

of land adjacent to the railways for settlement in the way I have indicated. Mr. Bath has said that I do not believe in a land tax. He is absolutely right. I do not believe in increased taxation at all in the ordinary sense; but taxation is necessary, and one of the only means left to us is the imposition of a land tax. Whilst I do not believe in it I am compelled to support it: I am compelled to support this proposal because I realise that increased taxation is necessary, and I support it the more readily when I remember that much of the money we have lost through the falling off in the revenue from the Customs is in the pockets of the people. Notwithstanding what Mr. Bath has said, some of the farmers do pay duties. Much of the money that the State has lost through the falling off in the Customs revenue is in the pockets of the people, and the people will in consequence have to pay some other form of taxation.

MR. BATH: It is in the pockets of the middleman.

THE HONORARY MINISTER: It may for the moment be in the pockets of the middleman, but it will not stay there long. I am perfectly certain that the public generally are quite capable of taking care of themselves, and seeing that the middleman to whom the hon. member refers does not have the money that ought to be saved to them.

MR. BATH: I am referring to the views of your own side.

THE HONORARY MINISTER: These are my views. I can trust the people to get all they are entitled to, and a bit more as a rule. Some reference has been made to the Public Service Commissioner. I believe this officer is not only an exceedingly capable man, but I believe his appointment will prove to be a very useful one, and so long as the Act remains I hope the Government will support the official. I object to the Government being made a buffer of, but the Commissioner should be the buffer between the Government and the civil servants. [Interjection.] We have not had time to consider the classification of the civil servants. The member for East Fremantle referred to the great Nor'-West. I agree with him that something ought to be done there, and something is being done. We are putting

down artesian bores, and if we prove the existence of artesian water there, then we shall have done a great deal to help the squatter, because he will be enabled to put down bores to provide water for his stock, and in that way increase the carrying capacity of his property. I want to say that we cannot carry out the building of railways, neither can we carry out a scheme of advances to settlers except by borrowing money. I am not at all afraid to go to the market for the money for the purposes indicated. It is absolutely necessary that we should borrow money. The money borrowed in the past has been well spent, and the money we shall borrow in the future will be equally well invested, and in the directions I have indicated it will be an absolutely good investment.

MR. BATH: Figures do not prove that to be so.

THE HONORARY MINISTER: I think the figures do prove it to be so. I think the figures go to show that the money we have borrowed in the past has been very well invested indeed when you remember that on an investment of £13,865,000 the result for 1904 was only a loss of £4,600.

MR. BATH: That is allowing for working expenses?

THE HONORARY MINISTER: Not for sinking fund.

MR. BATH: Interest.

THE HONORARY MINISTER: Interest, but not sinking fund. I should like to refer again briefly to the Agricultural Bank in order that members may realise that this bank has been doing some good work during the past few months. We have had 1,100 applications during last year, aggregating £171,000, of which we advanced £96,000 to borrowers, and we must realise that the expenditure of this £96,000 was very good for the country. I would like to say that I hope the time is not far distant when instead of advancing £96,000 during the year we shall advance three or four times that sum.

MR. E. C. BARNETT (Albany): It must be a source of great gratification to members of the House and to the country at large to know that very great developments have occurred recently at great depths at Kalgoorlie, also the promising outlook at the present time at Ravens-

thorpe on the Phillips River, which with the favourable prospects at Black Range and Pilbarra, I think can reasonably lead us to hope for a brighter future in mining than we have had in the past. I trust the Government, taking in view the favourable prospects of the mining industry, will give the construction of railway lines to assist these promising fields their early and most careful consideration. In connection with the construction of railways to assist the mining industry, while I shall support every reasonable proposal where I think the circumstances warrant such a line being constructed, it will be only fair that a special rate should be charged. The credit of the country would be pledged to construct what in a great measure would be speculative railways. The construction of these lines would lessen the cost of the working and development of the fields. While the country is prepared to assist in the development of the mining industry in this manner, a special rate for a time at least should be charged on both the carriage of goods and the conveyance of passengers. In making this suggestion and in advocating this idea I do not think I am asking anything unreasonable from the mining industry, nothing more than an ordinary business man would ask in taking a risk. Referring to the construction of agricultural railway lines, I have to refer to one point in connection with this matter with great regret, and that is the unseemly haste with which the measures for the construction of three railway lines were passed last session and rushed through the House. I trust not only this, but any future Ministry will not again put such a strain on the loyalty of their supporters as to ask them to pass such important measures without allowing them time to give the same due consideration. Were the three measures spoken of brought before the House at the present time, I would require to know a great deal more about them than I do now before supporting them. Whilst approving of the policy of the Government to construct railway lines to develop the agricultural interests of this State, I think it will be wise, before this is gone on with to any great extent, to fully consider the relative merits of loop lines and spur lines of railways. From informa-

tion I have gathered during the recess I think it is very doubtful whether in many instances the construction of loop lines instead of spur lines, which are so largely advocated at present, would not, with an equal expenditure of money, open up a larger area of country, be more convenient, afford a more regular service to those settled on the land, be more economically worked, and require a much smaller amount of rolling-stock to work them. I think a mixture of the two systems would be advisable. I am convinced that under some circumstances loop lines would do more for the State than spur lines would. I trust that before any lands opened up by these new railway lines are thrown open to selection the Minister for Lands will insist upon the system of survey before selection. I also think that a fair value should be charged for the land. We do not want to give away the land in the future as has been done in the past. We are pledging the credit of this State, or proposing to do so, in a large extent to raise money to construct these agricultural lines, and one of the great assets of this country consists of its lands. What I would propose in connection with this is that the land be surveyed before selection, plans drawn out, and the size of the blocks surveyed be in accordance with the quality of the land. Where the land is of first-class quality, a moderate-sized block, a few hundred acres, will keep a family comfortably; where the land is of poorer quality, the size of the block surveyed should be larger. As to the value to be placed upon the blocks, if the land is worth £2 per acre the person who takes it up should be charged that amount; if it is worth 5s. an acre, let him pay that sum; and if it is only worth 2s. 6d. an acre, put that value upon it. The terms on which settlement should take place in the future are that 5 per cent. interest on the value of the land selected should be charged to the selector. [MEMBER: Value for value?] Yes. The money should be received as interest, not as part of the purchase money. The selector should have up to 20 years, as at present, to complete the purchase, and at any time during the currency of that period he should be able, on the necessary improvements being completed, by paying

the value fixed on the land, to obtain the Crown grant of the same. I think this proposal one of the most reasonable outside of Western Australia on which land is offered to the selector. It is one that would safeguard the interests of the State and not in any way tend to check selection. Thousands of acres of land have been taken up in the past, and at a very recent period, and those who have selected them will take 20 years to pay in. After an expenditure of £1 or 30s. an acre sales, have taken place at £2 10s. and £3 an acre; and in some cases even more is asked. If the land is worth this money, surely the State is entitled to a portion of the increased value which is going to take place. And the interests of the State should be safeguarded to that extent. I consider it the duty of members of this House to see that in any future legislation the interests of the State are safeguarded. I am a supporter of the proposal of the Government to impose a land tax. I consider that the finances of the State should be conducted as nearly as possible on the same lines as would be adopted by a prudent business man in carrying on his business; that is, that the Government should make the revenue of the State at least balance the expenditure. The doubt in my mind is whether the Government have gone far enough; whether they should not at the same time have introduced an income tax. There is not the slightest doubt that in the past in Western Australia wealth has not contributed its fair proportion to the revenue of the State; and in speaking on this matter I am not doing so in any selfish way, because I am pleased to say I shall have to contribute pretty liberally both towards the land tax and income tax. I look upon an increased taxation at the present time, in order to get the finances into a sound state, as an investment on the part of those who are in a position to pay it. I am certain that the increased prosperity which will follow through the finances being got into a sound state will put us into a much more favourable position to go on the London money market to borrow money; and that the extra money paid by the owners of property and those who have wealth will more than be returned to them within the course of a very few years. I

regard extra taxation in this matter as an investment, and not as a loss. Whilst supporting the Government in their proposals to increase taxation, I would strongly urge upon them the necessity for exercising every economy in the shape of avoiding all unnecessary public buildings and all unnecessary unproductive public works. I am of opinion that a considerable saving can be made in the civil service of this State. I think that lots of offices in this State are overmanned, and the question is how we can deal with this. The suggestion I would make, and I think it is the only way out of the difficulty without creating an amount of hardship, which we all wish to avoid, is this. In the natural course of things some retire from the public service of this State every year; they have to do so on account of ailments. Deaths occur, and there are vacancies from other causes. I would urge upon the officers administering the different departments of the State that, instead of making fresh appointments to the service, suitable men be transferred from one position to the other; and if this system be carried out we shall find, in the course of a few years, that the public service will pretty well have righted itself, and the administration will be carried out equally as well as at the present time and at much less cost.

MR. TAYLOR: That is largely adopted now.

MR. ILLINGWORTH: It was the policy of the Leake Government.

HON. F. H. PRIESE: It was the policy of every Government.

MR. BARNETT: With reference to the proposal of the Government to give the Fremantle Harbour Trust power to borrow money to construct a graving dock, the member for North Fremantle (Mr. Bolton) spoke as if the harbour works at Fremantle belonged to Fremantle. I take it that the harbour works at Fremantle, out of the revenue of which it is proposed the Harbour Trust shall pay the interest on the proposed graving dock, are a national matter. The works have been constructed by money borrowed by the State, and I, for one, want very full information as to the cost of the proposed dock and the expected revenue from it before I consent to such a large and valuable asset of the

State being practically handed over in its entirety to the Fremantle Harbour Trust or to any other board. Whilst impressing upon members the necessity for economy, there is one section of the community which I consider should receive every consideration from them. The section to which I allude are the settlers in the sparsely-settled districts; and the roads boards in those districts should receive every reasonable assistance from the Government in constructing roads where needed, even though the assistance given appears very large in proportion to the amount of rates paid. For this reason, that in constructing roads and bridges the Government are opening up country of which in many instances 99 per cent. is owned by the State and only 1 per cent. by the selectors; so that the investment is really for the benefit of the State itself more than it is for those who will settle on the land; and unless country is opened up in this manner in many districts settlement will be very slow.

At 6-30, the SPEAKER left the Chair.
At 7-30, Chair resumed.

MR. BARNETT (continuing) : During last session, the member for Claremont (Mr. Foulkes) introduced a short Bill to prevent the granting of any additional publicans' licenses. The hon. member understood that the Government would at an early date introduce an amending Licensing Bill, which the then Premier promised to introduce during this session; a Bill to deal comprehensively with the liquor traffic, and to introduce the principle of local option. On the strength of the Premier's promise, I voted against the Bill of the member for Claremont. As there is no reference in the Governor's Speech to a Licensing Bill this session, and as many members are pledged to their constituents to support a certain measure of local option, I think it is the duty of the Ministry to introduce this session a short Bill to provide that no additional licenses shall be granted until the Government have had time to prepare and introduce a Bill fully dealing with the liquor traffic of this State. I am certain that a short Bill with that object would receive nearly unanimous support, and would be in the best interests of the

country. I should like to draw the attention of the Ministry to the report of a select committee of this House appointed last session to inquire into the alleged surfeit of horse-racing, and should like to know whether Ministers intend to act on that report. I consider that one of the principal causes of the existing depression in this State is the wasteful expenditure induced by this surfeit of horse-racing; and the sooner steps are taken to regulate this sport, the better it will be for the country. I should also strongly urge the Government to pass laws relating to gambling, giving the police fuller powers to deal with this growing evil.

MR. C. A. HUDSON (Dundas) : I do not intend to-night to make a long speech; and I propose to endeavour to avoid such matters as have been fully dealt with here during the debate on the Address. But I cannot allow this occasion to pass without entering a protest, with other protests that have been entered here, against the policy, or want of policy, adopted by the Government in the preparation of the Speech delivered by His Excellency the Governor. The absolute destitution of that Speech makes it very difficult for anyone to treat fairly, calmly, and considerately all the matters brought before the House, and leaves him in the position of not really knowing what is intended to be done by the Government who have prepared that alleged programme. I say that the Government have not, in this instance, fairly treated the members of this Assembly, and that has been shown by the speeches not only on this (Opposition) side of the House, but on that. Members have not been treated with that consideration which should be accorded on an occasion like this. There is in the Speech an absence of any definite proposals. Certainly there is a number of platitudes introduced. The Speech is full of platitudes; full of promises that Ministers will do this, that, and the other; nothing definite, but statements that they are about to do something for the development of the natural resources and industries of this country; but what their proposals are they do not have the consideration to mention. What, then, has happened? In the course of this debate the corkscrew has had to be applied to obtain from Ministers any idea at all of their proposals. Certainly