Parliament.

Hon. J. Cornell: A distinction without a difference.

Hon. A. LOVEKIN: Their training and upbringing teaches them to endeavour to get to the kernel of the nut at once, whereas a politician rather likes to keep the shell as a camouflage of what may be inside. We have had experience in this House of many journalists who have done very useful work. I cannot commend myself as a politician, but I have tried to be a useful member of the House. Mr. Kirwan was the first member to make reference to me.

Hon. J. Duffell: He is a journalist.

Hon. A. LOVEKIN: I do not quite know how I am to take his remarks, because he seems to have got a new microbe. Whether that is due to his having left the bench behind me and gone to a bench nearer to you, Sir, I do not know, but he has certainly developed the microbe of flattery; and I recognise you, Sir, as a past master in the art of paying subtle compliments. Apparently Mr. Kirwan has caught the germ. Unintentionally or otherwise, that hon. member struck a note of compliment to Mr. Holmes and to me when he said we had been responsible for the downfall of the Mitchell Government. Mr. Holmes owns

up to it. I deny having been in any way responsible for the debacle that occurred in March last. The fact is the members of the Mitchell Government themselves brought about their own end.

Hon. J. W. Kirwan: The hon. member exposed their defects time after time and thus assisted considerably to bring about their downfall.

Hon. A. LOVEKIN: If I saw things going wrong, and things being done that were not in the interests of the country, it was my duty to let the people understand the position. Then if the people, having a full knowledge of the facts, continued to support the Government in spite of their wrong doing, it would be the people's own fault. I would be relieved of responsibility because I had pointed out the facts, and that is all I have ever attempted to do in this House. I suggest that the late Government brought about their own end, and I attribute it to three causes. The first was their own lack of truth and sincerity.

Hon. J. Ewing: That is a very serious statement.

Hon. A. LOVEKIN: I realise its seriousness.

Hon. J. Ewing: It is a statement you cannot prove.

Hon. A. LOVEKIN: I shall endeavour to prove it in a moment. The second cause was lack of vision and lack of administrative capacity; the third was a reason that should appeal to Mr. Cornell—a measure of cowardice in face of the enemy.

Hon. E. H. Harris: You have not missed much.

Hon. A. LOVEKIN: Let me prove the first cause—want of truth and sincerity. The public may be deceived for a time but they cannot be deceived all the time. When I first entered the House, Mr. Colebatch was the Leader. The question of State trading concerns arose and I asked him whether the Government intended to bring in a Bill to enable them to negotiate for the sale of such concerns. Mr. Colebatch assured me that the question would be dealt with by Bill during that session. The answer may be found in "Hansard." The session passed; there was no Bill. The next session I asked another question. The reply was postponed for a time, and finally I was given to understand that the Government could not see their way to produce a Bill, because they did not think they would have a chance to carry it. In consequence of that I myself introduced a short Bill, which met with almost unanimous support in this House. Even Mr. Colebatch, Leader of the House, supported the Bill. Unfortunately it reached another place during the absence of Mr. Money, who was to take charge of it. Mr. A. Thomson took it up, and the Opposition were so incensed at the Bill that they attacked it on the first reading, a very unusual thing. An acrimonious debate was kept going till the tea hour, when a compromise was effected by the

Premier and the Leader of the Opposition, the result being that if the Bill went on the Notice Paper there would be ample opportunity to consider it. The Bill was placed 29th on the list, and remained there for the rest of the session. The Government were pledged to the electors to take some steps regarding the State trading concerns, which are not only a menace to the finances of the country but also most injurious to the traders and others who contribute taxes.

Hon. C. F. Baxter: But did not the Government subsequently have an acceptable offer for the Wyndham Meat Works.

Hon. A. LOVEKIN: I do not know whether that was so at that time. However, on the files that we had before the Wyndham Meat Works select committee there was an offer—in fact, two offers.

Hon. C. F. Baxter: What was the amount?

Hon. A. LOVEKIN: I cannot say from memory; I think it was £400,000 or £500,000.

Hon. T. Moore: No sum of money was mentioned.

Hon. A. LOVEKIN: Perhaps not. That is one thing in which the Government did not keep faith with their own party and their own friends. Then we find another case, of which Mr. Kirwan has knowledge, the case of a gentleman who came from England in connection with some mines. He saw the Government, and obtained from them certain promises. He wanted to go Home and take those promises to his company, and he asked that the promises be put in writing. That matter was postponed and postponed, and the gentleman had to go away. He had been promised a cablegram to reach him at Colombo. When he got to Colombo, there was no cablegram; and thereupon he cabled to the Government here. On arriving at Home he cabled again, and he was then advised that a condition of the promise was that it should be considered by Cabinet; and Cabinet had since turned it down. Of course after the promise that had been made, the interests with which that gentleman was connected lost faith. All these little things helped to injure the Mitchell Government. Everyone knows how in the course of the various sessions the Mitchell Government, instead of standing up to their own policy and their own platform, attempted on every conceivable occasion to placate the Opposition. We have had instances of that here, instances where, a member of the Labour Party having produced a Bill in the Assembly, that Bill was taken over by the Government, a private Bill in all its crudity, and brought up to this House as a Government measure.

Hon. J. Duffell: Fathered and mothered by the Mitchell Government.

Hon. A. LOVEKIN: Yes, and grandmothered. On the 23rd March, 1923, I was present at a meeting held in North Perth, when the Premier stated that he was going to find the money to construct a number of

reservoirs, both for supply in the hills and for storage purposes in the metropolitan area. One of the promises Sir James Mitchell made to the audience was that these works would be done by contract. We have seen the result of that. Three service storage reservoirs are being constructed in Perth, one by contract, the other two by day labour; and the works in the hills, large works, are also being done by day labour.

Hon. J. Duffell: The two reservoirs constructed by day labour are not completed, but the one constructed by contract is completed.

Hon. A. LOVEKIN: At any rate, there was the promise of the Premier to the people of the metropolitan area that all these works should be done by contract and not by day labour. That course was very necessary, in view of the enormous over-capitalisation that exists in connection with the water works to-day. That is another matter in which the late Premier did not keep faith, and of course the people remember these things. In that particular constituency in which Sir James Mitchell made the speech to which I have referred, the old member was not returned again. I could go on with similar matters, but I do not wish to labour the question. All those are instances in which the Government were not true to their own policy. Then we come to the question of administration, or the lack of it. Mr. Ewing yesterday referred to the agreement Sir James Mitchell entered into with the Imperial Government in connection with the migration policy. I called it a stupid agreement, and it was an utterly stupid agreement, because we contracted to take 75,000 people at £8 per head; and the conditions of the agreement were such that unless we settled so many people and also brought in so many more, we could make no claim under the agreement. We took all these people at an average of £8 per head, a sum which we know very well would not pay for the schooling of one of their children. After entering into that agreement the Government did not even know their own agreement, because it was got out for the first time in the course of the Peel Estate Royal Commission that that estate did not come under the agreement—a circumstance apparently unknown to the Government until the Royal Commission sat. The land in the Peel Estate was purchased for the settlers, whereas the agreement with the Imperial Government provided that the settlers in respect of whom the concession of 2 per cent. was to be granted by the Home authorities were to have free land. It was a stupid agreement because the Government, on their own showing, made a bad bargain. Only in February of 1924 the Agent General put up to the Imperial authorities another scheme on somewhat similar line which is now known as the £10,000,000 scheme. I have the "Times" report of the matter here. In that case our Government offered, in consideration of £10,000,000 to be provided by

the Imperial Government, £2,000,000 of which amount was to be spent on the passages of the migrants, to take 100,000 people and 8,000 settlers on the land. So we had increased the price, taking it all round, from £8 per head to £80, a circumstance which shows that the first agreement was not considered a good one even by our Government. We find our Government also—and this goes to their capacity—only in February last offering to take another 100,000 people on the top of the 75,000 they had already contracted for, at the same time knowing that they had no preparations whatever made for those who were already coming to our shores. That shows want of vision and want of administrative capacity. One would think that in connection with schemes of this magnitude, at least some preparation would be made before we put people on ships and brought them here to do the best they could. We know the result, and we have had the experience of the first lot. We have had them coming here shipload after shipload, having to look for employment, with no houses built, and with some measure of unemployment amongst the ranks of our own people. We had to put our own unemployed on the Peel Estate, where they were called upon to dig drains which had not been surveyed, or for which levels had not been taken, and make roads. It is no wonder that a vast amount of money was spent on those works, as the Royal Commission ascertained, because no preparation whatever had been made, the work had not been laid out, and no organisation had been created. In the face of that the Mitchell Government suggested another £10,000,000 scheme to bring out another 100,000 people. Our people generally, throughout the constituencies, got to understand the position; and that is one of the reasons why they returned a majority for the opposing party in the Assembly. I mentioned the Peel Estate because I was a member of the Royal Commission, and I may say a word or two more on the subject. Part of the Peel Estate scheme was to provide the settlers with cows. From the Royal Commission's report it appears that the last man to be consulted in this connection was the dairy expert, the man who ought to know something about cows. The evidence given to us at the outset was, "We need not bother about cows; the statistics show that there are 50,000 cows available in the State." Presently, when we came to get the experts on the matter, we found that those cows were not milking cows at all, but beef cows that would scarcely give enough milk to feed their own calves. Mr. Hampshire, the expert, told the Royal Commission that he would have great difficulty in getting 600 cows, whereas 6,000 are required for the settlers on the Peel Estate alone.

Hon. C. F. Baxter: Ten cows are not enough for a man to make a living off, nor 20 cows.

Hon. A. LOVEKIN: Mr. Hampshire told us that 10 cows would make a start, and would help to reduce the sustenance allowance, and settlers could breed up. But there were not 600 cows in the State to go round. Mr. Hampshire told us the cows could be got if he went over to the Eastern States and paid the price demanded.

Hon. C. F. Baxter: The late Leader of the House assured us that he could buy 6,000 cows at any time in Western Australia.

Hon. A. LOVEKIN: But not dairy cows. If hon. members will read the dairy expert's evidence and Mr. Sutton's evidence they will see that it is an absolute impossibility to get anything like that number of cows within the State.

Hon. A. J. H. Saw: Did the rinderpest affect this matter?

Hon. A. LOVEKIN: I should say scarcely any appreciable number of cows were lost through that trouble.

Hon. A. J. H. Saw: I understand a number were destroyed.

Hon. A. LOVEKIN: A few no doubt were destroyed, but the Peel Estate alone required 6,000 cows. The new Government have come in and have to face the situation, and the suggestion now is, I believe, "let us try and release some of these settlers, or curtail the sustenance allowance to them, and let us give them a start with one cow and one pig, so that they may reduce their household expenses, and in that way relieve the State of the necessity for finding some of the present sustenance money." I believe that is about the best that can be done.

Hon. J. Ewing: The settlers are getting all the cows they want at the present time.

Hon. C. F. Baxter: Do they want only one cow each?

Hon. A. LOVEKIN: If Mr. Ewing will take the trouble to read the evidence—

Hon. J. Ewing: I have read it.

Hon. A. LOVEKIN: Then Mr. Ewing will have seen that there are not anything like all the cows the settlers want. Moreover the Peel estate is not the only pebble on the beach. There are other group settlements, and the people on those also want cows.

Hon. J. M. Macfarlane: There is at present a requisition for 34,000 cows.

Hon. A. LOVEKIN: There you are! And they will not come down from the clouds. Mr. Ewing, speaking of the Peel Estate, went through the figures and suggested that most of the items charged were assets.

Hon. J. Ewing: A great many of them.

Hon. A. LOVEKIN: Nearly the whole of them. But that is not the point. The point is the State has to find the money for those assets, an average of £1,836 per settler.

Hon. J. Ewing: That is not the position.

Hon. A. LOVEKIN: We got these figures from experts; got them only with great difficulty, item by item. Finally, it

was admitted that that would be the finance required for the average settler. We get no assistance in that, either from the Federal Government or from the Imperial Government, while all the losses have to be made good by the State. We know that some of those men will make good, while others will not.

Hon. J. M. Macfarlane: What is the proportion?

Hon. A. LOVEKIN: I should not like to say, but I know that as soon as sustenance ceases a good many of the men will cease to be group settlers on the Peel Estate.

Hon. J. Ewing: That is a serious statement to make, and in my opinion is not true.

Hon. A. LOVEKIN: This was a stupid scheme. The Premier came back and the brass band played. Everything was to be all right for the State. Yet we had no gone along very far before we found that the position was far from satisfactory. The people have since learnt that, and have changed the Government in consequence. The present Government are faced with great difficulties. Mr. Ewing said there was plenty of money. He read out a list of the cash supposed to be available. But the hon. member knows that that money is not available, that nearly the whole of it is hypothecated.

Hon. J. Ewing: Do you suggest that the present Government will not be able to carry on this scheme?

Hon. A. LOVEKIN: I suggest they will not be able to carry it on along the lines on which the late Government attempted to conduct it.

Hon. J. Ewing: You would not discourage them!

Hon. A. LOVEKIN: I do not wish to discourage them because, unfortunately, we have so much around our necks that we must try to carry it on; but I am satisfied that the present Government will not be able to carry on that scheme along the lines adopted by the late Government.

Hon. H. Stewart: Of course you hope that they will be able to carry it on along better lines.

Hon. A. LOVEKIN: Yes, I do. As a matter of fact they are going on right lines now, for they are making an effort to reform that stupid agreement. A much better agreement could have been had.

Hon. A. J. H. Saw: Have you authority for that?

Hon. A. LOVEKIN: Yes.

Hon. J. Ewing: I do not know what the authority can be.

Hon. A. LOVEKIN: I have no desire to make use of private letters, but if the hon. member is interested I can show him a couple of private letters that should satisfy him.

Hon. J. Ewing: Then you suggest that the ex-Premier did not do his best in London?

Hon. A. LOVEKIN: He did his best. What I am complaining of is that he showed a lack of vision, a lack of capacity. Largely that brought about his downfall. When Mr. Kirwan and I were going through Canada in 1920, hundreds of speeches were being made, all harping on the same string, namely, Empire resources and Empire needs. One day I got hold of Lord Burnham, Sir Campbell Stuart and a little coterie of delegates. I said to them, "This is all right talking all this sentiment, but what do you reduce it to in dollars? What do you propose to do?" Some of the Canadian people rather applauded that view. The answer I got in effect was this: Great Britain had not too much money, but had practically unlimited credit. Their view was to pledge that credit to the utmost to assist in peopling the Dominions. They had got more people than they could carry, and they thought it would be a good scheme to get rid of some of those people to where there was more elbow room for them. To reduce it to dollars, their plan was that they should stand sponsor for the capital and for finding the people, while the Dominions should find the land and the organisation.

Hon. A. J. H. Saw: Was it they or Mr. Amery who made the agreement?

Hon. A. LOVEKIN: Mr. Amery made the agreement. Let me tell you that the agreement was fixed up in a most perfunctory manner, and Mr. Amery went back to the House of Commons and rather bragged that he had been able to make a deal with Western Australia to take 75,000 people at an average cost of £8 per head, which was not anything like the amount being paid out in doles.

Hon. J. Ewing: What about the wonderful things the other people were going to do, the things you speak of?

Hon. A. LOVEKIN: As a matter of fact the two subsequent agreements were better than ours. And remember that whatever others following Sir James Mitchell might have demanded, they were handicapped by what he had done. However, they improved the position, and Victoria and New South Wales have since further improved it. I understand there is some scheme for reforming all these agreements, which will make it easier for us than it is at present.

Hon. J. W. Kirwan: It is certain that Mr. Amery, if asked, would have done what Lord Burnham and Campbell Stuart would have done.

Hon. A. LOVEKIN: Yes. That is certain.

Hon. A. J. H. Saw: Then you suggest he took advantage of Sir James Mitchell?

Hon. J. W. Kirwan: No, but he did what he was asked, and no more.

Hon. A. LOVEKIN: That is so—in fact he did even more than he was asked.

Hon. J. Ewing: You are not over-generous.

Hon. A. LOVEKIN: If I came to you and asked for £1, and you gave it to me, I could not blame you for not having given me £2. It was all that Sir James Mitchell asked for, and they gave it to him.

Hon. A. J. H. Saw: Then when Sir James Mitchell tells us he could not get better terms, it is not true?

Hon. A. LOVEKIN: I do not say that. I say that what brought about the downfall of the late Government was his lack of capacity in not being able to get better terms. Had it been my own case, and had it been, not Mr. Amery but some firm who had 15 million pounds to spend in advertising, and I had sent one of my staff to see if I could not get a share of that advertising, and after paying his expenses and doing everything necessary, that man came back to me with the small percentage of the 15 millions that Sir James Mitchell brought back with him, I would have said, as the people said at the last election, "Get out!" That is what I mean when I say it was lack of capacity. Sir James did not have the capacity to do better.

Hon. A. J. H. Saw: But you said just now that he did not try.

Hon. A. LOVEKIN: I do not know whether he tried or not, but I know from my information that he asked for a certain thing and got it. So he tried to get that. But he did not try to get what he might have got if he had known more about his business.

Hon. T. Moore: When he came back he boasted that he had made a good deal.

Hon. J. Ewing: So he did make a good deal.

Hon. A. LOVEKIN: Whether he made a good deal or not, the proof of the pudding is in the eating. Here we are with this good deal in front of us. See how it is panning out. That it was not a good deal was apparent to even the maker of the agreement a few months afterwards, because he said to the Imperial Government, "Give me 10 millions and I will take 100,000 people this time."

Hon. A. J. H. Saw: Did he get it?

Hon. A. LOVEKIN: I do not know what has happened. That is what he put up. But I believe the modified agreement that Senator Wilson brought out with him is something better than what we got.

Hon. J. Ewing: You do not know what that agreement is, do you?

The PRESIDENT: This conversational catechism is out of order.

Hon. A. LOVEKIN: What I am saying, I am saying with the utmost reluctance.

The PRESIDENT: I am not blaming you, I am blaming them.

Hon. A. LOVEKIN: Sir James Mitchell is a man whom I might almost say I love. I would rather help him than thwart him.

Hon. A. J. H. Saw: "Perhaps you are wise to disseminate your love, but why do you kick him downstairs?"

Hon. A. LOVEKIN: If you will turn up the records you will find that I have helped him. But whilst in the House I have some sense of responsibility and of duty, and if I think an agreement entered into by the Government is not a good agreement for the State, it is my duty to say so, whatever the result may be. We find also as a matter of policy and of administrative capacity that the late Government have inaugurated an extensive scheme of borrowing. Since 13th July, 1916, when the Labour Government went out of office, up to the end of December last, the public indebtedness of the State increased by £20,152,128.

Hon. G. W. Miles: We lent seven millions of that to the farmers.

Hon. A. LOVEKIN: I know. Some of that money, indeed a good slice of it, has been lost. This money has been borrowed on Loan Bills, which have set out the specific works upon which the lender has been asked to advance his money. I look back upon these Loan Bills, and ask myself how many of the loan works have been carried out, how many are paying interest on capital, and how much of the money has been lost. If members will look at the figures they will see that half of the money—that is not wide of the mark—does not exist to-day in assets, but exists, if it can do so, in losses. Of this money £6,000,000 is represented in the deficit. If we take also the Industries Assistance Board and a few other things we shall soon see how half the money we have borrowed has been lost, while the works for which it was borrowed have not been carried out. What are we to say to the persons who lent the money? The works have still to be carried out, and we have to borrow the money twice over in order to do so, because in the interests of the State it is necessary that they should be completed. The late Government must take some share of the responsibility for that. In addition to the deficit of £6,000,000 there is £1,000,000 involved in the Industries Assistance Board, £750,000 loss at Wyndham, £60,000 or £70,000 at Carnarvon, about the same amount at Lake Clifton, at least a quarter of a million pounds on the Peel Estate, and the losses at Herdsman's Lake and other places, aggregating an expenditure of at least £10,000,000 or £11,600,000 with nothing to show for it.

Hon. G. W. Miles: The real deficit is £9,000,000 or £10,000,000.

Hon. A. LOVEKIN: Yes. We must be sober and face the position. If we as private individuals had gone to some financial institution and borrowed money, undertaking to carry out certain works, and had put

the money in our pockets, or wasted it in some other way, what would have happened to us?

Hon. A. J. H. Saw: Do you suggest the Government put the money in their pockets?

Hon. A. LOVEKIN: The hon. member is sane enough to know I did not suggest that.

Hon. A. J. H. Saw: You spoke about putting the money in our pockets.

Hon. A. LOVEKIN: Does not the hon. member appreciate a figure of speech? Whether the Government put the money in their pockets or not, they handled it and lost it. If any private individual had done the same thing he would doubtless be employed at Fremantle to-day. There is no difference between the individual and the State. The State is only an aggregation of the units of the community. In my view, and it may be a narrow one in the opinion of some, the money has been obtained under false pretences—obtained to carry out certain works which have not been carried out.

Hon. J. Nicholson: How do you apply the term, false pretences?

Hon. A. LOVEKIN: The hon. member may apply it how he likes. If a client of the bank of which you, Sir, are the chairman of directors, went to it and borrowed money for a specific purpose, and spent it in some other direction, doubtless the directors would say the money was taken from the bank under false pretences, and they would be quite right in saying so.

Hon. H. Stewart: Did not Mr. Scaddan, when Premier, remark that the taxpayers had the then deficit in their pockets?

Hon. A. LOVEKIN: Yes, and the taxpayers are looking for it to this day.

Hon. H. Stewart: That was a figure of speech.

Hon. A. LOVEKIN: Perhaps so. These losses represent a millstone around the necks of the people for all time. They never can retrieve the loss. Money may be found to make good a loss, but it could always have been spent in some other direction. If a worker strikes for a day he can never recover the amount he has lost. That is a truism.

Hon. A. J. H. Saw: Cannot you convince him?

Hon. A. LOVEKIN: Convince whom?

Hon. A. J. H. Saw: The worker.

Hon. A. LOVEKIN: No. I have not the rhetorical powers or the gifts of the hon. member. I am not a politician, but I give him credit for being one. Mr. Ewing says there is no need for a sinking fund for the railways.

Hon. J. Ewing: I did not say that.

Hon. A. LOVEKIN: The railways have no sinking fund.

Hon. J. Ewing: I said it had never been applied.

Hon. A. LOVEKIN: It has never been applied, although the Loan Acts provide for a sinking fund. The State is paying into the sinking fund all the time.

Hon. J. Ewing: Everyone knows that.

Hon. A. LOVEKIN: The railways are made to show a profit, whereas they are not making one, because they are not paying their proper expenses. In one of the reports that was presented to the House it is shown that 277 engines that were originally purchased out of loan moneys are worn out and have to be replaced. From what fund will they be replaced? The railways have had the benefit of the earnings of these locomotives, and have taken the profits. How are they going to pay for new engines without a fund that should be devoted to such purposes? There is more reason now than in the past for a substantial sinking fund for the railways. Steam locomotion is becoming obsolete. Not many years hence all steam traction will disappear, and will give way probably to some method of electric traction in the first place, next to oil traction, and possibly in the future to air traction. Instead of riding in a motor car we may run about in air cars. Steam locomotion is practically obsolete to-day. We find that from the returns given by the railways. The ex-Minister for Railways does not always patronise them. He argues that it is no use waiting about for a train when he can come up to Perth from his house at Claremont in a charabanc in 25 minutes and be landed at the place he desires to go to for less money. There is more reason than ever for a sinking fund for the railways, because of the many railways outback that never will be profitable.

Hon. G. W. Miles: Does not the general sinking fund provide for the railways?

Hon. A. LOVEKIN: When the railways were covered by Loan Bills, sinking fund was provided, but it is not taken into account in the railways.

Hon. H. Stewart: You want the users to provide a sinking fund?

Member: That is all he wants.

Hon. A. LOVEKIN: It is all one. Before it can be said that the railways are paying we must subtract the cost of running them. If they wear out an engine in running from Perth to Northam, and get so much earnings from it, it is clear they have to pay for the engine.

Hon. H. Stewart: Under maintenance. They should not have been charged to loan account.

Hon. A. LOVEKIN: That is another matter.

Hon. H. Stewart: It cuts out your argument.

Hon. A. LOVEKIN: Not at all, because they were in fact charged to loan account.

Hon. H. Stewart: That is bad accountancy.

Hon. A. LOVEKIN: The Premier is asked to do all sorts of things because the railways are paying. I suggest that on a business basis they are not paying, unless in addition to the coal they burn, the wages they pay, and the necessary provision for wear and tear on rolling stock and permanent ways is made, a profit is left.

Hon. H. Stewart: A sinking fund of  $\frac{1}{2}$  per cent. is too high for constructional works on railways.

Hon. A. LOVEKIN: That may be so if the maintenance is well kept up. Mr. Ewing gave certain figures showing the loss on the Wyndham Meat Works since they were opened in 1919. I also know something about this because I served on the select committee, that investigated the operations of these works, over a considerable number of days. The hon. member said that in 1919 the works killed 9,281 bullocks, and that the losses amounted to £21,521; in 1920 they killed 18,482 bullocks, the loss being £71,166; and in 1921, when the works were closed altogether, the loss was £109,104. This shows how the incapacity of Ministers comes in, and how they have been misled. When the works were not operating the loss was £109,000, and when they were working it was £71,000.

Hon. H. Stewart: Do you want them not to work?

Hon. A. LOVEKIN: We did not go further than the year 1922 when the select committee was inquiring into the matter.

Hon. J. Nicholson: That would be a sum of about £30,000 that we may take as a profit.

Hon. J. Ewing: The hon. member knows well the reason.

Hon. A. LOVEKIN: The balance sheets of the Wyndham Meat Works were laid on the Table of the House. Mr. McGhie, the manager, and Mr. Tipping, the accountant, both very able men, gave evidence before the select committee as to the operations of these works. To my surprise, the figures that were given by the hon. member do not coincide with those disclosed in the balance sheets that were laid on the Table of the House, nor yet with those given to us by Mr. McGhie and Mr. Tipping. This is peculiar, particularly when I mention that last session I asked Mr. Ewing, who was then Leader of the House, certain questions regarding the taxation revenue. I asked him how much money had been carried forward from the previous year. On two occasions he gave answers to those questions and his answers varied. The same question was put to the Government in another place and a still different answer was furnished. Only yesterday Mr. Harris asked a question regarding the cost of the Arbitration Commission, and the Minister, in all good faith, replied that it had been £163 14s. 7d. I have the file dealing with that matter before me and to my surprise I find that another amount of £51 17s. 6d. has been added to it, making a total of £215 12s. 1d. That discloses additional expenditure to that mentioned on the day previously.

Hon. E. H. Harris: Is that final now?

Hon. A. LOVEKIN: I do not know. The point is, what reliance can be placed upon figures given to us? I will not labour the question; hon. members can investigate the matter for themselves. I repeat that the report dealing with the Wyndham Meat Works contains figures at variance with

those that have been presented to us. And these figures were placed before us in order to show what a wonderful Government they were! It will be noted that the year the works were not operating showed the heaviest loss! The report on the meat works for that year shows that wages and travelling expenses were charged up, totalling £21,890; materials used, £14,971; freight charges and commission, £18,804; printing and sundries, £11,092; interest, £73,812. And these charges were levied against the works for a year during which they did not operate! I do not know how this could be so!

Hon. J. Ewing: You know the reasons.

Hon. A. LOVEKIN: If that was the way the business of the country was carried on, it was no wonder that the news spread among the people and the electors decided to have a change of Government.

Hon. J. Ewing: Did you not say yesterday that Mr. McGhie was a competent officer?

Hon. A. LOVEKIN: I do not know anything about his competency, nor do I know anything about the meat industry. I said that Mr. McGhie is an able man.

Hon. J. Ewing: So he is.

Hon. A. LOVEKIN: I have a report dated 11th March last of an inquiry held in New South Wales in connection with the Australian meat industry. An expert, Mr. Lionel Weatherly, gave evidence at the inquiry. It is admitted that the success or failure of the Wyndham Meat Works largely depends upon the price of meat. If those prices advance, we are likely to get a much better result from these works than we have had in the past. The expert dealt with the prospects of the European market, and in his summary of the position Mr. Weatherly said—

The United Kingdom is the only European market of any size for the great meat producing countries to exploit, although there are inquiries for Australian meat from Germany, Belgium and Holland . . . . . Before a market can be captured and held, it is necessary to look facts in the face in order to fully realise our position in comparison with our competitors. One must admit that for quality of meat, accuracy of grading, dressing and organisation of selling the foreign section is far superior to the Dominions.

Later on he said—

Before the Dominions can compete on an equal footing with the foreign grown meat, the Dominion article must be raised to or above the standard of its competitors. There is no evidence of any organised conspiracy against us, but should our competition ever become sufficiently severe, we must be prepared to cope with the most ruthless opposition. . . . . We enjoy this freedom from opposition because we are not regarded seriously as of sufficient importance at the moment to be worthy of their atten-



tion, but later on, if the Dominions do push their claims to supply the Home market, they must be ready for a very bitter fight.

The statements I have quoted should certainly be taken into account before a decision is arrived at to continue the operations of the Wyndham Meat Works. The possibility of losses in the future must be considered. I have dealt with the first two points I mentioned, the sincerity of the late Government and their administrative capacity. Then there is the question of the leadership of the late Government. I suggest that the Mitchell Government did not stand up face to face with the enemy, as they should have done, during the last few years. Everything possible was done to placate their political enemies.

Hon. A. J. H. Saw: Which enemy do you mean, the one within the gates or the enemy outside the walls?

Hon. A. LOVEKIN: I refer to the enemy with whom the Government were face to face. I do not know about the enemy inside or outside the walls. If the hon. member wishes to ascertain that, I suggest he goes to Jericho.

Hon. J. Duffell: But the walls fell down there.

Hon. A. LOVEKIN: I repeat that everything was done by the late Government to placate the Labour Party. I have already referred to the State Trading Concerns Bill. No generalship was exhibited. There was a split with the Country Party members, whose ranks were divided. One would have expected that a general at the head of the forces opposed to the common enemy would have endeavoured to heal the breach, so that a united front might be presented to those whom I call, figuratively, the enemy. On the other hand, everything possible was done to inflame the trouble. One section of the Country Party was abused right and left throughout the country by the ex-Premier, and instead of good generalship, the reverse was shown.

Hon. H. Stewart: Had the ex-Premier played the game, there would have been no split.

Hon. A. LOVEKIN: If the ex-Premier had been a true leader, we would not have experienced the late debacle.

Hon. J. Ewing: Why blame the ex-Premier for everything? Give him a chance!

Hon. H. Stewart: Whom do you blame?

Hon. A. LOVEKIN: As hon. members will see in a report that will come before them shortly, I am not in the habit of blaming the office boy. It is the head man who must carry the responsibility. I am not dealing with underlings or junior Ministers who were willing to submit, as we know, to any kind of humiliation.

Hon. J. Ewing: I ask, Mr. President, that you call upon the hon. member to withdraw that statement. It is most improper and most insulting.

The PRESIDENT: I am ashamed to say that I did not hear it.

Hon. A. LOVEKIN: I am willing to say it again.

Hon. J. Ewing: I asked that it be withdrawn and it should be withdrawn.

The PRESIDENT: I do not know what was said.

Hon. A. LOVEKIN: I will repeat it.

Hon. J. Ewing: I do not think the hon. member will repeat it.

Hon. A. LOVEKIN: Mr. Ewing interjected when I was referring to the ex-Premier. I replied that I was not in the habit of putting the blame on the office boy when anything went wrong. I said I was not prepared to blame anyone else than the head of the Government, or Ministers content to be humiliated at any time.

Hon. J. Ewing: That is not what you said.

The PRESIDENT: If that is what the hon. member said, I cannot say that he has said anything he should withdraw.

Hon. J. Ewing: I will let it go. Mr. Lovekin is a most ungenerous man.

Hon. A. LOVEKIN: I thought that was what I said.

Hon. J. Ewing: It is not true any way.

Hon. A. LOVEKIN: The hon. member would not ask us to blame the Clerks in the event of matters of first class importance going wrong. That is what was done by the late Government.

Hon. J. Ewing: Were we office boys?

Hon. A. LOVEKIN: You sacked office boys.

Hon. J. Ewing: That is an improper statement to make.

Hon. A. LOVEKIN: I will prove it.

Hon. J. Ewing: You had better bring proof.

Hon. A. LOVEKIN: It will be proof from your own files. There is no doubt about it.

The PRESIDENT: I might suggest to the hon. member that he should not make use of expressions that may be displeasing to other hon. members.

Hon. J. Ewing: His expressions are insulting.

Hon. A. LOVEKIN: I do not wish to do so, but some members draw me and I am so stupid a politician that I am led astray.

Hon. J. Ewing: You are insulting, not stupid.

The PRESIDENT: There are too many interjections. Let the hon. member make his statement quietly.

Hon. A. LOVEKIN: I am making these statements in order to combat the assertion by Mr. Kirwan that Mr. Holmes and myself and others were responsible for the defeat of the Mitchell Government. I am positive that the members of the Government themselves were responsible for what happened. I will not take any blame myself.

Hon. J. W. Kirwan: The hon. member's speech furnishes confirmation of my statement.

Hon. A. LOVEKIN: I would instance the manner in which the Redistribution of Seats Bill was dealt with. One would have expected that a politician, in view of the near approach of a general election, would have been tactful enough to say: "Very well, gentlemen, you say you will not pass this Bill. You want to perpetuate the small pocket-boroughs in the goldfields areas and refuse to have members returned on an equitable basis. We will ask the country about it, but we will press this Bill to a division, and you can vote against it." Because the Opposition made a little noise the Government immediately capitulated.

Hon. V. Hamersley: The Opposition ran the Government.

Hon. A. LOVEKIN: Yes, and ran them so well that they left what was called the National and Country Party pact, or whatever name the combination was known by, to go to the country without a policy or any definite issue.

Hon. J. Ewing: Save us from our friends.

Hon. A. LOVEKIN: If you had been wise men—

Hon. J. Ewing: As you are.

Hon. A. LOVEKIN: You would have been saved by your friends and not from your friends; your friends were true to you.

Hon. H. Stewart: Hear, hear!

Hon. A. LOVEKIN: It is all very well for a man to get a lot of sycophants and flatterers around him who tell him—

Hon. H. Stewart: That the mantle of the late Lord Forrest has fallen on his shoulders.

Hon. A. LOVEKIN: Yes; he would have been saved by his friends.

Hon. C. F. Baxter: But he would not allow his friends to save him.

Hon. A. LOVEKIN: I could convince hon. members that his friends expressed a desire to assist him. Quite a number of business men, amongst them Mr. Lynn, who was a member of this Chamber, suggested to the ex-Premier that in view of the existing situation and the difficulties the Government were in, he should get together a few level-headed business men and invite them to have a round-table conference with him. Sir James Mitchell, however, refused this. I am not making a statement that I cannot support.

Hon. A. J. H. Saw: Apparently he did not know his friends.

Hon. A. LOVEKIN: That is one of the reasons why he failed as a leader; he was not a judge of men. I am afraid I have been speaking longer than I intended to do, but there is another matter to which I desire to refer before I resume my seat.

Hon. J. M. Macfarlane: You have not dealt with the Governor's Speech yet.

Hon. A. LOVEKIN: I am not troubling about that Speech; the Governor made that Speech and I am making this one.

Hon. A. J. H. Saw: Two Excellencies and one excellent speech.

Hon. J. Cornell: Are you going to tell us anything about the present Government?

Hon. A. LOVEKIN: I am waiting to find out what their sins are.

Hon. H. Stewart: Are you not going to give them any advice?

Hon. A. LOVEKIN: They do not want it.

The PRESIDENT: Order!

Hon. A. LOVEKIN: The subject to which I desire to refer is the Arbitration Commission. It is really a minor matter and I am sorry that so much has been made of it by Mr. Ewing. That hon. member's remarks, however, as well as the figures which have been given to the House relating to the cost of the Commission, call for a reply. Mr. Ewing told us that he knew all about it and he said that the Commissioners—Mr. McCallum and myself—were responsible for the chairman going to the Eastern States. We were told the cost of the Commission was £163. As a matter of fact we now learn that the total was £215. I am sorry Mr. McCallum is not here because I am certain he would bear out what I have to say, that neither of us agreed to the Commission proceeding to the Eastern States.

Hon. J. Ewing: Do you say that?

The PRESIDENT: Order! Let the hon. member make his statement.

Hon. A. LOVEKIN: I say definitely that I did not authorise the Commission to proceed to the Eastern States. I will tell hon. members the facts. First of all a select committee was appointed to inquire into the Arbitration laws and later we asked the Government to convert that committee into a Royal Commission so that the work might be continued after the close of the session. The Government did not see fit to do that, but subsequently appointed a Royal Commission to inquire into the same subject and the personnel of that Commission was Mr. Walsh, clerk of the Arbitration Court, as chairman, Mr. McCallum and myself. It was about the time the elections were in progress. We held a preliminary meeting in this building, and we agreed that nothing could be done until we saw what was going to happen as the outcome of the elections. After the elections we considered we would know better where we were, and up to the time of the elections Mr. McCallum might want to do a little electioneering. Therefore we adjourned for a week. At the end of that week we met again and we were pressed by the chairman to declare when we should proceed to the Eastern States. Mr.

Walsh stated that Sir James Mitchell was anxious that we should visit all the other States and New Zealand. I said that no good purpose would be served by going to either the Eastern States or New Zealand, and I expressed the belief that we had enough information here seeing that we had all the records and the literature it was possible to get respecting the position in the other States, and that we knew our own conditions as well. Mr. Walsh was insistent and said that the Government were desirous that there should be a full investigation in the Eastern States. I then said, very well, after the Assembly elections if you, Mr. McCallum, care to go with Mr. Walsh to the Eastern States, I shall be agreeable, but I shall not be able to accompany you because I have an election pending in May; I shall be satisfied if you go provided you take an efficient shorthand-writer with you so that I may be given a report of the evidence you take, in such a manner that I shall be able to understand it." I had in mind, and referred to the lamentable report of the proceedings of the Railways Royal Commission, a report that was absolutely valueless, due to the inefficiency of the reporting done departmentally, and the cost of which was so much money thrown away. The position was left at that and we adjourned again. Mr. McCallum and I were of the opinion that we should meet here and not go to the Eastern States. The chairman pressed for the visit to the East. We again adjourned the meeting for a week without coming to any decision.

Hon. J. Ewing: Did you not promise to go over on the 17th?

Hon. A. LOVEKIN: I said I could go after the 17th, if they were going over. I would then be available to go if I were not opposed at my election. I explained that if I was opposed I would not be able to go until after the elections. Between the two elections I was agreeable that the other two members of the Commission should go provided they took an efficient shorthand-writer.

Hon. J. Ewing: Then you knew that he was going?

Hon. A. LOVEKIN: I will tell the hon. member if he will allow me to proceed. I have said that we adjourned for a further week, and on Friday, the 4th April, I received a telephone message from Mr. Walsh asking me if I would see him at my office on the next morning. He told me that he had decided to go to the Eastern States next day. I said I would meet him. I proceeded to my office on the next day and received a letter from him. I did not see him; I only got the letter. Whether I desired to go to the East or whether Mr. McCallum desired to go can be judged better from what is contained in the letters. Instead of meeting Mr. Walsh on Saturday, the 4th April, I received a letter.

Hon. J. Duffell: Saturday was the 5th April.

Hon. A. LOVEKIN: The letter is dated the 4th April and reads—

As you are aware I will be leaving for the Eastern States at noon to-morrow in connection with industrial matters affecting the Commission. I do not propose to take any evidence in the Eastern States unless another member of the Commission is present, but the information I can acquire by inquiring into the working of the various Acts relating to industrial matters will be of inestimable value to me as chairman of this Commission, and to the Government, in my capacity as Industrial Registrar.

I did not see Mr. Walsh. He went to the East and took with him Mr. Ramaciotti. That action met with my approval because, if evidence had to be taken, I wanted to be assured of getting a correct report. I was quite satisfied with Mr. Ramaciotti because I have known him for very many years. He is a capable shorthand-writer. Some time after Mr. Walsh went away I received a telegram from him dated 28th April, reading—

Making exhaustive inquiries without taking evidence; glad to know if you intend coming over—

If I had agreed to go over he would not have wired in that way. The telegram went on—

Wire reply, care Secretary Labour, Sydney.

Unfortunately I made the mistake of sending my reply to Melbourne instead of to Sydney. I sent Mr. Walsh's telegram to Mr. McCallum on the same day and wrote—

Dear Mr. McCallum,—You will please find Mr. Walsh's telegram to me and copy of lettergram that I have sent to him. Please return when finished with. To say the least of it the chairman was lacking in courtesy to his fellow commissioners.

On the 28th April I sent the following lettergram to Mr. Walsh:—

At last meeting at which you were present we decided adjourn until 11th April. I was amazed to receive your letter of 4th in the circumstances and in face of our discussion. McCallum and self met on 11th and further adjourned to 17th. Have since found secretary appointed and put to work, the nature of which I have no knowledge, and have not been consulted as to whether the work is required. Your wire of yesterday quite inexplicable to me, because as you must be aware McCallum is now a Minister and may not be able to continue his commission. Possibly Government may dissolve commission. Personally I see no need visit other States; only putting country unnecessary expense. If we want evidence from East, surely more economical get witnesses here than have commission and secretary travelling about. In any event whether my view correct or otherwise is matter for full commission to decide when it meets.

If £215 was the expense of two little meetings, I do not know what would have happened to the deficit if the commission had gone travelling about the Eastern States.

Hon. H. Stewart: Walsh did not receive that lettergram.

Hon. A. LOVEKIN: Not until he returned to Perth. When he returned on the 23rd May, I received a letter as follows:—

Your lettergram dated 28th ult. addressed to me at Melbourne was handed to me on my arrival in Perth, having been returned undelivered.

I sent the lettergram to Melbourne because I had that city in mind on account of having given Mr. Walsh some matter I had received from Mr. Murphy, Secretary of Labour in Melbourne, and I had asked him to get Mr. Murphy over in order that he might be questioned about it. The letter continued—

If you will refer to my telegram sent to you from Sydney, you will find I requested you to address your reply to me, care of the Department of Labour, Sydney. In the first place, I may state that my visit to the Eastern States was decided on by Cabinet.

How can Mr. Ewing, in face of that statement, say that we decided the matter? It was decided by Cabinet.

So far as I was personally concerned it would have been utterly futile for the commission to have continued without my having visited the Eastern States.

No reference there at all to the commission! In view of their long and varied experience of arbitration and the elaborate systems that have been built up there as a result of that experience, those States were naturally the places to go to for information.

If the Cabinet wanted him to go there, the Cabinet should not have appointed a commission. Having appointed a commission it was not fair for them to go behind it.

Hon. J. Ewing: Cabinet agreed to his going there.

Hon. H. Stewart: The only trouble is, he is lacking in his choice of words.

Hon. A. LOVEKIN: In his letter Mr. Walsh proceeded to suggest that my proposal to bring witnesses here was not so good as his suggestion to see witnesses in the Eastern States, and he concluded by saying that he had studied industrial legislation probably more than anyone else in Western Australia. Perhaps he has; perhaps he has not. The commission was appointed and was then ignored. The chairman went away to the Eastern States after the decision to adjourn. A secretary was appointed and we knew nothing about the appointment.

Hon. J. Ewing: You knew nothing about the appointment?

Hon. A. LOVEKIN: Not at the time. I do not even know now on what work he was to be engaged. I only know his name. Therefore the commission cannot be blamed for having incurred any of that expense. The

Colonial Secretary has laid the file on the Table, and so far as I have been able to peruse it, there is nothing to show how the secretary was appointed, who appointed him, what salary he was to get or anything else. But there is this letter from the chairman, Mr. Walsh, to the secretary to the Premier's Department, dated 4th April:—

For your information, I beg to state that, during my absence in the Eastern States, the whole of the time of the secretary to the commission (Mr. A. B. Moore) will be employed in giving attention to correspondence, interviews, etc., and more particularly in the preparation of a tabulated statement of the legislation of the various States. I wish to have the above compilation ready for submission to me on my return, and to complete this information as desired it will alone engage all his time whilst I am away.

I had all that matter and did not want a secretary to prepare it. I even went to the trouble of cabling to South Africa and Norway to get copies of their latest Acts, which reached me in time. I have had all this legislation tabulated for some time, and have kept it up to date. There was no need for this expense. Had the commission been consulted the information could have been supplied without cost. A letter dated 17th March, signed L. E. Shapcott, I find, states:

I have to advise you that Mr. A. B. Moore has been selected as secretary to your commission and has been instructed to report to you for duty. He will carry out the duties of your commission in conjunction with those of the Gosnells Commission, which he is already performing, and which it is understood will be satisfactory to you.

There were two other members of the commission and we held two meetings after that.

Hon. H. Stewart: Where was the secretary when you were having those meetings?

Hon. A. LOVEKIN: We were told that a clerk from the Premier's office came to the meeting after we had adjourned. We did not know anything about a secretary.

Hon. H. Stewart: Is this an indictment under one of those three headings of yours?

Hon. A. LOVEKIN: No; I am referring to this only because Mr. Ewing brought it up.

Hon. J. W. Kirwan: The members of the commission were treated as if they were boys.

Hon. A. LOVEKIN: Yes, but some of them would not stand it.

Hon. J. W. Kirwan: That is the difference.

Hon. J. Cornell: The chairman went on without you.

Hon. A. LOVEKIN: There is another letter stating that the secretary was to report to the secretary to the Premier. That is a peculiar thing after a Royal Commission had been appointed.

Hon. J. Nicholson: That was a sort of subsidiary commission.

Hon. A. J. H. Saw: The commission was in a state of suspended animation, was it not?

Hon. A. LOVEKIN: The elections resulted in a change of Government. Mr. McCallum, having been appointed to the Ministry, was unable, of course, to continue as a member of the commission. I do not know whether I shall be breaking faith, but Mr. Collier sent for me and asked whether I would like someone appointed in Mr. McCallum's stead as that gentleman was now a Minister and would not carry on the work. I told Mr. Collier that in the circumstances I certainly was not prepared to go on. If I was a member of a Royal Commission I was going to insist on being a member and on knowing what was being done. I would have to take the responsibility for the report, and I could not make a report unless I knew everything that was being done. I would not tolerate a chairman or anyone else running about the Eastern States or to Timbuctoo, leaving us here to cool our heels. I suggested to Mr. Collier that it would be as well to dissolve the commission and he accepted that advice. I do not wish to press the matter further.

Hon. J. Cornell: You have to take the blame for the dissolving of the Commission.

Hon. A. LOVEKIN: Yes, I am prepared to take the blame for that.

Hon. E. H. Harris: Do you take the blame for our not having a report?

Hon. A. LOVEKIN: No, I have no material on which to make a report. To show that Mr. McCallum must have taken much the same view that I have expressed, I shall quote certain telegrams that passed between the Premier and Mr. Walsh. It must be remembered that Mr. McCallum was then a member of the Government. I happen to know that Mr. McCallum discussed the matter with both Mr. Collier and Mr. Angwin. I do not know what occurred; I can only judge from these telegrams, which I now see for the first time. Perhaps the Colonial Secretary can tell us whether Cabinet discussed the matter.

The Colonial Secretary: I was not there.

Hon. A. LOVEKIN: The Premier on the 26th April sent the following telegram to Mr. Walsh in Melbourne:—

Please advise immediately earliest date you intend to commence proceedings Arbitration Commission in this State.

The reply received was—

Earliest date can commence taking evidence Perth May 20. Am collecting great quantity most useful matter here;

leaving for Brisbane to-morrow; writing. On the 29th April the Premier wired—

Please cancel Eastern inquiry arrangements; return to Perth immediately. Reply.

Hon. A. J. H. Saw: I suppose he didn't have the chairman of the Forests Commission with him.

Hon. A. LOVEKIN: Mr. Walsh replied to the Premier on the 30th April:—

Your telegram just to hand. Will return Perth earliest date possible.

On the 2nd May Mr. Walsh telegraphed from Queensland to the Premier—

Owing laying up of ships cannot get berth Transcontinental until 16th Port Augusta. Have booked but will come earlier if other opportunity offers.

The Premier wired on the same date to the Commonwealth railway authorities—

Grateful if you can secure berth Augusta Perth for F. Walsh, State Royal Commissioner, now in Brisbane. Earliest date present available 16th. Advise result.

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

Hon. A. LOVEKIN: Just before tea I read a telegram from Mr. Collier to the Commonwealth authorities asking them to provide accommodation on the train to enable Mr. Walsh to return to this State. Following upon that message, there is a telegram which I had better read to make all clear, a telegram to Mr. Walsh at Brisbane, dated the 3rd May—

Governor-in-Council has revoked Royal Commission of 12th January on arbitration questions. Please cancel all arrangements and return immediately.

On the same day I find this wire from Mr. Finn, of the Commonwealth Government, to the Premier—

Wired railways in Brisbane to accommodate Mr. Walsh by train leaving Port Augusta Friday 9th. If already left, will accommodate him in train now at Augusta.

The next telegram is from Mr. Collier, under date of the 6th May, advising Mr. Walsh that accommodation had been arranged for him on the train leaving Augusta on Friday, the 9th May. Then there is another telegram to Mr. Walsh, on the same date, stating—

Accommodation reserved trans-Australian train leaving Augusta Friday, ninth. Necessary you leave Brisbane to-day.

Next there is a telegram to Mr. Collier from the Industrial Registrar in Sydney, advising him that Mr. Walsh left for Melbourne on the Tuesday, and that telegrams had been repeated to him. On the 8th May there is a telegram from Mr. Walsh to the Premier, reading—

Your wire 6th just reached me. Railways here cannot give me berth

Adelaide to-day. Urging them give me extra berth.

Next comes a telegram from Mr. Walsh to the Premier stating that Adelaide had arranged to give him accommodation on the train leaving on the 13th May; and that ends the series of telegrams. It seems to me that it was a very good thing for this country that matters happened as they did, for I am afraid that if they had not happened thus, the deficit would have been swollen materially by the expenses of this Royal Commission, especially if I had got over there as well as the others. In that case there would have been a great deal more expense incurred, because I am somewhat extravagant when I travel. Apart from that, however, there is the fact that the chairman of this Royal Commission advised the Government, of his own initiative, that they should pay advocates a sum of about £50 each to attend before the Commission and put the case. Mr. Millington, as secretary to the Trades and Labour Council, writes as follows:—

We have been notified by the chairman of the Commission that they agree to the proposal that a representative of the unions shall attend the Commission on their behalf to assist in the presentation of evidence. As the collection and presentation of evidence will necessitate a considerable amount of expense, we have appointed a deputation, consisting of Messrs. Traynor, Barker, and the writer, to wait on you to discuss the question of the expenses of the unions' representative before the Commission. Trusting that you will receive the deputation at an early date.

I do not see any minute following upon that, but the matter was brought under my notice through a letter from Mr. Walsh to the Premier, dated the 28th March, which suggested that a sum of about £50 should be allowed to each of these advocates as well as to Mr. Keall, who was to represent the employers. I may tell the House I objected to the proposal, because I thought that we as a Royal Commission should make our own inquiries without having lengthy hearings with advocates on either side, in which case we would not know where we might get to. In reference to my protest I note now—I had not seen the letter before—that Mr. Walsh wrote to the Secretary of the Premier's Department as follows:—

I note the decision of the Hon. Premier.

There is a note on the side of this letter, reading—

The recommendation of the Commissioner is agreed to. (Signed) James Mitchell, Premier.

I see there is another note on this same file, saying—

I note the decision of the Hon. the Premier, but at the same time I would

like him to know Mr. Lovskin is totally opposed to any payment of advocates.

I do not know what happened after that. Now we come to the other expenses. I do not want to cut down people when travelling and so on, but we must do our duty by the people we represent. I am putting this matter up more fully than I otherwise would. In fact, I would not have touched it had it had not Mr. Ewing raised it. I am putting it up now because I do not think this is the way in which the affairs of the country should be conducted, even although the amount of money involved is very small. The conduct of the Commission is a sort of grab for money from start to finish. Here is a letter—not borne out by facts at all—addressed to the Under Treasurer and dated the 2nd April—

The Royal Commissioner on Industrial Arbitration, Mr. Walsh, and Mr. L. Ramaciotti, acting as secretary and reporter, will be visiting the Eastern States, leaving on Saturday noon. They will be away for approximately six weeks. Would you kindly arrange an advance of £100 to cover their expenses. I am securing the Hon. Premier's signature to the necessary forms.

That was written by Mr. Shapcott to the Under Treasurer, and presumably the money was made available. Again, there is a memorandum on the file from Mr. Walsh, who as Registrar of the Arbitration Court was receiving his salary in the usual way. On the 25th March he writes to the Premier—

I would be glad if the Hon. Premier would inform me what fees I am to receive as chairman of the above Commission. To obtain the necessary information as to how the industrial legislation of the Eastern States works, it is imperative that I should visit the capitals of the Eastern States, and this necessitates an expenditure which will exceed my allowance. Under these circumstances I would respectfully request that I be allowed to retain the ordinary fees allowed to chairmen of commissions.

The memorandum goes on to the Public Service Commissioner, who minutes as follows:—

As arranged, I have discussed the matter with Mr. Walsh. He does not anticipate that the stay in Adelaide, Melbourne, and Sydney will occupy more than two or three days in each place. I have arranged with him that whilst on the steamer his travelling allowance will be in accordance with the Public Service Regulations, and whilst in the Eastern States £1 10s. per day. I have also agreed that if his fees and allowances do not cover out of pocket expenses, the rates mentioned above would be reviewed.

This is the way the Commission have gone on, and it was suggested by Mr. Ewing that a report had been put in. Here is the file, I have looked through it carefully; if the report is anywhere, this is where it ought

to be, because all the documents are there. On the file there is no report.

Hon. J. Ewing: I said the report was in the hands of the Minister for Works.

Hon. A. LOVEKIN: But it should be on this file.

Hon. J. Ewing: It reached the Minister for Works direct from Mr. Walsh.

Hon. A. LOVEKIN: I cannot pursue that. All I can say is that the report is not here. There is nothing on this file, except the little telegrams which I have read, to show for a matter of £215 expenditure. I do not want to labour it any further, and I repeat that I would not have referred to the matter only that Mr. Ewing laboured it against me when I said that I had been no party to the Commission's visit to the East. Most of my speech this afternoon has been more or less critical, and even what might be termed destructive. Now, I never like to destroy anything unless I can put something in its place; but when one wants to put something better in the place of an existing building, one must first pull down the old building. That is why I have to criticise the methods and the policy of the late Government. But there is no doubt that financially—and that is the principal thing; government is finance—we must do something to restore the equilibrium here. That is not to be done, I am quite certain, by the methods which Sir James Mitchell proposed during the last session. We must, if we can, induce people with capital to come here and invest it. We must not do things which will drive capital away. We must try, if we possibly can, to get businesses extended and employment increased. I have said in this House over and over again we cannot bring about that position with our present taxation. Here is another point as to which the late Government were not true to their promises; and I say it most deliberately. At a conference of the Houses we made a compact with the Government that the super tax should be removed in the following session, given certain increases in the receipts from income tax by reason of the increase from .006d. to .007d. We members said that the .001d. increase would mean £60,000 or £80,000 more than was required to give the relief asked for in freeing those on the bread line from taxation. We emphasised that. It turned out to be right. A pledge was given by the Premier and Mr. Colebatch that if it were so, the difference would be made good next session. Consequently I came back into the House and, although twitted upon it by Mr. Duffell and others, I voted with the Government. Last session Mr. Ewing evaded the question and said it was not money that was intended, but assessments. When I produced the assessments he said, "We cannot tell that until next year." No relief was given. Now another year has gone by, and instead of the £390,000 to be collected in income tax they have collected £500,000

odd. I ask the hon. member whether, when the Taxation Bill comes down, he will support the request that the super tax should be taken off, so as to release money for the expansion of business? Far better for the country than the income tax would be a graduated stamp tax. I regard these income taxes, especially where they are differential in States, as inimical to the best interests of trade and commerce, and I suggest that in place of income taxation we should put up a graduated stamp tax. This would at once bring in more revenue and lighten the burden on the taxable people. Business houses to-day have to provide  $4\frac{1}{2}$  per cent. on the price of their goods to meet income taxation, whereas under the stamp tax the maximum would provide  $1\frac{1}{4}$  per cent. or 3d. in the pound. Yet, instead of bringing in £400,000 or £500,000 revenue, such as is received from income tax and other sources, the stamp tax would bring in £870,000. The explanation is that, whereas only a few pay income tax, all would pay under the graduated stamp tax. At present many firms with large turnovers are domiciled in the Eastern States, where the taxation rate is  $6\frac{1}{2}$ d. in the pound. It is obvious, if you want to manufacture or trade, and you add your taxes to overhead expenses, as you must, you will take the line of least resistance and domicile your house where the tax is lowest. Take a house domiciled in Melbourne and sending its goods to Western Australia. An article that sells for 1s. in the shop will be invoiced from Melbourne to Perth at  $10\frac{1}{2}$ d., leaving  $1\frac{1}{2}$ d. for the selling cost. The profit is made on the  $10\frac{1}{2}$ d. and pays taxation in Victoria, while practically no profit is made here.

Hon. J. Duffell: Do you think the Taxation Commissioner would permit such a thing?

Hon. A. LOVEKIN: He cannot help himself.

Hon. J. Duffell: But the trader has his overhead expenses here, as in Melbourne.

Hon. A. LOVEKIN: How can the Commissioner interfere? As a matter of fact, if you want an illustration I do not mind telling you that Mr. Boan, an ex-member of the House, told me he had been approached in the East to wind up his company here and re-form it over there, so as to get off with lesser taxation. Take the Taxation Commissioner's report on the wages paid at the Wyndham Meat Works. He says, "In one year I lost £1,000 in income tax. The wages ought to have produced that, but I could not collect on them at their source, and therefore the State lost the money." The result is the load comes very heavy on a few taxpayers. People who ought to be extending their business and putting a little into mining are unable to do so because they are carrying so heavy a load of taxation, while many others are free from taxation. Again, under the graduated stamp tax the taxpayer pays when he best can, that is to say, when he receives his money. The farmer often sends in his taxation returns at the end of June

when, perhaps, he has a number of lambs and cattle. By the time he gets his assessment the lambs or the cattle may be dead, notwithstanding which he has to pay the tax, even if he borrows money; whereas under the graduated stamp tax, when he sells his lambs or cattle he pays. Moreover, when he has paid he has finished with the thing, is no longer harassed with tax collectors coming in to know why he did this or why he did not do that or the other. I have put up a paper on this subject and have asked the Clerk to be good enough to distribute copies amongst hon. members. In that paper I have tried to show the incidence of income taxation on one side, and of graduated stamp taxation on the other, and have given my reasons for thinking the one preferable to the other. I am sorry I should have had to refer to the late Government in the terms I used this afternoon. As I have said, Sir James Mitchell is a long-dated friend of mine. He is down at the present moment, and I am the last in the world to kick a man when down. But I am charged with a duty, and I feel its responsibility; whether it be friend or foe, I am here to give information to those I represent and, sorry as I am that I should have had to criticise the late Government as I have done, I felt it to be my duty to do so.

Hon. G. W. MILES (North) [7.55]: With other members, I express regret at the loss of some of our colleagues not returned from the last elections. Also I congratulate those newly elected. Then I wish to congratulate Mr. Drew on being here as Leader of the House, and Mr. Hickey, his deputy. During the debate there has been a good deal of criticism of the late Government. We have nothing to criticise in the present Government.

Hon. E. H. Gray: They have never made a mistake yet.

Hon. G. W. MILES: Yes, they made one when they granted the 44-hour week without referring it to the Arbitration Court. I regret that they should have done that. A good deal of criticism of the State finances has been offered. While it is true that we owe 59 millions and have a deficit of six millions, I think that when the trading concerns are written down, as they ought to be every year, our deficit will be found to be nearer nine millions than six millions. I want to impress on the Government that, although the existing system of book-keeping has endured for 34 years, there is no reason why we should continue it. If our trading concerns are to be carried on, I want to see the whole of them put on a proper footing. It is only fair to the Government that this should be done. Those concerns should be written down and any losses made thereafter should be shown in our deficit for the year. Then the public would know exactly what those trading concerns were costing the country, and so

would be in a better position to decide as to which party to return to power.

Hon. J. W. Kirwan: To increase our deficit to nine millions would scarcely improve the State's credit.

Hon. G. W. MILES: Yet it is as well to know exactly where we are. Take the Wyndham Meat Works. They cost three-quarters of a million. All losses since made have been added to that capital, and so the works stand in the books of the State at a million and a-quarter, no depreciation having been written off. It would be better to show our creditors the true position than to publish fictitious balance sheets. I agree with Mr. Lovekin that if private people conducted their affairs in the way in which the Government conduct the State's affairs, they would be in gaol.

Hon. J. W. Hickey: You mean the late Government.

Hon. G. W. MILES: Yes. This point is lost sight of: Since the deficit has been increasing to six millions our sinking fund has increased by 6½ millions, making a total of 8½ millions. Whilst the position is bad enough, the true position should be put before the people of the country and of the world. Some members are always criticising the financial position; yet they do not put the full position before the public. The 6½ million pounds we have added to the sinking fund has had something to do with the credit of the State. In the Old Country, during the past two years, the credit of Western Australia has been better than that of any other State of the Commonwealth. I want to quote some figures to prove that. During 1922-23 the New South Wales Government raised £22,000,000, a good deal of which was redemption loan, at an average cost of £5 6s. 2d.; Victoria raised £18,000,000 at an average cost of £5 4s. 9d.; South Australia raised £7,000,000 at an average cost of £5 10s. 4d., and Western Australia raised £5,000,000 at an average cost of £5 0s. 10d. We have thus obtained our money during the last two years at a cheaper rate than any other State in the Commonwealth. This is due to the sinking fund which the Government in the days of our late chief, Lord Forrest, inaugurated some years ago. Mr. Ewing wanted members and the public to give credit where credit was due. So far as the land settlement is concerned no one should get any credit for it beyond Sir James Mitchell. He was the leader of that settlement in the wheat belt, and of the group settlement in the South-West. A good deal of criticism has been levelled at the agreement made by him in England some two years ago. It is all very well to say now "I told you so." It was the first time in the history of Western Australia that any State Government went to the Commonwealth or the Old Country to assist our immigration by getting cheaper money. The Mitchell Government was the first to put such a thing up to the Imperial authorities. Sir James



Mitchell got all he asked for. Probably a better agreement could have been made, but he thought, having got what he asked for, he would be able to carry on under those conditions. I do not blame him.

Hon. A. Lovekin: The Imperial Government invited the Governments to go to them.

Hon. V. Hamersley: It was not the first time. They went years ago and got help.

Hon. G. W. MILES: They did not get the concessions that were obtained on this last occasion. The scheme Sir James Mitchell put up was that the Imperial authorities, the Commonwealth and the State should guarantee a third of the interest. I think the Commonwealth are now paying all the fares of the migrants. Had Sir James Mitchell asked for more no doubt he would have obtained it, but he got all he asked for.

Hon. J. Nicholson: The Commonwealth are paying the fares under agreement.

Hon. G. W. MILES: Yes. One of the means that will assist in the development of this country is quicker transport between England and Australia. We are in much the same position we were in 30 years ago, and are paying 50 per cent. more in fares and freights, and are getting no better service for the extra money. A quicker service would assist us in finding markets. The group settlement scheme has been severely criticised from time to time, and people have asked where we are to obtain markets for our produce. I am told that England is importing millions of pounds worth of produce every week. I know she is importing £68,000,000 worth of pork and pig products every year. More attention should be given to pig raising in this State than has been given in the past. Fortunes have been made out of hog raising in America. If that industry were followed in the South-West as well as in the North we should no doubt be able to get a market for all our produce for the next 50 years. We have to overtake first our home consumption, and that will occupy a year or two. There is some talk of forming committees to market our butter. In the past Australian butter has been sold in England not as Australian butter but as something else. The dealers have been in the habit of blending it. A scheme has now been put up for the formation of committees in England, something on the lines of the committees formed during the war to deal with the wool, to work in conjunction with Australian committees. The butter would be passed before it was shipped, and the committees in England and Australia would be in touch with each other by cable, and would fix the price of the butter instead of the dealers doing so. Last year I met Mr. Chaffey, the Secretary of the Dried Fruit Growers' Association of Mildura, and Mr. McDougall. They told me that because

they were in England they got from £15 to £20 a ton for their currants and raisins more than had been obtained from the dealers, for the reason that they had made the market and not the dealers. Our dried fruits reach the market at a different time from the Mediterranean fruits. In the past most of our wool went through the ordinary channels such as the banks and the agents, and most of it was sold in London. Since the wool sales were held in Australia the buyers direct where it shall be shipped. There are many ports in England that would be better fitted to receive our produce than the port of London. Our meat is landed, say, at the Tilbury dock and is taken out of the refrigerator, and put on the wharf where it is partially thawed. It is then taken in barges to London and frozen again. After that, it is sent up into the Midlands by rail and on to the northern towns. If it were shipped direct, say to Hull, or some other northern port, it could be put straight on to the big market that is available there for it, and thus a considerable saving to all concerned would be effected. I wish to refer to the appointment of a new engineer in chief. The salary offered by the Government is not enough, if we want to get the right man for the position.

Hon. A. Lovekin: Hear, hear!

Hon. G. W. MILES: Before the appointment is made I should like to see the salary doubled, so that we might get the best man available for the job. The late Labour Government must have known what it meant to have inefficient advice, from the ultimate cost of the Wyndham Meat Works. They would not have started those works had they known they would cost two or three times the original estimate. The engineer in this State has been receiving about £1,300 a year, but the position is worth three or four thousand pounds to-day. Some two years ago I met the Colonial Secretary of the Imperial Government in England. He asked what kind of men we had running our railways. I said he was an ordinary manager. He said, "I know of the right man for you if you can offer him from £5,000 to £10,000 a year." I replied that such a man would save his salary ten times over if we only had him. Mr. Thomas, the secretary of the Railway Union, said he had been offered a portfolio in the Lloyd George Ministry at £5,000 a year. He told his union that he had turned the offer down and that they should pay him the economic equivalent of his work. He is now receiving £2,500 a year and has been given a house costing £5,000, some five miles out of London, and a motor car. If the secretary of the railway union in England is worth that salary, the position of engineer-in-chief in this State is worth £3,000 to £4,000 a year. This principle

applies also to heads of departments. It is surprising that any capable and conscientious man should remain in the Government service. Mr. Holmes referred to the wages the employees were receiving at the Wyndham Meat Works, about £700 a year. Our magistrates who hold such responsible positions do not receive more than about £500 or £600 a year. It is time the public service was reorganised and good salaries paid for efficient men. If we have not the right men for the work they should be replaced by more efficient officers.

Hon. J. Cornell: The trouble is to get them.

Hon. A. Lovekin: There would be fewer men to employ.

Hon. G. W. MILES: It would cost the country no more, because the officers would be efficient. I was reading the other day what had been done in the southern States of America in the way of agricultural development. When the authorities started on a policy of agriculture they obtained the services of scientific men, who gave practical demonstrations on the farms and showed how they should be worked. That policy could well be carried out in Western Australia to the benefit of all. To-day there are 5,000,000 farms in America of 140 acres each. When Sir Joseph Carruthers talked about a million farms for a million farmers he was laughed at, but the project was a practical one. Australians do not know the value of their country, and do not appreciate the valuable inheritance we possess. It is our duty to use it to the best advantage. We should have agricultural experts going through the country advising how land should be farmed, and how the crops should be put in. If a farmer in one district succeeds, his example will be followed by all the others in the neighbourhood. This would afford a practical demonstration on scientific lines as to what should be done with the lands of the State. We have heard a good deal about the development of the South-West. I know of men who have been born there, represented it in Parliament for many years, and yet have not known it. There is first class land on the Collie river, equal to land in the Eastern States for which £100 an acre is being paid.

Hon. J. Ewing: Quite right.

Hon. G. W. MILES: We are degrading our own country. Only recently we discovered the value of subterranean clover in the South-West. If this scheme of group settlement were taken properly in hand, such as on the lines suggested by Mr. Hedges, big tracts of country opened up by means of roads, dams constructed and the work done by contract instead of by day labour, houses built and farms made ready, we would soon get men with money to take up areas. The Mitchell Govern-

ment had no policy for inducing men with money to come here. The same sort of thing should be applied to the pastoral industry. In Australia there are 30,000,000 sheep less than there were some years ago. In this State we would have room for another 20,000,000 sheep, if we opened up and developed the back country.

Hon. H. Seddon: We are doing it now.

Hon. G. W. MILES: We are tinkering with it. It will be another 500 years before Western Australia is properly stocked up, if we go on at the present rate.

Hon. H. Stewart: Quite right.

Hon. G. W. MILES: I was talking to some pastoralists a few months ago, and pointing out that the only money that has been put into the pastoral industry is money that has been taken off the land and put back into it. It has taken one or two generations to develop one particular area. There are hundreds of millions of money in England awaiting investment in this country if we will only open it up. We can make room and work for not only our own people but our fellow countrymen from overseas.

Hon. H. Stewart: There is plenty of pastoral land available for them.

Hon. G. W. MILES: Yes, but the country has to be opened up by railways. Mr. Ewing said it was a compliment to the late Government that the present Government were continuing to carry out their policy. I interjected that all we had now was a Western Australian Labour Government instead of a South-west Labour Government. My bone of contention with the last Government was that they were carrying out the Labour policy. I said it would be far better to allow Mr. Collier to take the responsibility of the deficit incurred in carrying out that policy than for our own crowd to continue to carry it out. I congratulate Mr. Ewing upon having sent an expedition to the North-West to investigate the Kimberley country. I regret that the expedition did not investigate the Napier Broome Bay area too. Mr. Ewing stated that the development of the North was an Empire problem. That was the first time a representative of the Mitchell Government has admitted that fact! When propositions were put before the ex-Premier, he said that we could not allow the Commonwealth to enter into the question. When the matter was referred to in the presence of a representative of the Federal Government, Mr. Colebatch, then a Minister in the Mitchell Government, was present, and the Federal Minister said that the Commonwealth Government were prepared to assist, not only by guarantee but financially, in any scheme to populate the far North. That was a tip to the late Government to go ahead. There has been much discussion regarding the way Western Australia has been treated by the Federal Government, but what I regard as the South-West State Labour Government, headed by Sir James Mitchell, treated the North-West

and the far North worse than any Federal Government have treated Western Australia. In the North, wharfage charges and railway rates are exorbitant. When I discussed this matter with Sir James Mitchell, he replied that the Port Hedland-Marble Bar railway did not pay. I replied that the Customs House at Port Hedland did not pay, but the Commonwealth Government did not differentiate between that port and others. Similarly the State Government should not be allowed to differentiate between one part of the State and another.

Hon. J. Cornell: Similarly the charges are high at Ravensthorpe.

Hon. J. W. Kirwan: And at Esperance.

Hon. G. W. MILES: The charges at those outer ports should be the same as at other places.

Hon. A. Lovekin: The loss is paid out of loan funds.

Hon. G. W. MILES: Meat taken across the wharf at Wyndham is charged £6,000 wharfage, while that shipped from Fremantle is passed wharfage free. We will not tolerate this any longer.

Hon. J. Cornell: Quite right.

Hon. G. W. MILES: I am sure the Labour Government are prepared to extend fair treatment to the whole of Western Australia and to no one section of it. During the regime of the late Government the whole of those parts included in the Kalgoorlie, Murchison and North electoral districts, as shown on the Federal electoral map, were neglected, and the rest of the State received preferential treatment.

Hon. A. Lovekin: The late Government did not have much time for the metropolis.

Hon. G. W. MILES: But the metropolis derived benefit from the expenditure in other parts of the State. We hear a lot about keeping Australia white, but the people who talk about it will not go north and help to keep it white. Unless some effort is made to populate the North we will lose that part of the State and we will be pushed out of the southern portion as well. The greatest anomaly of the lot is that on tin from mines up north where 25 per cent. more has to be paid for getting the ore away than is paid at Greenbushes. In order to assist the fruit-grower, and rightly so too, the late Government had a scheme for the fruit being taken from Bridgetown to Fremantle and put aboard boats going north so that it could be delivered to the people there for 5s. The poor man growing vegetables at Marble Bar and sending them down by rail, has to pay 8s. 6d. for a bag of vegetables and other high charges are imposed. This furnished another reason why the Mitchell Government lost two seats in the North. Members who have taken an interest in these problems have talked about them for years, but we have not been able to gain justice for the residents there. I am glad the Government intend to deal with the dummying question, as it affects the pearling industry at Broome. Last year a Bill was before the

Chamber and we tried to amend it so as to place the onus of proof as to how a man became possessed of his pearls or shell, upon the individual. The Bill was thrown out in another place. The position is so serious in Broome that unless something is done soon the pearling industry will be run by Asiatics. As it is, it is getting into the hands of the Japanese and the conditions regarding indentured labour are being abused. The Asiatics are supposed to be repatriated, but they are signed on again. In some instances it may be that the men go to Koepang, but they return. The president of the Pearlers' Association has outlined what the pearlery of Broome desire to see included in any amended legislation. In a resolution he moved to set out their contentions, the president included the following:—

(a) For the better suppression and dealing with dummying, the Government be asked to appoint a special commissioner in Broome, with powers similar and equal to a Royal Commission, the appointment to be a permanent one. (b) That the Resident Magistrate be appointed the commissioner. (c) That the Pearling Inspector be empowered to refuse any or all applications for pearling licenses in all cases where he has reasonable grounds for suspecting that such pearling boats are being, or are intended to be, worked irregularly, and that the onus of proof be on the individual. (d) That the Pearling Inspector be empowered to cancel any or all pearling licenses previously granted in all cases where he has reasonable grounds for suspecting that the pearling boats are being worked irregularly and that the onus of proof be on the individual. (e) On the refusal of a pearling license or the cancellation of a license by the Pearling Inspector, the Commissioner to have power to deal with the same at once, and be empowered to call for all evidence he may require, to examine all bank books, papers and accounts he may think necessary, belonging to the applicant or any person whatsoever, to subpoena witnesses and take evidence on oath, and appoint, when considered necessary, a duly qualified auditor to investigate all books, accounts, etc. (f) That any person guilty of dummying or the irregular working of a pearling boat be prosecuted and all his plant forfeited to the Crown, and further prosecuted for making a false declaration.

This extract shows that the pearlery are practically asking to have themselves treated on the same basis as the illicit diamond buyer in Africa and the gold stealer on our own goldfields.

Hon. J. Cornell: What is sauce for the gold miner should be sauce for the pearler.

Hon. G. W. MILES: Exactly. I hope the Government will make the Bill as stringent as possible and clean up the pearling industry. Mr. Holmes referred to the question of a water supply at Port Hedland. For

20 years we have been drawing attention to the necessity for such a supply and on one occasion we were asked how many people there were at Port Hedland. It is true that there are very few there, but Port Hedland is a centre for the pearling industry, for mining and pastoral interests. Despite that fact, no water supply has been provided there. Brackish water is available for bathing purposes, but unless one has rain water, the only supply for drinking has to be hauled for a distance of 20 miles. It is the duty of the Government to provide a water supply for all sections of the community at a reasonable rate. The people as a whole have had to bear the expenses of the goldfields water scheme.

Hon. A. Lovekin: And of many others.

Hon. G. W. MILES: Although the water supply for Port Hedland may cost a few thousand pounds, I hope the Government will take steps to overcome the difficulty there. A great deal of credit has been given to Mr. Wise, the adviser in tropical agriculture, and I endorse all the complimentary remarks that have been made about him. I regret that he is leaving the State. I presume hon. members have read his comments that appeared in this morning's 'West Australian' on the recent sale of cotton. This incident furnishes another argument why the tropical adviser should be under the Minister for the North-West. Had he been, the statement made by the Under Secretary recently would never have been published. The expert adviser would have examined the position and, instead of a statement going out to the effect that now we could go right ahead with cotton growing, the whole question would have been investigated fully. Mr. Wise said:—

No returns are given—prices are dealt with as returns. The results given are no basis for the assumption that actual settlement can go right ahead without any tear as to the result.

Then Mr. Wise went on to point out that the cautious attitude of the Agricultural Department was sane and correct. As he remarks, the price of 19.85d. per lb. that was realised on some cotton grown at Beagle Bay was no criterion, because it did not show what it cost to produce and market the cotton. I firmly believe that cotton will be grown profitably in the North, but never in a big way. The only way to grow cotton successfully is to adopt the practice followed in Queensland where cotton growing is made a side line to pig raising and mixed farming. I have taken some interest in tropical agriculture in the North and I discussed the question with the late Sir Denison Miller. He had then just returned from Queensland and was discussing the success achieved there. He emphasised the fact, however, that cotton could be successfully grown there only as a side line with mixed farming. The same applies to the North, with our white labour conditions. As to other products of the North, if we cannot do anything to develop that

part of the State—and it is practically admitted that we cannot—we cannot adopt a dog in the manger policy all the time. There are millions of money available in the Old Country to assist in the development of the far North. If the Government cannot find the money necessary, why not let private enterprise carry out the work? We could allow them to engage upon developmental work and make it a condition that large areas taken over by them should be cut up into small holdings to encourage development.

Hon. J. W. Kirwan: Have any such offers been received from private people?

Hon. G. W. MILES: I think so, although they may not have been in a proper concrete form. It has been suggested that if the Government gave private enterprise the right to build a railway line in the North-West, they should also grant to the firm undertaking the contract, large tracts of country which could be cut up for settlement purposes.

Hon. J. Ewing: Do you know that yourself?

Hon. G. W. MILES: I do.

Hon. J. W. Kirwan: Has any such proposal been put before the Government so that it could be considered?

Hon. G. W. MILES: Yes. And also for the development of the back parts of the country. I do not refer to the present Government.

Hon. J. W. Kirwan: We have not heard much of any such proposal.

Hon. G. W. MILES: A few years ago the House endorsed a motion I moved regarding this question, yet two years subsequently the late Government stated that they had not considered the proposition.

Hon. J. W. Kirwan: But are the people prepared to put in the capital?

Hon. G. W. MILES: British capital can be brought into the country provided we can educate our people to allow them to bring in their own material.

Hon. J. W. Kirwan: Have they come forward with any definite proposal?

Hon. G. W. MILES: Yes, with certain conditions.

Hon. J. W. Kirwan: Who is at the head of it?

Hon. G. W. MILES: I am not prepared to say.

Hon. J. Cornell: What is the population of the North?

Hon. G. W. MILES: About 7,000.

Hon. J. Cornell: It was not much more when railways were constructed in Rhodesia.

Hon. G. W. MILES: That is so.

Hon. J. W. Kirwan: Why do not capitalists put a proposal before the Government?

Hon. G. W. MILES: It is for the Government to put up the proposal, not for the individual. A Government must do that. Up to date we have not had it.

Hon. H. Stewart: Private enterprise should put up the proposition.

Hon. J. W. Kirwan: It is always done.

Hon. H. Stewart: Yes. They seek the authority of Government or of Parliament for their proposition.

Hon. G. W. MILES: There is a proposal to construct a line from Broome to Camooewal.

Hon. A. Lovekin: You want a declaration that the Government will countenance a land grant railway?

Hon. G. W. MILES: Yes.

Hon. E. H. Harris: Well, ask the present Government.

Hon. G. W. MILES: The Government will be asked.

Hon. A. Lovekin: Well, frame a motion and bring it forward.

Hon. G. W. MILES: That will be put before the Government in due course. I desire to draw attention to our valuable asset in the North. The table lands can be developed by white people, for those parts are suitable for them. I do not say that the coastal country is so suitable. There is an area at Hall's Creek 300 miles in extent that will carry a sheep to the acre. That class of country cannot be allowed to remain idle for ever. If we get transport over a given area, that country will return, three or four times over, the money invested in pastoral properties on the Murchison or the Gascoyne, for the simple reason that results can be obtained from smaller tracts of country. Sooner or later, we must have a naval base in that part of the State. I have heard it on fair authority that the locality where a naval base will be constructed for the defence of Australia, even if the Singapore base be carried out, will be in the far North.

Hon. J. Nicholson: At Wyndham?

Hon. G. W. MILES: No, at one of the harbours on the coast, probably Napier Broome Bay. With regard to the statement I quoted that it would be possible to settle men in the areas to which I have referred, for a few hundred pounds, compared with the expenditure of £1,000 in the South-West, there is no doubt about it that that is quite correct, and that it will be possible for those settlers to make three or four times the income from the holdings there than they could earn from areas in the South. It is possible to get three tons of sugar grass to the acre in the North from virgin soil, whereas in the South it is necessary to fertilise the land in order to get a crop of hay, or something of that sort. I pointed out last year that settlers in the North can, without difficulty, go in for pig raising, cotton growing, and the cultivation of peanuts. On the subject of peanuts, whenever they were alluded to by Mr. Ewing, when leading this House, last session, derisive laughter followed, and references were made to the Zoo. Peanuts are a commodity that will play a big part in the development of the North-West of the State.

Hon. H. Stewart: Has any one started to grow peanuts?

Hon. G. W. MILES: On the subject of peanuts, this report by Mr. Wise may be of interest to members—

The Australian grower is very handsomely protected with a tariff of 4d. per lb. in the shell and 6d. per lb. for kernels.

As a matter of fact, I think that tariff is too high.

American growers compete successfully with Chinese-grown nuts on a protective tariff of three-eighths of a cent, per lb. The American tariff compared with the Australian is as follows: peanuts in the shell, America £1 14s. 6d. a ton, Australia £37 6s. 8d.; kernels, America £3 9s. per ton, Australia £56. The heavy Australian duty has had the effect of curtailing sales locally. Nuts are graded into (1) confectionery, (2) roasting, (3) milling. Among the uses of the oil are: finest oil as salad oil; use in medicine; use as a lubricant for high-speed machinery; first quality for cooking, and in the manufacture of margarine, the lower grades of soap making, and other industrial purposes. The Commonwealth in 1921 imported 4,000 tons of nuts worth £15 per ton, and 56,000 gallons of oil worth £36,000. France alone manufactures 40,000,000 gallons annually from imported nuts. America has 120,000 growers producing 600,000 tons of nuts annually. The Bureau of Agriculture at Washington states that peanuts have a higher monetary return per acre than any other crop in the southern States. Australia has a world's demand awaiting her products.

In the future, when peanuts are mentioned, I hope the subject will not cause laughter as was the case last year.

Hon. J. Ewing: It is regarded much more seriously now.

Hon. G. W. MILES: If the areas to which I have referred are taken up and subdivided for the cultivation of the peanut, there will be no doubt about the success of that part of the State. I am speaking now of the lower lying land near the coast. Hon. members can believe me when I tell them that that country carries pigs that have weighed 400 lbs., and that those pigs have lived on the roots of the natural grasses. If a man goes in for pig raising and starts with 30 sows he will get an increase which will return him from sales to the Wyndham Meat Works £600 a year. In addition there will be revenue from cotton and peanuts. The possibilities are enormous, but I do not desire to weary the House by alluding to them again. I have sufficient confidence in the Government at present in power to know that they will do something to assist in the development of the northern part of the State, and if, as Mr. Ewing says, they cannot do it themselves, I hope they will put it up to the Federal or the Imperial Government. Before Mr. Bruce went to England he said he would be prepared to consider the ques-

tion of the Federal Government providing railway facilities, but the then Premier, Sir James Mitchell, stated that he would not allow the Federal Government to enter that territory. I insist, however, that this is an Empire question, and it is up to us to provide facilities in any way we can. Let me refer to what was done in the Southern States of America where they have five million farms of 140 acres each. There is no reason why something similar should not be done in Australia. I congratulate Mr. Ewing on the work he did for the North while he was Minister. It has been said that there is too much work for Ministers to do. I am convinced that the Leader of this House has too much to do, and I am glad to see that he is now getting the assistance of an honorary Minister. The Constitution, however, should be altered to provide for more Ministers, especially if we are to continue carrying on the trading concerns, because every Minister now has his hands full, and if the North is to be developed we shall require a special Minister for that territory, a Minister who will be able to keep in touch with that part of the State, and see it for himself and not be obliged to believe everything that we tell him. Moreover that Minister should spend three or four months of the year in the North.

Hon. J. Cornell: What you want for the North is a dictator.

Hon. H. Stewart: An administrator should be able to do a good deal.

Hon. G. W. MILES: We do not want to be misgoverned from Perth as has been done in the past. I have pointed out that the North should be treated the same as the South, and that if we cannot get that fair treatment, we should go out on our own. If the North were separated from the South we should fare better and get money to develop the territory. The history of the successful colonisation of the Empire tells us that we are supposed to be the best colonisers in the world. At one time we had in this State an Executive and a Legislative Council, and the laws that were passed were subject to the approval of Downing Street. Then we got responsible government, and were permitted to administer our own affairs. The same argument applies to the North to-day as it did to Western Australia when we were governed from Downing-street, the only difference being that Western Australia got better treatment from Downing-street than the North is getting from the South. The position of Papua to-day is that it makes its laws which are subject to the approval of the Federal Parliament. The same thing should apply to our Northern Territory, and I think that that is a scheme that Senator Pearce is trying to bring about for the Northern Territory. But we have no desire to be connected

with the Federal Government so that they may make another Northern Territory of our North. I am glad to see by the Governor's Speech that it is proposed to connect Salmon Gum with Norseman by rail. This work has been left too long. I hope that all the out-ports will receive due consideration. I am glad to notice also, by the Press reports that the Premier is considering the advisableness of reducing taxation on mining. We do not sufficiently appreciate what the mining industry has done for Western Australia. We have gone on until we have taxed it out of existence. I trust that the developments at Wiluna will continue to be as favourable as they have been in the past, and that the railway will be built to that locality, and that another Kalgoorlie may be the result of developments. There are also other mineral deposits that may be opened up. I have paid a tribute to the work of the ex-Premier, and I cannot be accused of not giving credit where credit is due. I must say, however, that Sir James Mitchell's mistake was that he would not carry out his own policy, that he carried out the other fellow's policy. Then the people got tired of him and said, "It is just as well to have a Labour Government in power to carry out the Labour policy." Another fault that I have to find with Sir James Mitchell was that he tried to do too much. I want him to understand that there are just as loyal and patriotic men as himself in the State, men with just as much confidence in the State as he has. That was the trouble in the past. Moreover, he was Premier, Treasurer, Minister for Lands, and Minister for Repatriation and tried to do everything himself. A very apt interjection was made when he was speaking at Busselton. Sir James Mitchell was told that Napoleon's success was due to the officers and non-commissioned officers that he had around him. Sir James Mitchell's desire, however, was to be general, colonel, lieutenant, private and everything else himself. If ever he gets back to power he will have to alter his methods and do as Napoleon did. I have pleasure in supporting the Address-in-reply.

On motion by Hon. J. Nicholson, debate adjourned.

*House adjourned at 8.45 p.m.*