

up the finances of soldier settlement, from the taxpayers' point of view, in a very short time. It would have to be an impartial inquiry, with no limit to its scope. So far as concerns the point of view of the settler, the remedy must be to give him a larger area of land. If the returned soldiers had had larger areas, this big deficit with which we are now faced would not have accumulated. The men are all right. They are a splendid lot; but out of 10,000 who went on the land 3,000 have gone. They have lost their all; they have abandoned their blocks or have been evicted. Something is radically wrong, and one of the principal evils will be found to be the size of the areas allotted.

The Hon. G. L. GOUDIE.—How are the settlers going to get more land?

The Hon. H. A. CURRIE.—Even if it became necessary to buy out every alternate lot on the various estates and re-allot them, and then to buy more estates to provide for those who would have to be removed, it would pay the Government well to do so. It will be said, perhaps, that inquiry Boards have already come into existence. That is the case, and I have nothing but praise for the way in which they have done their work, and for their recommendations, seeing that they were limited in their investigations. They could only make recommendations provided that they came within the four corners of the Act. The Act is the root of the evil. With respect to the need for larger areas, I may illustrate that by reference to two properties with which I am familiar. One is Trawalla, on which 90 men were settled. When it was first settled it was pointed out by local residents—and this was the opinion of many people—that it would not be a success. Numbers of the settlers had a little money of their own, and after a year or two they were able to buy out adjoining block-holders. I think that, out of the 90 settlers, there were 25 sales; that is to say, there were then 25 men where, originally, there had been 50. Trawalla is pointed out to-day as one of the most successful settlements. Another significant fact in regard to that estate is that men originally put on to the poorest land there were the most successful. They were able to get immediate returns by grazing sheep;

they were able, at any rate, to make a living. Some of the blocks at Trawalla were abandoned after about three years; but these were not many. Now, with regard to Mount Violet, that estate was bought at a fair price. It was 16,000 acres in extent, and it was cut up into 69 farms. Everybody with the slightest knowledge of land in that district could have said from the outset that the settlement was doomed to failure. And such was its fate. Mount Violet was one of the greatest failures in the soldier settlement scheme. The property was principally suitable only for grazing. It was thought when it was subdivided, however, that it would be suitable for dairying. Such was not the case. Men who originally went on to it lost everything, and abandoned their holdings. Others followed them, and took over the blocks at inflated values. I understand that one block on Mount Violet has more than doubled its liabilities owing to past debts having been loaded on to it. It seems to me that Parliament has been to blame, at any rate to a great extent, for having passed the Act in the form in which it now stands. Experience has taught us a great deal; but land settlement, under the Government, is very rapidly becoming a by-word throughout the State. We should do everything in our power, and if the Premier is sincere in his endeavour to clear the whole matter up, I can assure him that I will be prepared to do everything I can to support him. I hope that he will obtain the support of every member of Parliament in this matter. It is a most difficult problem, but I think the position can be retrieved.

The Hon. W. J. McCANN (*North-Western Province*).—In speaking to the motion for the adoption of the Address-in-Reply, I had no intention of touching on the subject to which Mr. Currie has devoted himself; but seeing that he has brought it forward so prominently this afternoon, and that it is of such importance, I propose to make some comments. It has been my experience for a number of years to hear a good many of the representations that have been made by soldier settlers throughout the State, owing to my connexion with a particular organization which has often brought before different Departments the facts concerning

certain disabilities under which the settlers have had to work. I am convinced that there is not a man in this country who is not to some extent sincere in desiring to remedy soldier settlement difficulties. It is useless to blame past Governments, or the present Government. The Government in power must face the situation and endeavour to retrieve the position of these unfortunate men on the land. Mr. Currie said that the amount of land allocated to the soldier settlers was too small. At the inception of the soldier settlement scheme that was probably not the case, because the prosperity of the man on the land lies, not with State Governments, but largely with the Commonwealth Government. In 1915 there was a readjustment of Customs duties which altered the whole outlook for primary industry. That was before many properties had been bought for soldier settlement. But the calculations at the time were based on the old order of things. In 1921 there was a fresh revision of the Customs duties, which immediately had the effect of increasing the cost of production from the land and which knocked soldier settlement off its feet, rendering it ineffective and placing the Government of the day in difficulties. I do not blame those who have been administering the Act. The only solution of the problem is a proper inquiry by a Board, the chairman of which must be a man of business ability. South Australia borrowed one of our leading wool house men to straighten the finances of that State. We have often borrowed the services of men of business ability to straighten out other matters. We can get men in our own business concerns from whom to select a chairman. He would act with representatives of the soldier settlers on the one hand, and of the Government on the other. This Board should be given executive power to place the whole business on a proper footing. In many cases that will mean reclassification of the land and a fresh subdivision, which will cost the country a great amount of capital; but that is the only way in which soldier settlement will have to be placed on a sound basis. I repeat that it is the Commonwealth Government which has altered the economic conditions of the primary producer, and this has been so extensive an alteration that I feel sure that if proper representations were made to the Common-

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wealth Government it would accept a larger share of responsibility than it has done hitherto. There are soldier settlers in conference time and again in the North-western Mallee, in the Western District and elsewhere; and there is no doubt that these settlers are in dire distress. I believe it is the duty of the Government to take definite action immediately to solve the problem. The administration of the railways has been the subject of much discussion lately, but I do not think that the question whether the Government should interfere with the management of the railways is one for this House. Our railway system has been in operation for more than half a century, and the accumulated amount of capital invested in it is £72,000,000. I believe that if a board of experts were appointed to value the railway assets, the valuation assessed would not reach one-half of that amount. Yet we expect the Commissioners to make the railways pay when they are over-capitalized. The administration may be remedied in certain ways, but I think that that responsibility lies with the Minister of Railways. Any Government which finds the railways drifting into an unpayable condition has a duty to face the position and at least offer suggestions for improvement. When the railway system was initiated, those responsible for that task had to design a system for the whole of the State. We can understand their view that it would not be fair to expect the first users of the railways to pay for the whole cost of the system, and that posterity should be expected to pay a large proportion of the cost because it would obtain a great benefit from the system. In the initial stages, little provision was made for a sinking fund and a depreciation account. As time went on the State experienced adverse seasons and losses occurred on the railways as they have occurred during the bad season that the State has just experienced. The effect of those bad seasons was to increase the capital cost of the system. The result is that it is now almost impossible for the Commissioners to make the railways pay because they are over-capitalized. Other factors have contributed towards the present financial position of the Railway Department. Take for instance the factor of renewals.

Many honorable members remember the old "dogbox" carriages that were in use for many years. Very few of those carriages are in commission now. They have been discarded and thrown on the scrap heap, yet their capital cost is still a charge on the railway system. In the past, old railway locomotives have been scrapped. In the Shire of Kerang, the council purchased three of these old engines for almost a song for use on the shire's tramway lines. The capital cost of that old rolling-stock is still charged to the railway system. Another important factor is the apportionment of the financial responsibility for the system. If one studies a railway map of the State one sees that railway lines have been constructed through the various provinces. Some of the northern lines have been continued over the Murray into the Riverina. Where do all those lines converge? In the great metropolis of Melbourne. Much discussion centres round the fact that there are 1,000,000 people living in the metropolis. It is my view that the investment of an amount of £72,000,000 in our railway system has had the effect of bringing wealth to our capital city, thus contributing greatly to Melbourne's population and prosperity. I admit that that concentration of persons and products in the metropolis has assisted to develop secondary industries in the capital, and we have to consider that the stability of the metropolis is dependent on production in the country districts. If one rides on a tram along Bourke-street, from Spencer-street to Swanston-street, and studies the buildings and the nature of the businesses of their occupants one must come to the conclusion that practically every one of the businesses depends for its stability on the primary production of Victoria. The railway system is the greatest taxing machine we have on primary production, because of the undue proportion levied in freights and fares, yet there are only 800,000 people living in the country districts—including the large provincial cities and towns—while the metropolis has a population of 1,000,000. According to a press report, Mr. Clapp stated in evidence recently that if the residents of the metropolis within five miles of the General Post Office had travelled the same number of

miles per annum and paid the same rates per mile as they did in 1919, the railway finances would have been better off this year by an amount of £600,000. If Mr. Clapp's statement is correct it shows that residents in the metropolitan area have enjoyed reduced fares on the mileage basis since 1919. Therefore, does it not appear that the increases in fares and freights that have operated in the country districts since 1919 must be in excess of what should have been a fair increase for those districts? The position amounts to this: The railway system is being made to pay by increases in fares and freights in the country districts in order to give railway travellers in the metropolitan area greater facilities at a lesser cost. In my district we used to pay £5 8s. 6d. per truck to send stock to market. At the present time we have to pay £8 8s. 6d. per truck. Therefore, if a farmer sends away 20 trucks of stock per annum, he contributes £60 additional in direct taxation to the railway revenue. The only equitable means of placing the railway system on a proper financial basis is to have an expert valuation made of the railway assets, and then to write down the capital cost to the amount of valuation. As the people of the State as a whole receive the benefit of increased production it would be only equitable, I consider, to make the interest charge per annum on the railway system a charge on the general revenue of the State. I might be asked, "How do you propose to raise the additional revenue to meet that interest charge?" It is not for me to say how it should be raised. While direct taxation tends to diminish in this State, the income from indirect taxation on the producer tends to increase. I consider that those people who, under the protection of the tariff, are enabled to make more money out of their industries should contribute a larger amount to income tax revenue than they do at present. I think that the Government should consider the financial position of our railways and alleviate the burdens cast on the primary producer by passing on to the general community a portion of the cost of the system which enables a great body of taxpayers to enjoy a certain measure of prosperity without contributing an equitable proportion of its cost. Much

has been said about the Postponement of Payments Act. I have listened with interest to the various statements that have been uttered in this chamber concerning it. Adverse comment has been made in regard to the action of the Government in introducing the measure. It is my view that there are thousands of men and women in this State to-day who have a sense of appreciation of the action of the Chairman of Committees in giving, as Deputy President, the casting vote which enabled the Bill to pass this House. During the last Legislative Council election campaign I travelled through the North-western Mallee from Swan Hill to Ouyen. I had travelled over that area when the only road was nothing more than a bridle track. In those days I saw no living thing in a journey of 72 miles other than a few Mallee hens and kangaroos. When I passed through the area a few months ago I noticed that it was well settled, most of the land was under cultivation, and good roads and water channels had been constructed. In favorable seasons that country will yield as rich a harvest as any other part of the Mallee. During a severe drought such as it experienced last year that district, in common with other parts of the country, would not grow anything. If it had not been for the operation of the Postponement of Payments Act hundreds of families would have drifted from the North-western Mallee to Melbourne this year. For some years past one could have seen in the newspapers circulating in the Northern Mallee notices announcing clearing sales about the end of the financial year. Those sales were usually clearing-up sales. The farmers wanted to realize on their assets so as to meet their liabilities. This year there was an absence of clearing sales throughout the whole of the North-western Mallee. When I went through the district the people were full of hope. The strained look of anxiety was absent from their faces and they were confident that the increased area of crop they had just put in would yield sufficient to enable them to redeem their obligations to the Government and their other creditors. I think that, so far as the North-western Mallee is concerned, the measure was one of the finest pieces of legislation that have been agreed to. We heard people squealing about the Postponement of Payments

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Act, but they had not advanced money to the Mallee farmers. I have asked stock agents in the district what they thought of the moratorium. One man replied, "When I first heard of it I thought nothing could be more ridiculous, but I must admit that business has not suffered any ill-effect whatever." An honorable member told this House that bankers were opposed to the proposal. I asked some of the bank managers in my province about the Act, and one told me that so far as he could see it had not adversely affected the business in that part. There was certainly much press propaganda. It was stated that £70,000 was to be borrowed from some of the financial institutions in this city and in another city, and that the negotiations were held up for a time. I do not know whether it is a fact, but it has been asserted that the money was eventually lent, and that an extra 1 per cent. was demanded. I think that it is the duty of the House to recognize something that was done in the interests of the people in the Mallee. I have made a statement regarding this matter because, having heard so much about the adverse criticism, and having had experience in the districts concerned, I wished to put the true position before the House. In regard to the question of a redistribution of seats, I suggest that there should be a redivision of the boundaries of the Legislative Council provinces. The North-Western Province is too big for Mr. Goudie and myself to travel over and to do anything like justice to our constituents. I believe that it includes not less than one-fifth of the State. It is not right nor fair that 26,000 electors should be represented by two members when some provinces have about 11,000 electors, who come into contact more easily with their representatives. Whereas our electors have great difficulty in coming into contact with their representatives, in other provinces no difficulty in that regard is experienced. I do not know whether I was dreaming last night in regard to the question of the redistribution of seats and of one vote, one value, but I thought I heard a voice say, "Bring in the amending legislation bright and early." I should say that one vote, one value would not be in the interests of our State, and this House should give careful consideration to the question. I could not support

a measure on those lines. I wish to draw attention to something that you, Mr. President, are reported to have said. It affects myself, definitely, and probably it does other honorable members in this House. According to a report in the *Age* of the 21st of June last, you addressed the Legacy Club, and made the following remarks:—

We want the best men to operate our democracy, and there is a ready way of improving the quality of our legislatures and getting the best available. That is by associating our university life very much more closely with our social and political life. Rarely do we acknowledge that the men who are trained to think for us ought to be allowed the greatest voice in our affairs. In olden times, young barristers and business men, who were able to retire from or devote less time to their businesses, used to offer their services as parliamentary representatives for country constituencies, and three-quarters of our country representatives in Parliament used to be city men of that class. But now, country constituencies want their local shire councillors to represent them in Parliament, and as long as they know the local wants and make themselves a nuisance over the latest culvert and the latest drain, that seems to be all that is wanted.

I wish to enter a protest against those remarks. I happen to have been a member of the Kerang Shire Council for fifteen years. On another occasion, I read a remark something like this, "The country shire council type of politician." I have the greatest admiration for business men, barristers, and university students. I also take off my hat to the shire councillor, because he is doing a lot of onerous work in looking after the local government in country districts. Probably other honorable members who have spoken are, like myself, country shire councillors. I listened to them, and their utterances were worthy of the respect of this Chamber. The time has gone when country constituencies will be satisfied with representation by city men who have not first-hand knowledge of the requirements of the rural districts. I stand for the support of men in the country with knowledge and experience that will be of assistance to this and other legislative assemblies in governing our land.

The Hon. W. L. R. CLARKE (*Southern Province*).—I am prompted to take part in this debate by the fact that the Government programme that has been set before us this session contains very little about the country. As a matter of

fact, were it not for the country districts, very little would be done in Melbourne. Those districts have suffered a bad season, and the consequence is that the capital city is in the throes of a depression. In order to end that depression, the country people should be encouraged, and their lot on the land should be made easier and more profitable. What does the Government propose to do? Its plan is to spend in Melbourne all the money that it can gather from the country. As long as that practice continues, depression and unemployment will prevail. The man on the land is too heavily taxed. He should have to pay less in taxes. The taxes are so heavy that they are driving people from the country into the towns. An extreme example is offered by the Soviet Government in Russia. It conceived the magnificent idea of taking all the wheat from the country and putting it in the towns. The people followed the wheat, and unemployment and misery were caused. Something similar has happened in Victoria—the people have gone into the towns, where more is offered to them. We ought to induce the people to go to the country, and in that way much unemployment would be avoided. A good deal of unemployment is caused by the Labour policy of strikes. The Labour people should discontinue encouraging strikes on every occasion. What, for example, was the reason for the recent marine cooks' strike? There was a political reason. It is easy for the Development and Migration Commission to say that only 3 per cent. of unemployment is caused by strikes, and 50 per cent. by depression. Had there been a business man on the Commission, he would have known that depression is caused by strikes all over the world. In countries where there are no strikes, there is no unemployment, but in those lands where strikes are numerous unemployment and misery are found. Australia will not go ahead as it should until the people realize the vast harm done, especially to the working classes, by the absolutely futile strikes which are developed by the Labour party for propaganda purposes. I now wish to refer to country industries in relation to the electricity scheme that is now rapidly developing. At its present rate of progress the scheme promises to become a brilliant success. We must