

The MINISTER FOR LANDS: I intend to lay a plan on the Table of the House for the information of hon. members. I concluded naturally that, with smaller blocks, the provision of roads will be entirely different from the roads which it is intended by this measure to close. The Solicitor-General points out that before an estate formerly vested in His Majesty could be revested, it would be necessary to close these roads by Act of Parliament, and they could not be closed by the previous Roads Act because they are not public roads. In view of the fact that we are desirous to have this legal requirement fixed up I have introduced this measure to provide for a closure of the roads in accordance with the advice of the Solicitor-General. I beg to move—

That the Bill be now read a second time.

In doing so I will lay the particulars on the Table of the House. I presume that the leader of the Opposition will secure the adjournment of the debate in the interests of the hon. member for the district.

On motion by Hon. Frank Wilson debate adjourned.

House adjourned at 9.27 p.m.

Legislative Assembly,

Wednesday, 13th August, 1913.

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

PAPER PRESENTED.

By Hon. W. C. Angwin (Honorary Minister): Report of the Commonwealth and States of Australia, Second Confer-

ence on uniform Standards for Foods and Drugs.

QUESTION—SEWERAGE SCHEME, EXTENSION TO SUBIACO.

Mr. B. J. STUBBS asked the Minister for Works: Can he give an approximate date as to when the extension of the sewerage scheme to Subiaco will be commenced?

The MINISTER FOR WORKS replied: A date for commencement cannot at present be given, as the matter of site for treatment works has not yet been settled, and the efforts of the department will be concentrated for some time on bringing the sewerage systems of Perth and Fremantle into full working conditions.

QUESTION—LAND AND IMMIGRATION, MISREPRESENTATION.

Mr. E. B. JOHNSTON asked the Premier: 1, Has the attention of the Government been drawn to an article in last week's issue of the *Narrogin Observer* respecting the actions of one J. Rason, who is representing himself in Narromine and other centres in New South Wales as a land and immigration agent for the Western Australian Government; and who is stated to be using his position as a State representative in order to dispose of land in the new suburb of Lake View, near Perth? 2, Has he any knowledge of this new suburb? 3, Is the said J. Rason authorised to act as a representative of the Western Australian Government?

The PREMIER replied: 1, Yes. 2, No. 3, No. Further action is under consideration.

BILLS (2)—FIRST READING.

1, Newspaper Libel and Registration Act Amendment (introduced by Mr. Hudson).

2, North Fremantle Municipal Tramways Act Amendment (introduced by Hon. W. C. Angwin, Honorary Minister).

PAPERS—POWELLISING AGREEMENT.

Hon. FRANK WILSON (Sussex)
moved—

That the following documents be laid upon the Table of the House, viz.:—1, Agreement between the powellising company and the present Minister for Works, made in February, 1912. 2, The agreement previously entered into between the Commissioner for Railways and the powellising company which expires in July. 3, The agreement in connection with the supply of a million powellised sleepers by the powellising company. 4, All papers in connection with the saw milling permit held by the powellising company, and the extension thereof by 15,000 acres.

He said: There is an error in the second paragraph referring to the 'agreement which was previously entered into. In that paragraph the word "expires" should be "expired."

Mr. SPEAKER: I think it would be better if the hon. member before proceeding moved in the direction of amending that paragraph. It can be done by permission of the House.

Hon. FRANK WILSON: I will ask the permission of the House to alter it accordingly.

Amendment, by leave, made.

Hon. FRANK WILSON: I do not propose to take up the time of the House to any considerable length because I have already expressed my views with regard to the marvellous agreement entered into by the Government with the company. I maintain, as I maintained at the opening of Parliament, that the people of this State and the House itself are entitled to the fuller confidence of the Government than has been extended towards them in connection with this matter of so much importance. An agreement which commits the Government to great responsibilities, which commits the State under its conditions to vast payments for the right to use the patent rights in connection with the treatment of timber by the powellising process, an agreement which gives the company the right to

draw royalties on a minimum quantity of timber treated per annum, whether the timber is required or not, or whether it is treated or not, which gives the company the right to draw that minimum payment, a sum of £3,750 per annum for a period of many years after the patent rights have expired, which gives the company the enjoyment of a contract of a million sleepers at a price which has not been disclosed, and which gives them the right to call upon the Lands Department to extend their area of timber country by some 15,000 acres in whatever direction, I presume, they like, so long as it adjoins their existing boundaries, demands at the hands of the Government the fullest explanation, and I should be lacking in my duty if I did not demand at the earliest possible moment, or, to put it in more temperate language, move that these papers should be made public by being placed on the Table of the House.

The Minister for Works: You got them made public by other means.

Hon. FRANK WILSON: It does not matter whether we did or did not, and it does not redound to the credit of the Government that this information was made public by other means. I join issue with the Minister that these papers have not yet become public. One contract has been printed which sets forth the conditions I have enumerated, the contract which it is stated has been in existence since February, 1912, but which only received the sanction of the Governor in Executive Council fourteen months later, or, three or four months ago. All this requires explanation. The Government will remember that on many occasions we tried to get information with regard to this agreement, in this House and elsewhere, during the last sitting of Parliament. The matter was shelved, or secrecy was maintained, as it has been maintained on nearly every occasion in connection with important matters on the subject of which this House ought to be consulted. I am not speaking on my own behalf, nor on behalf of the member for Sussex, but on behalf of the people of the State who are parties to an agreement which might or might not be detrimental

to their interests, and they are entitled to know at the earliest opportunity why this agreement was entered into, why the different special conditions were granted to the company, and what benefit the State is to derive therefrom. I notice that some little explanation has filtered out in the Address-in-reply debate elsewhere. There seems to be a proclivity on the part of the present occupants of the Treasury bench to hold that all important matters which should be given forth publicly either through the Press, if the House be not sitting, or through the House if in session, have to leak out only because someone in the Minister's department or elsewhere has turned traitor. Of course, I know the Minister will have some defence to put up, probably that he was bound to secrecy in connection with the agreement, as he alleges the previous Ministry were bound to secrecy in connection with some other agreement. However, we want full particulars as to the necessity for secrecy. Speaking publicly the other day a member of the Government said that the Government were getting specially low terms from this company, and did not desire that the details of the contract should get into circulation. I should like to call the attention of the House to the terms of the agreement, and let hon. members consider for a moment whether this company was granting specially low terms to the present Government. The agreement which has been in existence for the past five years, and which expired last month, was entered into, if I remember rightly, between the Railway Department and the company. Under that agreement the Government were to use the patent process on the payment of a certain royalty of 6d. per hundred superficial feet. I believe there was some condition which stipulated the size of the treatment works which were to be erected at Bunbury, but there was nothing in the agreement which stipulated any quantity of timber to be treated each year. Certainly there was nothing in the agreement which bound the Government to pay royalty on a minimum quantity, whether that quantity was treated or not. Therefore, the agreement stands before the country in this respect:

they took the right to use the patent if they wished, but if they did not like to use the patent they left it alone, and the country was none the worse off. The particulars which the Minister gave in reply to a question by the member for Murray-Wellington (Mr. George) the other day show to what extent the process has been used during the past five years; the cost is given of treating the timber, and the quantity so treated is put down at slightly under 3 million superficial feet. Yet we are bound under this agreement to treat a minimum quantity of 10 million superficial feet per annum. The royalties paid in connection with the treatment of this timber amounted to, I think, something slightly over £2,000 in the aggregate for the five years. Yet we are asked under the new agreement to commit the country to the payment of a minimum of £3,750 per annum, whether we powellise the timber or not. The exceptional terms granted by the economy under the new agreement which has been a matter of supreme surprise to all and sundry ever since that contract leaked into the Press—and the publication of which has been authenticated by statements from Ministers to the effect that it is a true copy—show that the company has received, according at any rate to public opinion, benefits which are more than commensurate with the value that they give in return, at any rate as proved up to the present. It goes to show that the company had no need to stipulate that secrecy should be preserved; because I am satisfied they would have been only too glad to go to any other State, any other country in the world, any private individual or body of individuals, and enter into an agreement upon these terms with them. If there was any reason for keeping this thing back from Parliament Ministers ought to have been satisfied that the reasons put forth were justifiable, and sufficient in their opinion to warrant an important document like this being held over for 16 months before it was allowed to leak out. The conditions are such that I say again that any company would have been only too glad to enter into a similar agreement with any other person or any other State. There was no

need for secrecy. There might have been some need to keep quiet the arrangements made by the Minister for Railways five years ago, at the inception of the use of this patent right, when they were getting it at 6d. per hundred superficial feet, or one-fourth of what the company professed to be asking in other parts of the Commonwealth and elsewhere, and when we had the right to use it or let it alone. There might have been some reasons for keeping that agreement quiet in order that the company might have gone on negotiating with other States to get better terms, but there is no reason why an agreement so advantageous to the company as is this new one, should have been kept dark for five minutes, let alone 16 months. The new agreement provides for the payment of 2s. per hundred superficial feet royalty as against 6d. in the Railway Commissioner's agreement now expired—that we should pay 2s. royalty per hundred superficial feet for the right to treat timber by the powellising process, timber which is other than that utilised by the Government for their own works. On timber for their own works we are supposed to pay, if this publication be correct, 9d. per hundred superficial feet, or a 50 per cent. advance on the previous rate, with all these onerous conditions I have referred to. We are bound to pay 2s. per hundred superficial feet on the sleepers for the Trans-Australian railway, unless the Government have another agreement by which the price is reduced to 1s. 3d. I understand they have that agreement; in fact a reply was given in another place in the last session of Parliament to that effect. So we understand we are to pay 1s. 3d., or two and a half times the rate we were previously paying, for the right to use the process in connection with sleepers to be supplied for the Trans-Australian railway. How that has been brought about I am not quite sure. I have it in the Federal *Hansard* that the late Federal Government had no connection whatever with the powellising company; and yet under the terms of the agreement it is only if they have entered into a contract with another State, or with the Federal Government, at a lesser

rate than that specified in this agreement, that Ministers can claim any reduction. Of course I admit that the replies given in the Federal Parliament are far from being satisfactory. We have Mr. King O'Malley, for instance, speaking in this connection, and in reply to an interjection by Mr. Joseph Cook as to what the company got, saying, "We have nothing to do with the powellising company, our business being with the Government of Western Australia, which is furnishing us with sleepers at so much apiece." But later on, I must admit, he rather alters his attitude, and whilst he still maintains that they have nothing to do with the company, he claims the credit of having brought about a reduction. He says—

The company made an agreement with the Government of Western Australia in connection with which the promise was made that if there were any reduction in favour of anyone else it would be extended to the Government of Western Australia. I brought about a reduction, and the Government of Western Australia will get the benefit. That is all we have to do with the company.

I cannot quite see how Mr. O'Malley could bring about a reduction in favour of Western Australia unless he had an agreement himself with the company at a reduced price, a reduction of the price stated in this agreement. However, that does not concern us very much at the present moment. So far as I can gather, there is no agreement between the Federal Government and the powellising company at the present time under which the Federal Government may have the right of using this process. If there be no such agreement I am afraid we may land ourselves into very serious litigation on the question of whether this State has not to pay 2s. per hundred superficial feet instead of 1s. 3d. which it is alleged has been arrived at and agreed upon. Now I have to refer briefly to the other terms of the agreement. First there is the minimum quantity to be treated. I have referred to the fact that we are bound for ten years, five years beyond the expiry of the patent rights,

if not renewed; that we have given a contract, apparently, for one million sleepers to this company without calling tenders, without any competition whatever, and that in consequence we are granting to them what we will not grant to any other individual, what has been refused on many occasions by the Minister for Lands, namely, an extension of timber country. That has been granted to this company. Now we look to it to get some return to the State for all these benefits. We know that the minimum quantity will take some construction works before the quantity of timber is reached which has to be treated each year, namely, 10 million superficial feet. It has been pointed out that in the railways to be constructed here in the near future, and in other works, the Government will use powellised timber, and that, therefore, there will be any amount of scope, outside the Trans-Australian railway requirements, to fulfil this term of the contract and powellise at least 10 million superficial feet per annum. But the fact that all these works have been enumerated, and that every railway likely or unlikely to be constructed has been referred to in another place, to my mind goes to show that the Government, have at any rate, embarked upon an important undertaking, which is to discard the use of jarrah timber, and that they are going to adopt in its stead powellised karri for all public works. It was told that the Government were convinced that powellised karri was the best, that the matter had been fully investigated, and that notwithstanding that the Government which took office in October, 1911, and signed this agreement in February, 1912, not five months later, were prejudiced in the first instance and would not then look at the suggestion of this agreement, yet their prejudices had been overcome, and they were now fully convinced that nothing but powellised karri timber should be utilised in public works in the future. Well, we want to know if the Minister will be good enough to tell us how they became convinced in four short months that powellised karri was superior to jarrah. We want to know if jarrah is to be discarded for all time

from Public Works construction, more especially as the sleepers for railways constructed in this State. If that be so, what becomes of the difference in price, because even though the Government, for argument's sake, can produce powellised karri sleepers 9ft. x 10in. x 5in. at 5s. each, we are well aware of the fact that jarrah sleepers can be produced at 4s. 6d. each. So that I think it is up to the Minister representing the Government in connection with this matter to give us the fullest information in order that we may be satisfied that the steps they are taking and have taken in this connection are proper steps in the interests of the State, and that the State will derive due benefit therefrom. We were told also that the Government's position was that they only guaranteed a minimum of 10,000,000 super. feet to be treated per annum, whereas the Moore-Wilson Government guaranteed a minimum of 11¼ million super. feet; therefore, their guarantee was one and a quarter million super. feet less than that given by their predecessors. I want it to be understood that in the Railway Commissioner's agreement there was no guarantee at all as to the minimum quantity to be treated. There was some agreement as to the capacity of the works to be erected, but there the matter ended, and the State has not paid one penny under such an implied guarantee as is contained in the remarks already made public elsewhere in connection with this matter. So far as I can gather—and I am touching on these matters simply in order that the Minister, if he has not heard of them, may be able to deal with them when he replies—the excuse with regard to the contract for one million sleepers which has been given to this company was that the Government had made the contract without calling public tenders because it was below the market rate, and there was no possibility of anyone else supplying on the same terms. And strange to say the speaker referred to, a Minister of the Crown, wound up his remarks by saying that the terms were so low that the contractors have not gone on with the supply. The supply was supposed to commence in July, 1912, and the

company have not yet commenced to cut the sleepers and supply them, much to the regret of the Government. I do not know that there is any foundation or any excuse for this contract in the explanation which has been given by the colleague of the Minister for Works, but I am referring to these matters in order that the Minister may amplify them and if possible give some better justification than has been put forward elsewhere in his and the Government's behalf for the departure from the usual course in connection with public supplies. How do we know that the price is below the market rate? We do not know what the price is yet; no one knows except Ministers. How do we know that no one would supply under similar terms and conditions, and that there was no possibility of getting anyone to supply under similar conditions? I ask again, how do we know this? We never gave anyone the opportunity, and the powellising company are the only people to whom we granted an extra area of timber country in order to put them in the position that they would be able to undertake a contract of this sort by having karri timber available from the national estate.

[The Deputy Speaker took the Chair.]

Hon. FRANK WILSON: Why have they not commenced cutting? Why is it that the mill is closed down to-day and that they have not cut a sleeper for the last twelve months, notwithstanding that they are bound by the contract to do so, and notwithstanding that we shall probably be landed in trouble very shortly because of the non-delivery of the powellised karri sleepers which we have undertaken to supply in connection with the Trans-Australian railway? Why are these people not pressed to give delivery and so help the Government out of the corner that they have drifted into? Has exemption been granted to this company in connection with the provisions of their timber permit? I understand that exemption has been given to them for twelve months, but I cannot vouch for it, and in consequence the timber mill is closed down

and they have not cut a sleeper for the last twelve months, and have another twelve months to lie idle. Is this so or not? If it is so, why are they treated differently from other people? Now, with regard to the term for which royalty is to be paid, I notice that the Minister has said, notwithstanding that it seems to be quite clear in the agreement, that the contract can be terminated at three months' notice after the expiry of the patent rights, and that the Government need not go on after 1923. I understand that 1918 is the year when the patent rights will expire in the ordinary course, and if they are not renewed the Government can, according to the Minister, give three months' notice and retire from the contract. I should like to know if that is so. There is nothing to that effect in the published contract; on the contrary, we are bound hand and foot to pay this minimum royalty until 1923. In other words, if we find that the process is defective, if we come to the conclusion after a trial for a year or two in a large way that it is not economical and not so good as we thought it was, we have still to pay this minimum royalty, amounting to £37,500 in ten years, whether we use it or not.

Hon. J. Mitchell: And other people are getting the process free.

Hon. FRANK WILSON: And, as my colleague interjects, during the last five years, if the patent rights be not renewed, we will have to pay this minimum amount when other people are getting the process free. The Minister who was speaking on the occasion I have previously referred to, mentioned that the 15,000 acres had not been applied for by the company yet; he seemed to take credit to himself because the company had not yet put in their claim for this extended area of land, and he said that the Government were waiting for the company to come along, and that it was very evident that the Government had got the better of the company. What he meant by that I was at a loss to understand. I think he implied that the Government had got the best end of the deal, that because the company had not yet tried to carry out the conditions of the con-

tract with regard to the supply of this one million sleepers and because they had not yet applied for the 15,000 acres of land, which the Government had bound themselves to give, therefore they were not going to carry out the contract and the Government had the best of the deal. Well, I will say at once that a deal of that description, if those be the facts, is not a good one for this State. Either we want a contract which both parties will carry out faithfully and one which is mutually profitable to the State and the individual, or we are better without the contract at all. It seems to me passing strange that we should have a contract of this sort held up for so long a time when the country and this House have been knocking at the door of the Government time after time in order to gain that information which we are entitled to, that information which the taxpayers themselves ought to have placed before them. I am not going to labour the point any further. I have ventured to state the matter as it appears to me this afternoon, dwelling only on those points which have already been made public, having filtered through a side channel into the Press and so to our knowledge. I am anxious and waiting to hear from the Minister his, or rather the Government's, full reasons for this contract. I am only too willing to listen carefully and hear from him what benefit the State is going to derive from this agreement, why it was necessary to enter into it, why these exceptional terms have been given to place this company on a footing that no one else can compete with them, and also why the details have been kept dark so long. I beg to move the motion standing in my name.

[The Speaker resumed the Chair.]

THE MINISTER FOR WORKS (Hon. W. D. Johnson) : A great deal has been said in regard to this agreement and a great many innuendoes have been thrown round, practically amounting to accusations of dishonesty in regard to the attitude of myself in particular and of the Government in general in negotiating

this agreement in behalf of the State. I therefore propose to-night at the risk of wearying hon. members to go rather fully into the whole question, so that they and the country may know the full details in regard to the powellising process, the agreement that was previously entered into, and, of course, the negotiations leading up to that agreement, and the agreement that has been entered into by the present Government with the powellising company, and just incidentally I propose to deal with some other agreements that have been entered into by previous Governments.

Hon. Frank Wilson : That is right ; give us the lot.

THE MINISTER FOR WORKS : At the outset I quite recognise that the value of the agreement which has been entered into depends solely on the view that one holds regarding the value of powellised karri. If powellised karri is of no value, then the agreement is of no value.

Hon. Frank Wilson : It is worse.

THE MINISTER FOR WORKS : That is true. If the agreement is of no value from the State point of view, then for a term of years the Government have to pay a certain amount to the company ; but if, on the other hand, powellised karri is what the Government and the experts say it is, then the agreement is of considerable value to this State. I propose in the first place to put before the country the evidence on which the Government based their opinion and became convinced that by applying the powellising process to our karri timber, the karri forests at once becomes a huge asset to this State and a valuable addition to the world's hardwood timbers. I propose to confine my remarks principally to karri, but I do not want hon. members to assume from my remarks that I am of the opinion that it is only karri which should be powellised before it is put into use in Western Australia, or, for that matter, in other part of the world. I say, and say distinctly, that jarrah should not be placed in the Trans-Australian railway until it is powellised or treated by a process equal to the powellising process.

The Premier : Hear, hear !

The MINISTER FOR WORKS : I say the people of Australia would have a grievance against any Government who did anything of that kind.

The Premier : Hear, hear, and they would find it out before many years.

The MINISTER FOR WORKS : As a matter of fact, sleepers before being placed in the road have been attacked by white ants. This is a serious matter and it goes to prove that not only is it wise—and I will demonstrate this to the satisfaction of any reasonable mind—that powellised karri should be used in that railway, but it also goes to prove that where jarrah is used it also should be powellised. I also say that in the North-West of this State, or, as a matter of fact, in any part of Australia or of the world where white ants are prevalent, the powellising process should be applied to any timbers placed in the ground.

Hon. Frank Wilson : How long have your sleepers lasted ?

The MINISTER FOR WORKS : I will give the hon. gentleman all he wants before I have finished. I propose to deal with all the points which have been raised and also with some which have not been raised.

Hon. Frank Wilson : I want you to deal with them all.

The MINISTER FOR WORKS : I will give them all in due course.

Hon. Frank Wilson : You are a long time making a start.

The MINISTER FOR WORKS : First of all, I will give a little history. The value of powellising as applied to Western Australia hardwoods was first brought out by Mr. Julius, a recognised expert, and not only a recognised expert in Western Australia but a man who in Australasia stands out as a reliable expert in regard to timbers. Mr. Julius in 1906 first took up the responsibility of testing the powellising process. After various tests with a primitive plant of a temporary character, Mr. Julius submitted to the then Government a report and, *inter alia* he said—

The process, as briefly described hereafter, consists in replacing the sap in

the green timber by sugar, with a small percentage of arsenic added if the timber is to be rendered immune to attacks from white ants. Timber so treated is claimed to be free from all risks of developing dry rot, and that such should be the case was briefly deduced from the recent tests of Western Australian timbers.

Then Mr. Julius submitted karri to special tests, and in regard to the karri he wrote to the then Government—

Two karri sleepers that had been in service in a damp position for 19 years showed many signs of dry rot, yet still retained their hold upon the dogspikes to a degree quite sufficient to render them safe in the road.

Any one who knows anything about jarrah sleepers is aware that one of the main difficulties in regard to them is the fact that the dogspikes have to be continually watched. Mr. Julius continuing his report said—

Karri, whilst in every other respect almost unequalled as a sleeper timber, is prone to develop dry rot if used in damp ground. In regard to the development of dry rot it is established that the presence of the sap is the chief source of trouble. . . and such a process is now being experimented upon as promises not only to render the timber practically immune to dry rot, but also to attacks from white ants, and should this process prove successful. . . there is no doubt that karri will prove one of the most valuable sleeper timbers in the world.

Then Mr. Julius went on to say—

Karri timber is a most suitable timber for use as railway sleepers, as it holds the dogspikes firmly, no reboring being necessary, and the detrimental influences of dry rot and white ants being removed by the powellising treatment, karri may be considered as the sleeper timber par excellence.

Mr. Male : There are a lot of "ifs" about it.

The MINISTER FOR WORKS : Mr. Julius and the Government of the day, in order to put these conclusions to a practical test, decided to place a number of

sleepers in a railroad, and a site at East Perth was selected. Dealing with this particular determination to put the sleepers in the road at East Perth, Mr. Julius stated—

To determine this point 30 powellised sleepers are being placed in a particularly damp section of the South-Western railway, and every effort will be made to cultivate dry rot in them by contact with badly diseased specimens, etc., and the results noted.

Mr. Julius had previously stated that karri was prone to develop dry rot when placed in damp ground. Then, in order to test it to the fullest extent after it had been powellised, they selected one of the worst known spots in the permanent way under the Working Railways, and thus subjected it to the severest test. These sleepers were placed in the road on the 16th November, 1906, and the experiment was principally made in this locality to test its dry rot resisting qualities. After three years the same sleepers were removed and examined by an analyst who wrote—

I find that the untreated karri is affected by dry rot—

I may state that in placing the karri in the road at this particular spot, side by side with the powellised sleepers, were placed unpowellised karri sleepers; in other words the sleepers were put in in twos right along, the powellised and the unpowellised; consequently when they took some of the sleepers from the road they took some powellised and some unpowellised, and submitted them to the analyst. The analyst reported—

I find that the untreated karri is affected by dry rot. These timber diseases seem to have travelled in a certain direction as on one side and the end are the parts most affected. I found in several places along the side that the apparently affected area extends to a depth of five-eighths of an inch. At these places the fibres in the karri had almost disappeared, having given place to a granular and friable mass, which could be readily removed with the finger nail. It is impossible to say whether the dry rot has penetrated deeper. . . I have examined the powellised karri

sleeper and find it free from the above disease. In no part of the sleeper can any of the fungi be found, and that fibre is sound all over the portion exposed. The condition of the sleeper is much more sound than the untreated sleeper.

At the same time certain other powellised sleepers were placed in a culvert in a portion of the South-West. This culvert previously had been constructed of jarrah, but the jarrah was absolutely eaten out by white ants. In order to test the value of powellised karri from a white ant resisting point of view, a culvert of karri was built alongside the jarrah culvert, or, in other words, they left the jarrah culvert and all the white ants there, and placed alongside it the powellised karri culvert. In regard to this, Mr. Julius stated—

This culvert has subsequently been specially examined at intervals and the timbers found to be in good condition.

Hon. Frank Wilson: How is the timber in that culvert to-day

The MINISTER FOR WORKS: These sleepers are still in the railroad—

Hon. Frank Wilson: What is the condition of that culvert to-day?

The MINISTER FOR WORKS: And that same timber is still in the culvert. Late in 1912 His Excellency the Governor (Sir Gerald Strickland), the Hon. the Premier, myself and others visited the spot where the powellised sleepers were placed. The whole of them were opened up and His Excellency was invited to select a sleeper powellised and a sleeper unpowellised to be removed from the road and cut up in his presence, so that we might see exactly the different effects after they had been in the road for six years. His Excellency selected two sleepers and they were cut up. The unpowellised karri sleeper was undoubtedly attacked by dry rot, and as was stated by the analyst, it was possible to remove portion of the timber with the finger nail, but the powellised karri was as sound as on the day it was put into the road. On the same day Mr. Light had a sleeper removed from the culvert to which I have referred, and that officer certified to His Excellency the

Governor that the particular sleeper had been removed that day, and had been brought to Perth by train, and that it was one of the sleepers placed in this culvert in 1906. That sleeper was absolutely sound. There was not the slightest sign of white ants and dry rot. In order to make the proof conclusive, we had the powellised karri sleeper which was taken from the road cut into two or three parts, and thus tested it everywhere, and, as I have already told hon. members, the sleeper was as sound as the day it went into the road, while the unpowellised sleeper had been attacked by dry rot. The sleeper from the culvert which had been put in to test its white ant resisting powers was untouched, and was as sound as when the timber was growing in the tree.

The Premier: The saw marks were still on it.

The MINISTER FOR WORKS: Powellised karri timber has also been used largely in the manufacture of rolling stock, and Mr. Julius, commenting on the use of this timber, powellised for this purpose, wrote a report to the Government as follows:—

Karri is also largely used for cart and wagon construction purposes. Its average life when used in wagon underframes as headstocks and bogie bolsters, etc., is not less than 18 years, nor less than 25 years in the other parts of the framing, and the first cost in Western Australia is stated to be at least 10 per cent. less than for the steel frame, besides which, while having equal carrying capacity the timber frames possess greater flexibility than the steel frames, and consequently are less easily derailed, and when damaged are more easily and quickly repaired. It was found that the flooring planks in the trucks bulged up during the winter, necessitating the removal of a plank and its replacement during the summer. but since the timber has been powellised this difficulty has been overcome.

Convincing as this evidence was, and this evidence was available to the present Government when they went into this question, still, to my mind, more convincing evidence has been secured since we entered

into the contract, and I want to take this opportunity of publicly thanking Mr. Hedges, the ex-member for Fremantle in the Federal Parliament, for having brought it under our notice. He drew attention to some posts that had been powellised, as he stated—and he stated a lot of things contrary to fact during the election—he stated that these posts had been powellised, and he went down to the Show ground, picked up the dust that remained of a so-called powellised post, put it into a dish, and exhibited it in St. George's-terrace as evidence of the effect of the powellising process on oregon timber.

Mr. Munsie: So he did half a ton of gold.

Mr. Monger: I would not refer to that, if I were you.

The MINISTER FOR WORKS: This action of Mr. Hedges, of course, necessitated investigation, and naturally the Government were interested to the extent that we thought a complete investigation should be made to see, for our own satisfaction, whether there was any foundation for these statements. I propose to read some letters that have been secured in regard to this shed that was erected in the Show grounds some time in 1906. Mr. J. M. Ferguson writing of it states—and of course he writes to the powellising company—

Referring to the building on the Claremont Show ground erected by J. M. Ferguson, Ltd., in 1906—I remember deciding that we would use powellised oregon uprights in the erection of the building. Twelve pieces of oregon were handed to your men to be powellised at once—my recollection of the matter is that these were put in the boiling tank on the top of a quantity of smaller timber, four more pieces of oregon were required but there was not time to wait for another boiling of the Powell process, and these were treated with Avenarius, as Ferguson, Ltd., were agents for this preparation. The whole of the erection of the building on the Show ground was done in a hurry, and I should not be surprised to learn that the powellising had been imperfectly done.

Mr. Thomas A. Floyd, now employed as

foreman in Messrs. Buckingham Brothers' timber yards, writes on the 15th May, 1913—

I have much pleasure in confirming my conversation with you some days ago *re* the oregon posts used by J. M. Ferguson, Ltd., in the erection of the building on Claremont Show ground in October, 1906. I remember clearly that it was intended that all the posts for the building were intended to be treated by the powell process, but owing to the short time available to complete the building before the Show, it was impossible to put them all through the process. I remember distinctly that four of the posts could not be powellised and, acting under instruction from Mr. J. M. Ferguson, I had the four posts coated with Avenarius before they were sent to the Show ground. I was at that time employed by J. M. Ferguson as yard foreman, and it was my work to see to the despatch of all orders, and consequently the despatch and particulars of these posts came directly under my notice. I am prepared at any time to swear to the above statement.

These posts were subjected to investigation, as I have already stated. The powellising company employed Mr. Shirley White, the well-known contractor, to open up all these posts and to make an examination to see exactly how many of the posts had been destroyed by white ants, and Mr. Shirley White writes as follows:—

Re oregon posts in building Show ground erected by J. M. Ferguson in October, 1906. I have pleasure in stating that I have thoroughly examined said posts and find as follows:—There are sixteen posts in said building and they go down about 3 feet 9 inches in the ground. I had all of these uncovered down to the bottom, and therefore was able to thoroughly examine same. Twelve of these posts were treated by the powell wood process, and four were not put through said process. I found that the twelve posts that had been powellised were perfectly sound in every respect; there was no sign of white ants or dry rot, in fact, practically as good as the day they were put into

the ground, whereas the other four posts were all badly attacked by white ants and dry rot, one of same having been entirely eaten away underground. I find on examining the other buildings in the vicinity that all soft wood was badly attacked by white ants, also the white ants were attacking the jarrah struts on the above-mentioned oregon posts. These posts (oregon) have been in their present position since October, 1906, and I have no hesitation in saying that I was very surprised to find same in such perfect condition, as I know that unpowellised oregon posts would not last any length of time in the same position. I may add that I examined these posts in the presence of the hon. Minister for Works together with the Acting Engineer-in-Chief and the Under Secretary for Works.

I want to say that I went down to the Show ground particularly interested, as I have already remarked. I found exactly what Mr. White states. When they opened up every post—they had gone into the ground some 3 feet 9 inches—four of the posts were practically eaten away; twelve of the posts were as sound as the day they were put in. They are there for hon. members to go and see for themselves, and remember this is oregon timber; the oregon posts were strutted by jarrah timbers 3 x 2, and I inspected the struts and found the strut attacked by white ants right up to the very joggle, where it went into the oregon posts, and there the white ants stopped. There was absolutely no sign of the white ants having touched the oregon timber. They went to the very edge and stopped. They had attacked the jarrah but left the oregon absolutely and severely alone.

Mr. Heitmann. It was powellised?

The MINISTER FOR WORKS: Yes, powellised. The timber that Mr. Hedges got hold of, of course, was the remains of timber or one of the four posts that had been treated by Avenarius.

Mr. Munsie: Do you not think he knew it?

The MINISTER FOR WORKS: In order to prove the position the remains of one or all of the four were

analysed to see if there could be found any evidence of those posts being powellised. They could not find any trace of it at all. The powellised oregon posts—one post was cut at any rate—on being tested showed evidence of having been powellised. There is no shadow of doubt to an unprejudiced mind that the twelve posts that had been powellised are absolutely sound, and the four not powellised had decayed as oregon will decay unless it is subjected to some treatment. I have some more letters here. Mr. Ochiltree, who is recognised as an architect and building surveyor of some standing in the city, writes—

In May of this year I was instructed by the Royal Agricultural Society of W.A. to supervise in their interests the uncovering of sixteen oregon storey posts in a building erected in 1906 at Claremont Show ground. Before the work was started I was informed that twelve of the posts had been powellised and the remainder had not been. Every post was uncovered to the full depth (averaging 3 feet 6 inches to 4 feet below the surface) and it was found that twelve were as sound as any oregon timber ever was, and the remaining four were all attacked by white ants, one having been completely eaten through, whilst the struts of this one were also attacked. The Show ground is very much alive with white ants, and I have seen jarrah sleepers which had been down very little over a year badly eaten, and soft wood which had been fixed less than five months completely destroyed. The above results leave no doubt in my mind about the efficiency of powellising, and as a practising architect I would welcome the placing on this market of powellised timber for building purposes.

I am not aware, of course, that Mr. Ochiltree was so much interested in the building on the show ground, but I knew that he had used the powellising process in regard to the erection of a building in Port Hedland, and I knew also that Mr. Eales, who is also an architect of high standing in the city, and who is recognised as one of our leading architects and

building surveyors, had also used the powellising process in connection with a shearing shed in the north-west of this State, so I wrote to these two gentlemen asking for their views on the subject of the powellising process, and the effect of it as used in those buildings I have indicated. Mr. Ochiltree's letter—I might say that it is dated as recently as the 18th July, 1913—is as follows:—

I have to acknowledge receipt of yours dated the 16th *re* powellised timber used in the Pier Hotel at Port Hedland. The building is two storeys of wood and iron and was completed about the middle of 1907; jarrah, oregon, and deal were powellised by the Westralian Powell Wood Process, Limited, at works in East Perth, and it has been my custom to obtain information from time to time respecting the condition of the timber. In the last report, which is dated the 6th February of this year, it is stated that the timber looks as good and sound as ever it was; since then the proprietor called at my office and informed me that there were no signs of deterioration in any of the timber.

I take particular pride in quoting Mr. Ochiltree and Mr. Eales, because I think they are two men who stand right out as being worthy of quoting, men of practical experience in building, and more than average knowledge of architectural work in general.

Hon. Frank Wilson : Good men both of them.

The MINISTER FOR WORKS : Mr. Eales writes:—

I have to acknowledge yours of the 16th instant, and regret that absence in the country has prevented an earlier reply. I have followed with great interest the recent controversy, accounts of which have appeared in the local Press, with regard to the efficacy of this process, and am glad to have the opportunity of expressing my opinion, based on experience extending over the last six years, of its use. Early in 1907 I was instructed to prepare plans and specifications for a shearing shed to be erected at Towera Station in the

Ashburton district, about 128 miles from Onslow, for Mr. Henry Twitchen. My instructions were that every possible precaution was to be taken against the ravages of the white ants, for which this district is notorious. In the preliminary stages I visited the site and found that nothing but blackheart or local river timber had any hope of withstanding destruction by this pest, and from the examination I made of existing buildings I found that even jarrah in its natural state could not resist their attacks, although of course the process of destruction was longer delayed than with other timbers. Although the powellising process was then in its infancy, and the methods of treatment very primitive, and the cost involved considerable, I had no hesitation in recommending that the whole of the timber to be used, including oregon for the roof, should be subjected to the treatment. It must be evident to you that I took some considerable risk in recommending a process which was practically unknown in this State, but the thorough impregnation and the carriage of the poison into the heart of the timber convinced me that nothing short of this result would avail. Approximately some 150 tons of material were put through the process at Messrs. J. M. Ferguson's Timber Yards in Perth. The whole of the scantling to the outer walls, battened floors, joists, bearers, plates, etc., together with the timbers required for the catching and other pens, races, etc., and roof supports were of jarrah, but the roof timbers in three spans were of oregon, which was also powellised. All these timbers were of heavy scantling and strongly bolted together wherever possible to withstand the extreme wind pressure common to the North-West at certain seasons. As further precaution I issued instructions for scrap ends of powellised and unpowellised jarrah to be purposely placed in infested places for purposes of experiment, and in a very short time—a matter of a few weeks—I found that untreated jarrah would stand no better chance than

white deal. The treated jarrah, however, I found to be absolutely immune from the attacks of the termites. From a professional point of view, and with the responsibility I had taken in the matter, I have been prompted to inquire continually as to the state of the timber in the building, although the station has since changed hands and my client is no longer interested. As the result of these inquiries I am advised that white ants have made no inroads whatsoever, and I am satisfied from recent reports that the building is as sound to-day as when erected six years ago. In my desire to be thoroughly impartial in the matter I must state that shrinkage in white woods, such as oregon was manifest and caused me considerable anxiety when I saw the work completed, but it has in no way affected the stability of the construction and it is quite possible that the process added toughness to the timber, and I am convinced that the oregon would have been useless unless treated. Since this experiment and at a much later date I have designed and had erected some very extensive shearing sheds and outbuildings in the De Grey and other North-West districts, notably two sheds for Mr. Alexander Edgar, of Grant, Edgar & Co., now owned by Mr. Mark Rubin. My client, Mr. Edgar, was unable to adopt my suggestions with regard to powellising and had recourse to his own remedy against white ants, namely, that of steeping all timber in a bath of arsenic and soda by means of a galvanised iron trough. By this means destruction may have undoubtedly been delayed, but eventually the whole of the buildings have been destroyed with the exception of the native timbers used in the roof supports. In conclusion I consider the results of this test so eminently satisfactory that I would never specify anything else but powellised timber if the means were at my disposal of getting either jarrah or karri treated by this process, but unfortunately there is no plant available for other than Government work, and in my opinion this is a matter to be greatly deplored. I have not gone into

figures in the matter, but I can confidently state that many thousands of pounds have been involved in such work as I have mentioned and the loss is and must be tremendous to pastoralists, in view of the fact that such buildings are not permanent unless some means are adopted to prevent the ravages of white ants. As a natural result of this disastrous state of affairs my clients are discussing steel construction, lock, stock and barrel, to the detriment of one of the States best interests. Finally, it is needless for me to state that I am in no way interested, either politically or commercially, in the success of the process as a business proposition.—

(Signed) J. Herbert Eales.

Mr. Monger: If you have such a strong cause, why not lay the papers on the Table of the House?

The MINISTER FOR WORKS: We also know that the Government of the day, when deciding to construct the Port Hedland-Marble Bar railway, also decided to use powellised timber in the construction of that line. Unfortunately they were loose enough in their methods to allow a lot of untreated jarrah to go to Port Hedland and they, wisely or unwisely, decided to treat some of the sleepers up there by different processes. We found recently that statements were made during the Federal elections, I suppose for political purposes, that some of the sleepers which had been used on this railway had been attacked by white ants and it was stated definitely that the sleepers had been powellised, and it was also reported that the timber which had been used was karri. As a matter of fact, there was not a stick of karri used in the construction of that railway. In regard to the failure or so-called failure of the process which was applied to these sleepers, I have already placed on record some remarks, but I propose to repeat what I have said, so that hon. members may know the true facts in regard to the canard published during the Federal elections. The Commissioner of Railways writes—

In reply to the Hon. the Minister for Work's memo, and the Hon the Minister for Railway's minute of the 30th

ult., I have to report that two sleepers were found to be badly eaten by white ants at the 113m. 16chs. On reference to the diagram attached hereto, this mileage will be found in the section where the sleepers were powellised. These sleepers were removed from the line and forwarded to Perth. I carefully examined them but could find no brand on the ends, as they were too much eaten away to distinguish anything. Each sleeper is branded when treated, with a distinguishing mark. Out of the total number of sleepers put in on this line, 10,000 were sent to Port Hedland without being treated or prepared in any way,

Hon Frank Wilson: They were sent up purposely to be treated by other processes.

but were treated at Port Hedland with three kinds of compounds, respectively—Taylor's White Ant Destroyer, Jodelite, and Cooper's Sheep Dip. The two sleepers were then analysed for arsenic and sugar and no trace of either was found in the sleepers, even to a depth of three-eighths of an inch was there no trace of arsenic but on the outside or skin a trace of arsenic—of not more than .002 per cent. was found, and also a trace of sugar, which goes to prove that the sleepers were not powellised, but in all probability were treated with one or other of the preparations which were either painted on by means of a brush, or dipped in a trough containing the compound, or that they were used for stacking powellised sleepers on. Since the date of the discovery of these sleepers in March last, the sleepers in the vicinity have been examined, and no further affected ones have been found. It is apparent that these two sleepers have been put in at this mileage by accident. Further to this, the line has been examined right through and other sleepers have been found eaten by white ants to the number of 33, the mileage being between 64m. 30chs. and 65m. 40chs. Thirty of these are branded "J" signifying "Jodelite," and three of them "T" signifying "Taylor's Preparation."

The position can be seen on reference to the diagram. The three "T" sleepers and three of the "J" sleepers have been forwarded to Perth, and are now undergoing the testing, and a report will be sent to you when the testing is completed.—Sgd., E. E. Light, Chief Engineer for Existing Lines.

I also have an extract from a report submitted by Mr. R. S. Troup, Imperial Forest Economist, India, and it is dated 17th December, 1908. This gentleman writes—

The writer has at present some powellised deal under observation. It has been down in a spot infested with white ants since 4th March 1907, and has, up to date (17th December, 1908), not been touched. A piece of untreated deal was nailed to the powellised piece when first put down and was totally destroyed by white ants in a few weeks. Another untreated piece was recently placed with the powellised piece and is being rapidly destroyed. Similar tests in other parts of India confirm these results. A large number of powellised and untreated pieces of different Indian woods are now being laid down, but it will be some time before any results can be arrived at. Sleepers of various kinds of woods are also being tested on the railway in Burma. Messrs. McKenzie and Co., Bombay, in 1906, carried out tests on powellised wood to ascertain if it loses its antiseptic properties if exposed to the weather. Planks of Poon and Mango were subjected for four nights and days to steam forced on them by an exhaust pipe, then a stream of water was directed on them for four days, and then the wood was subjected to alternate rain and sunshine in the monsoon, and was finally cut up and placed in white ants' nests in three different places along with untreated wood of the same species. The untreated pieces were quickly destroyed, while the powellised pieces remained untouched.

This is some of the evidence that we had when we arrived at a decision to use powellised karri. It is true that we did not have all the evidence that I quoted this afternoon, but we had a good deal of

it, and, apart from all that, we had the definite recommendation from Mr. James Thompson, Engineer-in-Chief, and Mr. Light, the Engineer for existing Lines. I think we can claim that these two gentlemen are officers of high standing in the engineering world, so far as railway knowledge goes. Mr. Thompson is a recognised authority on railway construction, and I question whether there is anyone in Australia who has had greater experience, while so far as railway maintenance is concerned Mr. Light stands out as an engineer of authority. These two gentlemen of high standing and reputation submitted a report to me. I got the report from them, because we had then gone slightly into the question of using karri, but I was not prepared to use karri unless we had a definite recommendation from these experts. They wrote on the 14th November, 1911, as follows:—

In regard to the interview with you this afternoon *re* the above subject, we beg to state that a number of karri sleepers were powellised and laid in the track five years ago, and from the result of a recent examination there is little doubt that such treated sleepers will last as long as unpowellised jarrah. As the karri is a much superior timber to jarrah for sleepers, we recommend that this timber be used for the purpose after being treated with the powellising process.

It was on this recommendation that the Government decided to use powellised karri sleepers on the West Australian railways, and for this purpose we decided to erect the mill now known as No. 1 Manjimup, for the purpose of getting sleepers to use, after being powellised, in the West Australian railways. It was at this stage that the question of the use of powellised sleepers in the Trans-Australian railway received some consideration. Although certain negotiations had proceeded, up to this stage nothing definite had been done in regard to making arrangements with the company.

Hon. Frank Wilson: What date was that?

The MINISTER FOR WORKS: That was in December, 1911. It became neces-

sary for us to negotiate seriously with the company to get the right to use the process so that we might not only use the system in connection with the State railways, but also in regard to the Trans-Australian railway, and at this time it was seriously thought that powellised karri would be the sleeper used. Before negotiating it was necessary for me, as Minister for Works, to go into the history of the subject and get all the papers in regard to the negotiations which the previous Government had entered into for the use of the powellised process. I found that the first move to secure the right to use the powellising process was made in 1906. That move was made by the Public Works Department, and in 1907 the late Mr. James Price, who was then Minister for Works, recommended the use of the powellising process on the sleepers to be used on the Marble Bar railway. Dated 21st November, 1907, this is the minute which that gentleman wrote to the Premier for the consideration of Cabinet—

The Engineer-in-Chief recommends that powellised sleepers be used, being favourably impressed with the process. In this opinion I agree with him. The proprietors of the process recognise that a considerable time must elapse before they have made the necessary preparations for dealing with such a number of sleepers as will be required for the line. The quotations which they have given to the department are based on options for the purchase of molasses (largely used in the treatment) which terminate at the end of this month. While the process has not been long enough under review to state with absolute certainty the life of sleepers submitted to it, so far every test of which we have any knowledge has been most satisfactory. I am inclined to think that in all probability powellised sleepers in the North-West will last as long as ordinary sleepers in this part of the State. There is not the slightest doubt that a sleeper submitted to this process is entirely impregnated with arsenic, and as this is a mineral poison it should be free for many years from

the ravages of white ants. If an agreement is entered into to use powellised sleepers I think it should be on such terms that the department is at liberty to purchase the sleepers from whomsoever it may determine, and I would suggest that the proprietors be notified that if satisfactory arrangements can be made for powellising at any given point which may be selected by the department the Government will be prepared to accept the offer. I shall be glad to have this matter dealt with promptly as the proprietors' option expires on the 30th instant.

The next minute on the file after that was sent down to the Premier's office is signed by the then Premier, Sir Newton Moore, who wrote—

I concur with your recommendation that the proprietors be notified we are prepared to adopt the process subject to satisfactory arrangements as to the conditions and terms.

As the result of the Government's decision negotiations were then opened up with the company to treat the sleepers for the Port Hedland line. A draft agreement was prepared and actually adopted. I do not wish to go into the details of that agreement, because it was eventually cancelled, but I want to place it on record that the first agreement was prepared by the Works Department, for the Government of 1907 to use the powellising process. There are no reasons given on the file as to why the Working Railways came into the question. The whole of the negotiations up to this stage had been conducted by the Minister for Works, but for reasons not disclosed on the file the Working Railways came in at this stage and secured the right to use the process. One of the last clauses in that agreement was that the agreement entered into between the Public Works Department and the company should be cancelled, and the agreement entered into by the Working Railways should become the adopted agreement. This agreement was entered into by the Commissioner for Railways in July, 1908.

Hon. Frank Wilson: There must be records in the Railway Department to show why that agreement was made.

The MINISTER FOR WORKS: I have not been able to find any such record. There was a draft agreement prepared, either by the Working Railways or by the company. The files make reference to that draft agreement, but we have been unable to find it, although, as I say, there is evidence on the files that a draft agreement had been prepared, and that from this draft the agreement was made which was ultimately entered into. I propose to read that agreement, and I want hon. members to follow me closely so that they may make themselves acquainted with the clauses in the agreement entered into by the Commissioner of Railways. The agreement is dated 15th July, 1903. Clause 1 reads as follows:—

The owners hereby grant unto the licensee license to use and exercise the said invention for the purpose of treating and processing by the said patent process all or any wood and timbers used or intended to be used in any place or places in Western Australia in connection with the construction and maintenance of the West Australian Government railways as referred to in the said Act.

Clause 1 limited the use of this process to the construction and maintenance of railways, as referred to in the Railways Act. Clause 3 provides that the royalty shall be one shilling. It reads as follows:—

Subject as hereinafter provided in Clause 11 the licensee agrees to pay to the owners for all wood or timber treated or processed under the license hereby granted a royalty of one shilling net per hundred superficial feet of wood and timber treated or processed by him. All such royalties shall become due and payable to the owners quarterly or monthly at the licensee's option, such option to be exercised from time to time by the licensee on one month's notice in writing during the currency of this agreement, and the said royalties shall be paid to the owners within thirty days of expiry of such periods.

Clause 8 of this agreement limits the term of the agreement to five years. There is reference on the file to the fact that in the

draft agreement, which I could not locate, Mr. Short tried hard to get the agreement for eight years, but the company refused, and limited the term of the agreement to five years. This Clause 8 contains a very important proviso in view of the criticism which has been heaped upon this Government's action. Clause 8 reads as follows:—

This license shall remain in force for a period of five years from the date hereof, and the licensee shall have the option at the end of the said five years to have this agreement extended for the full term of the patent, and any renewals or extensions thereof, and at the same conditions as contained herein, with one exception, as follows:—That the royalty to be paid to the owners by the licensee shall be an amount to be mutually agreed upon by the parties hereto at the end of the said five years.

I want to refer to that clause. The company said definitely that they were prepared to extend the agreement after the expiration of five years, embodying all the terms, with the exception that the royalty had to be mutually agreed upon at that time. Clause 11 is the clause that rebates the royalty down to 6d. It reads as follows:—

The owners agree to allow the licensee a rebate of sixpence for and in respect of every shilling of royalty payable under this agreement in view of the exceptional conditions existing in Western Australia in respect of the supply of timber.

Then Clause 2 is important in view of the criticism to which we have been subjected. It reads as follows:—

The licensee agrees to erect forthwith suitable works capable of treating and processing by the said process at least 3,000 cubic feet per day of 24 hours, provided that the licensee shall be under no obligation to treat by the said process any wood or timber for use that he does not think fit so to treat. Therefore, the Commissioner of Railways, acting on behalf of the Government of the day, distinctly made part and parcel of this agreement an undertaking that he

would erect a plant to treat 3,000 cubic feet per day.

Hon. Frank Wilson: No, capable of treating.

The MINISTER FOR WORKS: Well, capable of treating. Therefore, that plant was erected on the distinct understanding that it was going to treat over 11 million superficial feet per annum. Maybe the hon. gentleman will argue that they put up a plant, but only for show, and not for use.

Hon. Frank Wilson: Did they use it?

The MINISTER FOR WORKS: I will tell the hon. gentleman why they did not. If it had not been for the hon. gentleman the plant would have been used.

Hon. Frank Wilson: Rubbish.

The MINISTER FOR WORKS: Yes, we will come to the point directly. In that clause there was a minimum amount to be treated, if honesty had prevailed.

Hon. Frank Wilson: Rubbish.

The MINISTER FOR WORKS: What Government would agree to put up a plant capable of treating 3,000 cubic feet per day if they had no intention of treating it? Is that the way to handle public funds—putting up a plant for show and not for use? Part and parcel of the agreement was the undertaking to put up the plant to treat 3,000 cubic feet per day. Why? Because that was the quantity calculated to be necessary for the construction and maintenance of our railways.

Hon. Frank Wilson: No.

The MINISTER FOR WORKS: The hon. gentleman knows it to be true, that the estimated quantity required, as per the agreement, was 11 million cubic feet per annum. They said, "We will treat that quantity, and we will make it part of the agreement that we will put up the plant."

Hon. Frank Wilson: No, you are putting a wrong construction on it.

The MINISTER FOR WORKS: Let me prove my point. The company evidently was not prepared to altogether accept the agreement as being definite enough. Papers on the file conclusively prove that this was put in as a guarantee that a minimum quantity would be used;

but the company wanted a more specific guarantee that the given quantity would be used per annum, and they wrote suggesting that the guarantee should be made more definite. Mr. Short replied as follows :—

If the company accept our terms I do not anticipate that they will have any cause to complain at the quantity we shall have treated.

The Premier: Now what about the wrong construction?

Hon. Frank Wilson: Have they complained?

The MINISTER FOR WORKS: We will see later on. There is a long way to go yet.

The Premier: I think you had better hear the explanation out before you commit yourself.

The MINISTER FOR WORKS: Now with regard to this agreement, I have shown that the agreement was limited to five years, although the Government wanted it for a longer period. A special provision was contained in the agreement indicating that at the end of five years the royalty had to be subjected to revision. That clause was put in by the company, and was put in as a clear indication that they were not prepared to extend the royalty of 6d. at the expiration of five years. I have also pointed out that the agreement provided that a minimum quantity should be treated, and that a rebate was to be made because the Government of the day were going to prove the value of the process. The rebate was made because at that time the process had been used in only a very limited sense, and in a very primitive plant erected by Mr. J. M. Ferguson, or at least in Mr. Ferguson's yard. Consequently the company, in order to have the process thoroughly tested, were prepared to give special terms for five years, providing that a good plant was erected, and that that good plant would treat a given quantity per annum.

Sitting suspended from 6.15 to 7.30 p.m.

The MINISTER FOR WORKS: When we rose for tea I had practically finished with the salient features of the agreement

that had been prepared by the Government of 1907. I want now to make it clear that the agreement which was entered into by the Government of which the leader of the Opposition was a member was not made public. We have heard a great deal of the fact that the present Government entered into an agreement and did not make it public. I want to point out that we have entered into an agreement with the company to utilise a process which had been used by the State for some considerable time, but the Government who entered into the previous agreement I have referred to contracted to use a process which was then practically unknown; yet that agreement was never made public. Publication was withheld for exactly the same reason as this Government withheld it, namely, the Government gave their word that they would not make the agreement public, because the company appealed to the honesty of the Government of the day, when they entered into the first agreement, to refrain for business reasons from making it public. They pointed out to the Government that if they gave the right to use the patent for 1s. per 100 super. feet, and then reduced it under special circumstances to 6d. it would be very difficult for them to maintain the standard price that was then existing and exists to-day at 2s. per hundred super. feet. They admitted that there were special circumstances in Western Australia, but they pointed out that it was difficult to convince people, say, in India, that there were special circumstances in this State so favourable to the company that they were justified in giving for 6d. what they wanted 2s. for in India or New Zealand; consequently, for business reasons an honest understanding was arrived at between the Government and the company that the agreement would not be made public. But let me get on again. In November, 1899, Mr. Short, the Commissioner of Railways, wrote to the company asking to be allowed to use the process on all Government works. At this time it was proposed by the expert officers that the powellising process should be extended to the timbers that were used in our jetty construction, but, under the limited terms of the agreement I have already drawn at-

tention to, the Government were only permitted to use it in connection with railway construction and maintenance; consequently, they could not use it on timbers for jetty construction. Mr. Short wrote to the company asking to be allowed to extend the use of the process to other timbers. The company replied agreeing to those timbers being treated, provided that the plant was extended so as to cope with the additional quantity of timber that was to be treated; or, in other words, they emphasised to the Government that the department had put up a plant to cope with 11,000,000 super. feet per annum, and therefore that quantity was to be used as per agreement for the construction and maintenance of the railways; if the department wanted to use the process on timber for other purposes the plant must be extended. This was another proof that 11,000,000 super. feet per annum was the minimum to be treated, and if more was to be treated the plant was to be extended. It is true, as the leader of the Opposition stated, that the minimum quantity has not been treated. Like the hon. member, I was curious to know why it was that this minimum quantity was not treated, although it was distinctly understood that it would be treated. I will just quote to the House some correspondence that convinces me that the reasons are very clear indeed. After reading these telegrams, I will leave it to hon. members to judge as to whether the leader of the Opposition had any influence in blocking the Commissioner of Railways from doing that which he promised to do, namely, to treat 11,000,000 super. feet per annum. On 6th May, 1910, the Lord Mayor of Sydney wired to the Commissioner of Railways as follows:—

Is your department treating jarrah timber for railway construction by the Powell process in large quantities? Immediate reply will oblige. Reply paid, urgent rate.

The Commissioner of Railways replied on the same date:—

To the Lord Mayor of Sydney,—
All timbers used construction of lines North-West portions of State are being powellised and it is intended to extend

use of process over the southern portion system as soon as possible.

A few days after that wire went to the Lord Mayor of Sydney from the Commissioner, Mr. (now Sir Newton) Moore, the then Premier, who was at that time in London, cabled out to the Acting Premier:—

Referring to Short's wire to Sydney regarding powellised sleepers, it should be made clear that it only applies to the North-West. If not, serious injury will be done trade India and elsewhere. There was no reply from Sydney to Western Australia, but representations were made in Sydney to Mr. Moore in London. After receiving that cable this wire was sent by Mr. Wilson to Mr. Gregory, who was Minister for Railways—

What has been wired to Sydney?

What action are you taking regarding sleepers generally?

Replying to the Minister for Railways, Mr. Light wrote as follows:—

It was my intention that all timbers used in the construction and maintenance of railways should be powellised, and that was specially mentioned in the agreement and assisted in reducing the royalty to the present rate from the original quote.

I would emphasise that paragraph. The minute continues—

I was informed by Mr. Bethell when in Sydney that the process was being applied to sleepers, wood paving blocks and wood water pipes, but I did not learn the quantities. From the results of several experiments and tests which we have made with the process, I am of opinion that the treatment of timber is absolutely satisfactory both for preserving against dry rot and keeping out white ants.

There is nothing on the file between that minute by Mr. Light and the following wire sent by Mr. Wilson, the Acting Premier, to the Lord Mayor of Sydney:—

Referring to Railway Commissioner's wire sixth instant some misconception. Powellising is only being used here for sleepers and bridge timbers used in construction Port Hedland-Marble Bar railway in North-West. It is not deemed

necessary to powellise jarrah timber in southern portion of State, although later, if prove successful, hope process will enable us use karri timber for sleepers and similar purposes.

Hon. Frank Wilson: What is wrong with that?

The MINISTER FOR WORKS: Jarrah is wrong. The wire continues—

Jarrah for street-paving blocks has proved effective without treatment here and in other countries.

Mr. B. J. Stubbs: What interest had the Lord Mayor of Sydney in the company?

The MINISTER FOR WORKS: There was a big controversy in progress, and the Sydney newspapers at the time were full of letters for and against a suggestion that wood paving blocks should be powellised. It was proposed to apply the powellising process to New South Wales timbers and Millars' Karri and Jarrah Company were endeavouring to get jarrah used, and they were urging that it was not necessary to powellise jarrah; consequently, when the war was raging in Sydney, the Lord Mayor telegraphed to Western Australia to ascertain whether we were powellising jarrah, and the wires I have already quoted were exchanged. Immediately Mr. Wilson had telegraphed to Sydney, he cabled the same message to Mr. Moore in London. Then, on the 24th June, Mr. Gregory returned to the attack, and wrote to the Commissioner of Railways:—

I notice in the attached correspondence published is an extract from a report by Mr. Light (*Sydney Morning Herald*, 14th May, 1910) dealing with the powellising of karri sleepers. Is this an official report?

Mr. Light wrote in explanation—

The report in question was official, and I attach copy of same.

That report reads:—

In the year 1906 some karri sleepers were treated by the powell wood process in the experimental plant at Midland Junction railway workshops. These sleepers were placed in the road on the 16th November, 1906, at certain points alternately with non-treated karri sleepers, all of the sleepers having been

cut at the same time. On the 17th November, 1909, one set of these sleepers was examined in the road and dry rot was found to exist in some of the non-treated ones. One of each kind was removed from the line and has been examined by the departmental analytical chemist, a transcription of whose report I have much pleasure in submitting hereunder for your information.

Mr. Gregory, after getting that report wrote—

I note that Mr. Light's report was not copied from a departmental report, but was an official report sent to these people by Mr. Light. It is regrettable, in view of the use which is being made of the report, that it was sent to these people.

Then as a result of these protests on behalf of the Government against using the powellising process to the extent it was originally intended, and to which it would have been used if the expert officers had been allowed to exercise their own judgment instead of having political influence brought to bear to prevent them from carrying out an honest agreement which had been entered into, ultimately the departmental officers, in order to get away from this constant interference, prepared a draft letter which they submitted to the Minister, outlining the reply they would send in future should any inquiries be made regarding the result of the powellising process on Western Australian timbers. The report is a long one and it is purely a repetition of the statements I have already referred to. The hon. gentleman stated that there was no undertaking in the original contract or agreement that a minimum quantity should be used. I think I have made it perfectly clear to the country and to this Chamber that an honest understanding had been arrived at and that the company were led to believe definitely and distinctly that the plant was to be erected to cope with 11,000,000 ft. per annum and that that would be the minimum quantity treated. That was made perfectly clear by the departmental officers and would have actually occurred had not these wires gone from Sydney to London and

from London round about to Western Australia again. Having dealt with the previous agreement, I now come to the investigations and negotiations which took place between the present Government and the powellising company. When the present Government took office the karri forests in the South-West of this State were being slaughtered. They were being slaughtered under the policy of the then Minister for Lands, the member for Northam, and we know perfectly well that a number of timber experts, more particularly the people in the South-West who knew the value of karri protested, and protested very vigorously, against this slaughter of one of the State's best assets. But still it had been going on, and, unfortunately, the hon. gentleman was long enough in office to enable land to be alienated and allow people to ringbark some of the most valuable trees in that part of the State.

Hon. J. Mitchell : Where about was that ?

The MINISTER FOR WORKS : I went through—

Hon. J. Mitchell : Where was this ?

The MINISTER FOR WORKS : I went through from Nannup to Big Brook, where we are erecting two mills at the present time, and I passed one paddock where the quantity of timber ringbarked and dead was enough to make one's heart bleed. Some of the finest trees I saw during that trip were those on land which had been alienated by the hon. member and slaughtered in the manner I have indicated.

Hon. J. Mitchell : They were not, because we had an inspection before it was done.

The MINISTER FOR WORKS : I saw it with my own eyes. The present Government took office in October and I went through this country in the following April, and the timber was quite dead.

Hon. J. Mitchell : It might have been done six years before; it takes three or four years to die.

The MINISTER FOR WORKS : The hon. gentleman makes no definite statements at all, but tries by inference to

make it appear that this land was alienated during 1905 and 1906, and that he was not responsible. However, he can explain that when the time comes.

Hon. J. Mitchell : Do you say it was alienated in my time ? You cannot.

The MINISTER FOR WORKS : The hon. gentleman introduced the policy of slaughtering the karri forests of this country.

Hon. J. Mitchell : Nothing of the sort. I introduced the policy of preserving them.

The MINISTER FOR WORKS : The determination of the Government to use powellised karri rendered it absolutely necessary at this stage for us to negotiate with the company to continue the right to the use of the process after the expiration of the agreement in July of this year. The first representation that was made is dated 26th October, 1911. Certain negotiations were proceeding really before the present Government took office, but nothing definite took place until a letter was received from the company dated 26th October, 1911. The letter reads as follows :—

We shall be pleased to enter into contract with you for the supply of 200,000 powellised karri sleepers 6ft. 6in. by 8in. by 4in. per year for five years, delivered alongside railway line about eight miles from Bridgetown at the rate of 2s. 2d. per sleeper, delivery to commence in about six months from date. We shall also be pleased to enter into an agreement with you, giving your department the right to erect works and treat timber for the use of the Government, in payment to us of a royalty of 2s. per 100 superficial feet on all timber so treated. said agreement to be in force for 10 years from date, or during the currency of the patent, in event of same being in force for any period over and above the said ten years.

After further negotiations, which were conducted by the Engineer-in-Chief, and not by myself as Minister—the expert officer was the man who conducted all the details in regard to the agreement—he made a report to me, and I wrote to

Cabinet as follows; under date 16th November, 1911 :—

The Hon. the Premier (in Cabinet).

It is imperative that something definite should be done in connection with our sleeper supply. The price of jarrah sleepers has increased about 3d. each during the last 12 months, and there is a doubt as to whether the supply, even at that price, will be up to our requirements. At the present time some of the railways under construction have had to slacken down owing to the want of sleepers. Recently Mr. Bethell, representing the Powell Wood Process Company, requested that he should be given a contract to supply one million karri sleepers, to be delivered at the rate of 200,000 per annum. These he would treat by his process and supply to us at the cost of 2s. 2d. per sleeper. With a view to obtaining information as to the effect the process has on life, etc., of the karri timber, I recently had a conference with the Engineer-in-Chief and the Chief Engineer for Existing Lines, and they subsequently wrote—

I there repeated the report I have already quoted signed by Mr. Thompson and Mr. Light. Continuing, my minute stated—

It therefore appears that the Government can, with advantage, use karri sleepers. The use of karri for this purpose will of course, revolutionise the sleeper supply portion of the timber industry. It will, in addition, place an enormously increased value on the karri forests, which, fortunately, are now to be found to be mainly on Crown lands. The 200,000 sleepers that the company propose to supply will not be nearly sufficient for our annual requirements, so it will be necessary for the Government to cut and treat a large quantity in addition. Recognising this, I have requested Mr. Bethell to state what royalty he will require the Government to pay for the use of his patent. At present the Working Railways have an agreement to use the patent in a limited sense, and this agreement provides for a royalty of 6d. per hundred super feet. Mr. Bethell claims that this was a special

concession, and is 100 per cent. below value. He, therefore, asks for the future that he be paid 1s. per 100 super feet. The question to settle, to my mind, is simply one of terms, and I recommend that we grant a contract at 2s. 2d. to Mr. Bethell, providing we get the right to use the patent at 6d. per 100 super feet. If Mr. Bethell refuses this, then we decline to enter into the contract, and continue to use jarrah, and for this purpose put up an additional mill in the jarrah forests, and proceed until some other process of preserving karri from dry rot and white ants is discovered.

When I wrote that, we in the Public Works Department were experiencing a grave difficulty in regard to our railway construction. The railway extension from Dumbleyung which was under construction at the time, and which had been started by our predecessors, was practically hung up owing to a want of sleepers, and I complained bitterly regarding the lack of progress being made, and the reply I received from the engineers was that they could not get supplies of sleepers. After writing this minute to Cabinet, I set to work to ascertain whether it would be possible to increase our sleeper supply. In the minute I stated that we would have great difficulties in overcoming the shortage, but by applying myself and employing hewers direct, we soon overcame the difficulty, and although I took somewhat of a pessimistic view when writing that minute, shortly after I had assumed control of the Public Works Department, we overcame the difficulty by having hewers directly under the control of the Government, and got any quantity of sleepers cut and at a reasonable rate also. That only went to show that the difficulty was not that we had not the hewers to cut the sleepers, but that the previous Government had been lax in their administration and had allowed the supply to get so low that railway construction had to suffer in consequence.

Hon. Frank Wilson: What were the officers doing?

The MINISTER FOR WORKS: The officers can only do what is approved of by Ministers.

Hon. Frank Wilson: No one stopped them.

The MINISTER FOR WORKS: I do not suppose the hon. gentleman stopped them or encouraged them. As far as I can see the Minister played a very small part in the department at that time. The main difficulty, I suppose, was that the leader of the Opposition was Treasurer and desired to save the money which was necessary to get a proper supply of sleepers so that railway construction should go on at a reasonable rate.

Hon. J. Mitchell: What did you pay for hewn jarrah?

The MINISTER FOR WORKS: About the same time that that minute was written to Cabinet, or shortly afterwards, —about the end of 1911—it became clear that there was a great possibility of powellised karri sleepers being used in the Trans-Australian railway.

Hon. Frank Wilson: When was that minute written?

The MINISTER FOR WORKS: On the 16th November, 1911, and shortly after that the possibility of utilising powellised karri sleepers for the Trans-Australian railway began to take practical shape. This rendered it necessary, if we were to assist in having karri sleepers used, which the experts said was the sleeper par excellence, that we should try to come to an understanding by which we would have a guarantee enabling us to use the powellising process after the 15th July of this year, and this minute to Cabinet closed down negotiations up to that stage. But the attitude of the Federal Government rendered it necessary that negotiations should again be opened with the company to see if we could not come to an agreement. Negotiations proceeded between the Engineer-in-Chief (Mr. Thompson) and Mr. Bethell, representing the company, until February, 1912, when the agreement was arrived at. This agreement, of course, was to come into operation on the expiration of the existing agreement on the 15th July, 1913. The basis of the agreement was for 10

years. This was combated by myself when the draft was first presented to me, but it was pointed out that the New Zealand Government had entered into a contract with the company to pay 2s. per hundred super feet royalty, and that their agreement extended to 1924. Therefore the argument was advanced by the company that, the New Zealand Government having entered into an agreement for 1924, they were only asking in the terms of this agreement that it should be extended to 1923.

Hon. Frank Wilson: How long do the patent rights in New Zealand extend?

The MINISTER FOR WORKS: I am coming to that directly. The Engineer-in-Chief wired to the New Zealand Government asking if the statements of the company were correct and we got a cable message back stating that the Dominion Government had entered into an agreement until 1924. At this time the normal or standard price paid for using the process in New Zealand was 2s. per hundred super feet; in New South Wales and Victoria the same price was paid, so therefore when we started our negotiations, as outlined in the letter we first received from Mr. Bethell, the standard price for using the process was 2s. per hundred super feet; but we arranged that under the granting of special considerations, we should get the process down to 9d. per hundred super feet instead of 2s. I took up the attitude that the previous agreement was for 6d. per hundred super feet. The best we could do up to this stage was 1s.; then in the course of negotiations we compromised and fixed the price at 9d. per hundred super feet; that was for all timbers, not confined to railway construction and maintenance, but all timbers used by the Government of Western Australia inside the boundaries of the State. Outside the boundaries of the State we had to pay the same price as others utilising the process. Although the agreement is for 9d. within Western Australia and 2s. outside, there was a clause put in that in the event of any quote being given reducing the price outside in any State or part of the world, then, if we came into competition in that part, our price automatically came

down to the reduced price quoted. That is exactly what happened in regard to the Trans-Australian railway contract; when we opened up negotiations we had under our agreement to negotiate on the basis of 2s. per hundred super feet, but the Minister for Home Affairs approached the powellising company and asked them what they would quote the Government for using the process on the Trans-Australian railway. The company quoted 1s. 4d. first, and automatically, under the terms of our agreement, our price went down to 1s. 4d. Later on it was fixed at 1s. 3d., and automatically our price came down to 1s. 3d.; and we have stated in reply to questions in another place that 1s. 3d. is the price to be paid in connection with sleepers for the Trans-Australian railway contract, 9d. in Western Australia, and 2s. when we come into competition with the outside world's markets.

Hon. Frank Wilson: Have you a contract with the Federal Government?

The MINISTER FOR WORKS: The hon. member of course went to Melbourne to peruse the papers.

Hon. Frank Wilson: I did not.

The MINISTER FOR WORKS: And if he had found anything extraordinary in those papers we would have heard all about it in the debate on the Address-in-reply.

Hon. Frank Wilson: I would like to take the privilege, Mr. Speaker, of saying that I have never seen the papers referred to, and that I never went to Melbourne for the purpose stated.

Mr. SPEAKER: There will be an opportunity for making this statement; the hon. member will have an opportunity for denying what he wishes to deny.

Hon. Frank Wilson: Yes, Mr. Speaker, but if it is not denied at once it gets away.

The MINISTER FOR WORKS: We have not got a contract definitely signed; details of the contract have not been signed.

Hon. Frank Wilson: Have the Federal Government got a contract with these people for powellising?

The MINISTER FOR WORKS: No, they negotiated first with the idea of getting timbers and powellising them them-

selves; then they found that we could do it ourselves, and they withdrew, allowing us to do it and quote them for powellising sleepers. Consequently the contract is our contract. We supply powellised sleepers and pay a royalty of 1s. 3d. per hundred super feet.

Hon. Frank Wilson: Have you got a special agreement with the powellising company to that effect—1s. 3d.?

The MINISTER FOR WORKS: The terms of the agreement state definitely that if a reduced price is given to other people, then the same thing automatically takes place so far as our agreement is concerned, but in order to put it right, we have a letter on record from Mr. Bethell agreeing to 1s. 3d. as the price in connection with the Trans-Australian contract. In regard to this contract I want to make this point clear: while it is true that we have not got a contract signed with the Commonwealth for the supply of our sleepers, the fact remains that they are taking delivery of sleepers under that contract; they have been for some time, and are paying for them.

Hon. Frank Wilson: Powellised sleepers?

The MINISTER FOR WORKS: They are not powellised; as the hon. member knows, a part of our contract is to supply a quantity of jarrah sleepers, and it is an unfortunate thing for Australia that they are not powellised, as they are being eaten by white ants already. The contract has been entered into to this extent: that the Federal people are taking delivery of a part of the contract and are paying for the sleepers. In going into this agreement my first consideration was to get the best possible terms that I could for Western Australia. I was absolutely convinced, and I am satisfied that Australians will be convinced after they have read the proofs I have submitted to this Chamber to-night, that powellised karri is the very best sleeper you can get in the world, and consequently my duty was to see that the best possible timber was used in our railways, and that we should get the right to use the powellising process on that timber in this State at the most reasonable rates;

therefore I fought until I got it down to 9d. per hundred super. feet. I was not a great deal concerned about the outside price, as we have to go into competition with others who are paying 2s. and I did not fear the result. It is quite competent for the powellising people, in the event of large contracts being called from different parts of the world—and they are particularly anxious for powellised timbers to be reduced—to give us the right to quote at a reduced rate. If the powellising people so desire, they are at liberty to give us the right to use the process on any particular contract at a reduced rate. In order to get the price down to 9d. I had to give certain considerations. The first one was that we had to treat a minimum quantity. The minimum quantity requested by the company, if my memory serves me rightly, was 15 million feet per annum. I got the Engineer-in-Chief to work out exactly what was the minimum quantity we would use in the State; he took the figures arrived at previously and said at least we would want 10 million super feet per annum. Consequently, we had no difficulty in arriving at an understanding, so far as we were concerned, that there would be no fear in coming to an agreement that we would treat 10 million super feet. The company protested that the minimum was too small, but ultimately we arrived at an understanding on that point. The next point about the agreement was that the company were going to get a contract to supply a million sleepers at the rate of 200,000 per annum, but the price was so reasonable that we had no hesitation in adopting the proposal. The Engineer-in-Chief strongly recommended its acceptance from the very start, and the leader of the Opposition, who claims to know something about timbers and sleepers, must be aware that the price of 2s. 2d. for powellised was a very reasonable quote indeed. The company wanted that, and we gave them that.

Hon. J. Mitchell: Powellised?

The MINISTER FOR WORKS: Yes, powellised karri sleepers. They wanted an extension of the area, and it must be

borne in mind that the area on which their mill is erected is one which had been operated by a previous company, whose plant and rights had been bought, and they made it a condition that they should get an extended area. An extended area was agreed upon, but that extended area was to be subject to all the conditions applying to timber concessions; it had to be in accordance with all the conditions and regulations of the Forestry Department. They would have to pay royalty and comply with all conditions in the same way as other people. No sleepers have been supplied up to date, with the result that so far as the million sleepers are concerned the contract is off. The leader of the Opposition started off to-day by saying that it was an absolute crime to give this contract for a million sleepers, and afterwards finished up by saying that it was absolutely wrong not to compel them to complete the contract. Surely we cannot be wrong in both cases. If it were wrong to give it, is it not wrong to compel them to comply with it?

Hon. Frank Wilson : I was quoting your colleague.

The MINISTER FOR WORKS : We were absolutely justified in entering into the contract for a million sleepers at the price, but we are not very much concerned about the supply of these sleepers, as we can cut them now at our own mill and we can cut them at the same rate. We have our own timber and it is not a matter of great moment to the Government that the company cannot supply the million sleepers, and if there should happen to be any difficulty about the minimum we have to treat per annum it would go toward helping us in that direction. The 15,000 acres that all the row has been about have never been applied for, and yet we have 9d. as the price we will pay as royalty for sleepers used within the State.

Hon. Frank Wilson : Are you not going to enforce your agreement?

The MINISTER FOR WORKS : I have not given them exemption because I have not control over it. They have not applied for the 15,000 acres. Just let us

have a look at what it means to this State to have secured the right to use the powellising process at 9d. per hundred super. feet, as compared with 2s., the price paid by others outside of Western Australia. Take the ten million feet as 17,000 loads. At 2s. per 100 super. feet it works out at 12s. per load, making a total, taking the minimum quantity that we want in the State, of £10,200 per annum. That would be the royalty that we would pay. At 9d. it represents 4s. 6d. per load, or a royalty, as already pointed out by the hon. member of £3,725; so that we shall be effecting a saving to the State of 6,475 per annum. The hon. gentleman tried to get the country to believe that the agreement he had entered into, or the Government of which he was a member had entered into, at 6d. was the standard price. He forgot to point out that that agreement specially provided that at the termination of five years the royalty would be increased, and despite the fact that the agreement was made and that the standard price was 2s. throughout Australia, we got it at 9d., and we saved this State £6,475 per annum as the outcome of that business deal. The hon. member laughs. Let us compare the conditions as they existed after we started to negotiate, with the conditions which existed when the leader of the Opposition was having a trial. When he started to negotiate, powellised karri had never been tested to the extent that it has been tested to-day. They had no saw mills to cut timber; they were absolutely dependent on private enterprise to cut timber for them. To-day powellised karri is recognised as making the best sleepers, not on the tests and the experiments made as they were made in those days, but on experiments which have been carried over six years, and we have now, as the result of the agreement, put up a plant and we have had the opportunity of judging the cost of applying the powellising process and in addition, we have State saw mills to cut our timber. There is no need for us to go to private enterprise to ask them to cut timber to be powellised. We have not only saw mills to cut timber for ourselves, but we can cut timber for the world, and we

will do so if the saw mills are permitted to remain under the control of the present Government for a reasonable time. I want to point out to the pessimistic gentlemen who view with alarm the fact that we have entered into the saw-milling business, that already we have had representations made to us from every part of the world asking us to furnish quotes for powellised karri. We have had representations made by Millar's Trading Company to take all the scantlings from our saw mills, and asking us to put a price on them. They are prepared to take all that is left after our Trans-Australian sleepers are cut, and other companies have made representations, and the Government do not anticipate any difficulty in getting rid of all scantlings that will be cut in addition to the contracts we already have. We have saw-mills to-day, whereas the previous Government did not have any, and what is more, when we entered into our agreement we had a contract for the supply of sleepers for the Trans-Australian railway. We had work for three years under the terms of our agreement, and yet we are told that we were not justified in entering into that agreement. We had all the advantages I have enumerated compared to practically nothing which the hon. member's Government had when they entered into their agreement. Then in passing I also want to clear up the statement made by the hon. member that already we have experienced a difficulty in supplying sleepers for the Trans-Australian contract, and that we have been trying to farm out some of that contract. That is quite incorrect; no effort whatever has been made to do that. The position is this: The New South Wales Government made representations to the West Australian Government with a view to getting this State to supply them with a million powellised karri sleepers. We were unable to do the work in the time specified because we had sufficient to keep us busy for three years, but in order to try and keep the contract for Western Australia, I approached one of the companies which the leader of the Opposition knows a great deal about, and asked them whether they would cut sleepers, and the price at which they would cut them. No

doubt it was the offer that was made by this company that the leader of the Opposition was working upon. The company could not give what I considered to be a satisfactory quote and the business was lost, and the State lost the contract so far as I know. Our agreement will continue in force during the currency of the Letters Patent, and during any further period for which the Letters Patent may be extended. On the other hand, all royalties cease to be payable if at any time the Letters Patent in any proceedings for infringement or revocation are declared invalid. But the agreement also provides that it shall remain in force until the 15th July, 1923, five years after the expiration of the present term of the patent, which expires on the 9th February, 1918. I have already stated that we agreed to this ten years' term in order that we might get the price down to 9d. in addition to the other considerations to which I have referred. So far as I am concerned I think it is an honest understanding, and that is all it can be considered, and if the present Government are in power, and I hope they will be——

Mr. Monger: No chance whatever.

The MINISTER FOR WORKS: We will continue to pay the amount even though the company do not get the extensions which they, like other patentees, are entitled to under certain conditions. I ought to emphasise the fact that this agreement cannot apply to any other Government. It has been entered into by this Government and we will honestly carry it out. If we go out of power before its expiration in ten years' time, or in 1918, then the Government in power at that time, can use their own discretion as to what they will do. The leader of the Opposition states that he does not know under what conditions we arrived at those conclusions. For his benefit I will read a section in the Patents Act which was passed by the Federal Government a year or two ago. This section provides:—

Any contract relating to the lease of or license to use or work any patented article or patented process, whether made before or after the commencement of this session, may at any time after the patent or all the patents by which

the article or process was protected at the time of the making of the contract has or have ceased to be in force, and notwithstanding anything in the same or in any other contract to the contrary, be determined by either party on giving three months' notice in writing to the other party.

It will therefore be seen that the agreement, so far as we are concerned, is binding on an honest understanding, but the company know as well as we do that we cannot bind anyone else, and any succeeding Government, if there is one before 1918, can give three months' notice to cancel the agreement. What is left of the arguments of the leader of the Opposition? The hon. member made a mouthful of the fact that we had entered into the agreement for five years beyond the expiration of the patent rights.

Mr. Underwood: And he nearly fainted when he heard it.

The MINISTER FOR WORKS: Now we find that it can be cancelled on three months' notice being given. The leader of the Opposition also said that it was an agreement to give a million sleepers and we find they were not given. He also said that the company had been given 15,000 acres of country, and we find that this area has not even been applied for. Then he went on to make a mouthful of the fact that the agreement was made in a secret way, and he went on to ask why I did not make it public, and why I did not take the country into my confidence, and let everyone know what I was doing. When the hon. gentleman prepared a similar agreement he did not take the country into his confidence; he was a party to it at a time when he had nothing to work on compared to what we are doing to-day. He gave his word as an honest man that he would not disclose it for business reasons. We were in the same position and we did not disclose our agreement; we gave our word that the contents should not be divulged for reasons exactly similar to those given by the leader of the Opposition. Then the hon. member says "If you are not going to make it public, how is it that so long after February 1912 or 15 months later, you

put through Executive Council the fact that the agreement had been entered into." The Executive Council Minute was put through because it was represented that without Executive Council approval it was not a legal document in the eyes of the Law. It was true that the previous agreement did not receive Executive Council approval, but that was purely an oversight; evidently the legal authorities at that time were not seized with the fact that it had not received that approval. We did not think it was necessary to put our agreement through, but, on the representations made by the company, the Crown Law department were consulted, and they said it should receive Executive Council approval; consequently in April it was put through Executive Council. The leader of the Opposition in granting an interview to the Press stated that he was absolutely astounded, and that words failed him when he found that this agreement had been entered into; yet in July, 1912, he asked certain questions regarding the agreement. I approached him and told him that we had entered into this agreement and that he could see it if he desired to do so, but that I could not make it public, and I wanted his word that it would not be made public if it were shown to him.

Hon. Frank Wilson: I am glad I did not see the agreement.

The MINISTER FOR WORKS: Yet the hon. member declared that he was absolutely astounded, and led the country to believe that he knew nothing about it. He asked a question and we told him in reply that negotiations were proceeding. I informed the hon. gentleman myself that I had given my word not to make the agreement public, but that I would have no objection to showing it to him privately.

Hon. Frank Wilson: When was that?

The MINISTER FOR WORKS: The hon. member's question was asked on the 12th July, 1912, and I saw him in the afternoon before the question was answered. I told the hon. member why it was not made public. Since then it has been made public, and I want to say that

the man who made it public is a dishonest public servant.

The Premier: Hear, hear.

The MINISTER FOR WORKS: I want further to say that the party who received it from the dishonest public servant was worse than the man who stole it.

Hon. Frank Wilson: How do you know it was a public servant?

The MINISTER FOR WORKS: Because investigations have proved that a press copy was taken of the Government documents in the Government office. It is true, as the hon. member says that there was a heresy hunt to try and find the culprit, and the leader of the Opposition seems to glory in the fact that we have a dishonest man in the service. He absolutely condones the robbery on the part of this civil servant. I desire to express my extreme regret that an hon. member holding the position that the member for Sussex does, should take up such an attitude. It must be known to the hon. gentleman that it was absolutely dishonest to take a press copy of such a document. I am of the opinion, judging from the utterances of the member for Northam, who declared "We made it public," that hon. members on that side knew something of the document before it appeared in the public press.

Hon. J. Mitchell: We know nothing at all.

The MINISTER FOR WORKS: Now the member for Northam was guilty in regard to this contract of publishing one of those "Mitchellisms" that he is becoming famous for. In making an appeal to the workers in the Forrest electorate, dealing with this contract he stated distinctly that 2s. royalty per hundred superficial feet was to be paid on all timber powellised, including that used by the Federal Government for sleepers on the Trans-Australian railway. When the hon. gentleman made that statement he must have known, if he takes any interest at all in politics, that he was incorrect; because a reply to a question in another place, which had been published and repeated over and over again, showed that 1s. 3d. was the amount of the royalty to

be paid for the use of the process on sleepers for the Trans-Australian railway. Yet with that knowledge this hon. gentleman appealed to the electors of Forrest to vote against the present member for Forrest on the score that 2s. was the price to be paid when, as a matter of fact, it was 1s. 3d. However, I only emphasise this as another illustration of the justification for the general opinion held by the public that we have in the hon. gentleman a man guilty of perpetrating statements that are known throughout the country as "Mitchellisms." The leader of the Opposition waxed eloquent about this contract and this agreement, and professed to be absolutely astounded at what the Government had done. I want to remind the hon. gentleman that he stated definitely in this Chamber not many days ago that it was absolutely wrong for the Government to start erecting their mills or doing anything in regard to the Trans-Australian railway contract until the contract was signed. Hon. members will remember his making that statement in the Chamber. Let us have a look at a contract which the hon. gentleman entered into when he was Treasurer. On the 5th February, 1909, speaking on the Loan Bill, and dealing with the provisions of that Bill for the erection of jetty extension at Busselton, the hon. gentleman said—

The port would be an outlet for the back country from Jarrahwood into the karri forests, and for very many years to come there would be a large export of timber from there. To make assurance doubly sure, the Government had demanded a guarantee, which had been given. The company were prepared to enter into a bond that the minimum amount they would pay for jetty and harbour dues on vessels to load at the port would be £2,000 per annum for ten years. That was a good business proposition.

Mr. Bath: You should get a bond and a deposit, for you know the trouble the Commonwealth had over the mail contract.

The Treasurer: The Government would get a bond, and would get the money paid up too.

Now let us follow up this agreement. On the 25th May, 1909, a letter was sent to the Premier, who at that time was Sir Newton Moore. The letter is as follows:—

Re agreement Busselton jetty extension. Referring to your letter of 5th May, with which was enclosed a draft of agreement in connection with my company's guarantee. I have to inform you that the agreement was duly forwarded to my directors in Melbourne for perusal. By the mail which arrived yesterday I received a completed agreement, which is enclosed herein, and I trust you will consider it both equitable and fair. I would draw your attention to an additional paragraph added by my directors, which provides for our guarantee being for £20,000 for ten years, or an average of £2,000 per annum. My directors write, "Your Government is aware that labour is a difficult proposition ahead, and a strike or falling-off in business in one year are conditions over which we have no control. Therefore, it is only fair that the following or subsequent years should be used to rectify any such shortage." In the schedule, paragraph "D" has been added to provide for vessels being safely accommodated. Trusting you will consider the agreement a fair and liberal one, which embodies the spirit of our promise, I have the honour to be. Sir, your obedient servant, W.A. Jarrah Sawmills, Limited. (Signed) Edmund Shepherd, Secretary.

The Premier's office replied to the secretary of the W.A. Jarrah Sawmills, Limited, as follows:—

Sir,—Busselton Jetty Extension. I beg to inform you that the Government agree to the following proviso to the company's guarantee of the 19th May, 1909, "provided that if in any year the dues, fees and wharfage charges (the meaning of dues and fees in the guarantee being harbour or port dues and fees) collected and received by the Government as aforesaid in connection with the company's trade shall exceed £2,000, and in any subsequent year such dues,

fees and charges shall be less than £2,000 the surplus of any year in which the dues, fees and charges shall have exceeded £2,000 will be applied in bringing up the deficiency of any succeeding year to the minimum of £2,000; but this proviso shall only have effect as regards the years in which there may be a deficiency giving rise to the operation of the guarantee, subsequent to the year in which there shall have been a surplus." This letter is subject to confirmation under the seal of the company to the duplicate enclosed.

So you will see that the hon. gentleman, as Treasurer, stated definitely that the company had agreed to give £2,000 per annum for ten years; and then the company turned round and drafted a modification of that, a big modification too, to the effect that in the event of their paying more than £2,000 in any year that surplus in any one year should be taken and applied to the next year; or in other words, if they carried over £4,000 in one year, we should have the jetty lying idle next year, so far as they were concerned. That is the modification of the agreement which the hon. gentleman led this House to believe had been definitely fixed up.

Hon. Frank Wilson: We only wanted a guarantee of £2,000 per annum.

The MINISTER FOR WORKS: The statement made was that they had a guarantee of £2,000 per annum; but the modification provides for a little over £2,000 in one year, and a little under it in the next year.

Hon. Frank Wilson: What is the difference?

The MINISTER FOR WORKS: Of course it would not pay the hon. gentleman to see the difference. I desire to go further. I say the hon. gentleman was guilty of modifying an agreement which he stated he could fix up when he got the vote through the Chamber for the extension of the Busselton jetty. As far as the bond was concerned, I do not think it was put up at all. There is a written agreement in force, I believe, but I have been unable to trace the bond, and I do not think there is any bond in existence. The late Mr. James Price, who was Min-

ister for Works at the time, wrote the following minute to the Premier—

I propose to push ahead plans, etc., so that tenders may be called at the end of this month. Will you be good enough to advise me when your conditions accompanying your letter of 4/6/09 are accepted.

When the Premier wrote the letter I referred to, modifying the previous agreement, it was forwarded on for the information of the Minister for Works, who said, "I will go no further with the plans until you get that agreement properly signed." The present leader of the Opposition wrote to the Minister for Works as follows :—

The agreement is complete in itself. The letter is merely a modification of Clause 2 referring to the sum to be guaranteed by the company annually. Whether adopted or not, it will not interfere with the agreement. Work can be proceeded with forthwith.

Apparently we were wrong as a Government in building our saw mills when we had a definite telegram from the Prime Minister accepting our contract for 1,500,000 powellised karri sleepers; but when it affected the hon. gentleman's electorate, although the agreement was not signed, although the then Minister for Works desired to see that everything was right before he went ahead, although there was then no need for the hurry that was essential in connection with the saw mills, yet the hon. member said, "Never mind the agreement; go ahead, and it will be all right." It is all right when it affects him, but he forgets that the same conditions may apply in other contracts. I do not propose to take up much more of the time of the Chamber. I have gone into the question very fully in the first place to prove conclusively that we have ample justification for the adoption of the powellising process in its application to karri timber. and I am satisfied that I shall have convinced the people of the country that the Government have entered into a good business deal, something that will prove of valuable assistance to the revenue of the State, and that we shall utilise karri

timber instead of slaughtering it as the previous Government were doing. I have dealt with the agreement, I have dealt with all the objections raised, I have given you the agreement which was entered into previously, I have compared the two, and I venture the opinion that, taking everything into consideration, there is not a shadow of doubt that the agreement we have entered into is a superior business deal to that entered into by the previous Government. I have also proved that the previous Government guaranteed to treat 11 million superficial feet per annum, and that although they guaranteed it, yet it was not definitely written, and consequently the present leader of the Opposition was enabled to use his influence to stop the expert officers, the Commissioner of Railways, doing that which he himself said he had pledged his word to do, namely, to treat 3,000 superficial feet per day. I can with all confidence leave the country to judge whether there has been any dishonesty in our negotiations with the company, as insinuated by the leader of the Opposition, and whether there is any justification for the attitude taken up by the Press throughout the country, who have tried to make people read into this contract all sort of dishonesty on the part of the present Government. The agreement was honestly negotiated. Its main details were worked out by the engineers, and were completed by myself, and I submitted the agreement finally to Cabinet. Cabinet examined it closely, and we came to the conclusion which the country must come to, namely, that we were making a good business deal and doing something which will redound to our credit in the years to come.

Mr. E. B. Johnston: You have got another Liberal bogey deal.

Hon. J. MITCHELL (Northam) : I have no desire to detain the House very long, because we have already discussed the powellising agreement at considerable length, but the Minister for Works has seen fit to make certain charges which I must refute. Whenever the Minister for Works is asked for an explanation he makes a personal attack. We have asked for this information for

some time, and has the Minister satisfied the House to-night that he was justified in holding the agreement secret for sixteen months? Why was it hidden all that time? What was the object of keeping it secret? The Minister says the agreement made by the previous Government was not made public. Did the hon. member or anybody sitting in this Chamber ask for the agreement or for information concerning it? Was there any reason for holding it up? Everybody knew that we were working under that agreement. Every member of the House was aware that we were powellising sleepers for the Port Hedland-Marble Bar railway. There is absolutely no analogy between the two agreements. Our agreement provided for the payment of a royalty of 6d. per hundred super. feet and there was no guarantee as to the quantity to be used. The Minister, in order to cover up his own tracks, and throw dust in the eyes of the public, has endeavoured to prove that the previous Government guaranteed to treat 11,000,000 super. feet per annum. There is nothing in the agreement to show that we undertook to powellise a minimum quantity, and not one word that the Minister has uttered supports his statement that we contracted to powellise more than we wished to use for the Marble Bar railway.

Hon. W. C. Angwin (Honorary Minister): Did you ever see the agreement?

Hon. J. MITCHELL: If hon. members are anxious for the public to see the agreement, let them bring it here. We have asked for it, and the public will then have an opportunity to see what it contains. At any rate, in five years the country has paid a little over £2,000 for powellising rights. If we had committed ourselves to the treatment of 11,000,000 super. feet per annum, Mr. Bethell is the last man in the world to let the Government off their contract. Has he made any claim against the Government or endeavoured to prove that he has even a moral claim to anything more than he has collected from the department? The agreement committed the Government to the use of nothing beyond the timber we

required, and to the payment of a royalty of 6d. per hundred super. feet. The agreement we have before us, which was before me when I wrote the letter to which the Minister referred, says distinctly that we are to pay 9d. per hundred super. feet for timber used by the State Government. Under the Minister's agreement if the Government sell powellised sleepers to the Premier in order to build a worker's home they will have to pay a royalty of 2s. per hundred super. feet. The agreement certainly does provide that where less royalty than 2s. is charged to any other Government the royalty must be reduced to the Government of Western Australia. The Minister cannot say that there is a definite agreement to powellise for the Commonwealth. Mr. King O'Malley was negotiating for a considerable time with the powellising company, but the Minister does not tell us that the Federal Government have an agreement with the company. He says that it is merely an arrangement, but I am afraid it will require to be more than an arrangement by letter to meet the requirements of this agreement. I know he says he has a letter from Mr. Bethell which fixes the royalty for sleepers for the trans-Australian railway at 1s. 3d., but I would advise him to consult the Crown Law Department in order to see if that letter will hold good as a variation of the agreement. Does the Minister claim that the royalty of 6d. arranged by us was not a matter of agreement? Is it not quite clear that in agreeing to pay royalty for five years beyond the period of the patent right he is giving a bonus to the powellising company?

Mr. O'Loughlen: What was the value of the process five years ago? It was under a cloud.

Hon. J. MITCHELL: The value five years ago was just the value of the process to-day. The process is exactly the same and the timber is treated in the same way. I am very pleased that so far the process has succeeded. I have never attacked the process, but rather the method of making this agreement and the fact that it was concealed for so long. And we are en-

titled to attack it. It provides for an extravagant and excessive royalty for the right to use this patent. The Minister has produced figures which go to show that for seven years this process has been effective. The Minister knows that karri sleepers were used on the Great Southern railway and a great many of them were down for ten years. It is true that at the end of ten years the whole of them had to be removed, but at the end of four years some of the sleepers were lifted and sent to India in order that the people might see how sound they were. The Minister has not been able to show that the time test has been applied to powellised karri, and, after all, time is the essence of the contract in this business. The hon. member stated that the Commissioner of Railways endeavoured to extend his agreement to eight years. If he had done that, we should have had a better test than we have to-day. Probably Mr. Bethell was not so certain then of the process as to be willing to make an agreement for a longer term than five years. I contend that seven years is not sufficient proof of karri to justify the Minister in attacking the value of jarrah as he has done to-night. Jarrah is undoubtedly good. For 30 years jarrah sleepers were in the Northampton line, and 20 years ago sleepers were put in the Northampton Southern Cross line and they are good to-day.

Hon. W. C. Angwin (Honorary Minister): I saw a fencing post that had been in use for 30 years, but it happened to be karri.

Hon. J. MITCHELL: The Minister has not produced a word to show that powellised karri has lasted half the period I have mentioned. I am perfectly willing to admit that where a test has been made, as in India, the powellising process has for a time, at any rate, been very effective, but it is all a question of time. Whether the wood will resist dry rot and white ants for as long a time as jarrah is a question. If it will, it will be a good thing for the State. But the Minister is taking a great risk in establishing these mills at great cost and undertaking to use karri sleepers on all our railways.

The hon. member informed us that 10,000,000 super. feet will be sufficient to build three hundred miles of railway per annum, but why has the Minister decided to use karri and reject jarrah, which has been proved? We are exporting something approaching £1,000,000 worth of jarrah per year.

Mr. O'Loghlen: The exports dropped £70,000 last year.

Hon. J. MITCHELL: That was due to the Labour Government, of course. Apart from that we have reserved something like 700,000 acres of jarrah country for railway purposes, and the Minister for Works knows perfectly well that every sleeper needed for the Trans-Australian railway could be cut off one-half the area which the Government have at Dwellingup in the flora and fauna reserve. That area would be not more than 160,000 acres. The Minister in his anxiety to prove that he was right in entering into this agreement, and substituting karri for jarrah, has made an attack on jarrah, and says that it will not hold the dog spikes. Fancy, after it has been used for years and become a recognised wood on the world's market the Minister so far forgetting his responsibility as to question the ability of the timber to hold the dog spikes satisfactorily.

Mr. O'Loghlen: Are you against opening up the karri?

Hon. J. MITCHELL: We are discussing this agreement and the effect which the powellising process will have on timber. If the member for Forrest will keep quiet for a minute, I will read something that was said by one of the engineers in New Zealand where they have tried the powellising process. The Minister might have brought this information to the House, because it is his duty to put the matter before the House in the clearest possible fashion. This is a newspaper paragraph headed "Preservation of Railway Sleepers," and is dated, Wellington, 19th May—

An interesting statement regarding the preservation of timber used for railway sleepers was made before the Forestry Commission by Mr. James Burnett, chief engineer of railways.

Mr. Burnett said the department was at present powellising about 50,000 sleepers a year. Experience had shown that creosote was fairly satisfactory as a preservative, but the difficulty was getting supplies of creosote in New Zealand. The creosote process cost about 1s. 8d. per sleeper, and the average life was thus prolonged to 16 years, as against a life of two years for natural white pine, and of seven years for natural rimu. The department had not yet found, however, anything to come up to jarrah for sleepers. On the Catlins line 24 years ago all the sleepers were of jarrah, and during that time only two had to be removed and replaced in the whole eight miles of line. Up to the present the timber which had been powellised had been anything but a success. The company which was doing the work was only feeling its way, only experimenting. For one thing, the company made a stipulation that the sleepers to be treated should be as fresh from the mill as possible. Some two years ago the department had sent the company 1,500 sleepers from the Woodville works, where there was not enough creosote to go on with the treatment. These 1,500 sleepers were of seasoned timber, and they were the only sleepers which were showing any appreciable signs of preservation.

The Minister for Works: Did he say what timber he treated?

Mr. B. J. Stubbs: White pine.

Hon. J. MITCHELL: Creosote on white pine.

The Minister for Works: Did he say what he powellised?

Hon. J. MITCHELL: No, he does not say that. The Minister claimed that down at Claremont the powellising process had been a success on oregon.

The Minister for Works: Not white pine.

Hon. J. MITCHELL: The Minister knows the timbers of New Zealand better than I do.

The Minister for Works: White pine is the rubbishy timber of New Zealand and is only used for butter boxes.

Hon. J. MITCHELL: If the Minister for Works had not been talking to the Premier when I read that extract, he would have heard that creosote had prolonged the life of white pine to 16 years.

The Minister for Works: Not as sleepers.

Hon. J. MITCHELL: Oh yes; the Minister can have the cutting to read for himself. There the process has not proved satisfactory and jarrah has proved most satisfactory. Just imagine the Minister for Works slating a timber that has been in use in a New Zealand line for 24 years, and of which only two sleepers have had to be renewed. The Minister for Works referred to the Port Hedland line. I understand that 10,000 sleepers were treated by some means other than the powellising process, and that of these 10,000 sleepers apparently 9,967 are fairly sound to-day, but 33 have been removed. Does not that show that the other and cheaper means may prove as effective in the end as the powellising process? The Minister admits that the other process has been satisfactory in regard to all except 33 of 10,000 sleepers so treated.

Hon. W. C. Angwin (Honorary Minister): They have not been there long enough to get wet.

Hon. J. MITCHELL: The Minister has not explained the agreement or his reason for making it, to the satisfaction of the people of the State. In fact, as is usual with the Minister, he does not explain anything but bluffs and bounces and expects the country to be satisfied with that. The Minister, among other things, stated that I, while Minister for Lands, had sold land on which karri was growing, and that the timber was destroyed, and that he is going to save the timber of the country.

Mr. E. B. Johnston: You ringbarked thousands of acres.

Hon. J. MITCHELL: The Minister said I sold good karri forests and that these forests had been ringbarked. Under the system which obtained during my term of office, the land was surveyed before selection. I know that mistakes were made, and that the surveyors did

go into some good karri country, but still the mistakes were not many in number, and as soon as I found that the surveyors were not quite as reliable as they might have been, I had every block inspected by a forest ranger before it was sold. Before my time free selection obtained.

Mr. E. B. Johnston: Why put it on to the surveyors?

Hon. J. MITCHELL: I am not putting it on to the surveyors.

Mr. O'Loghlen: You made a big mistake by sending unemployed down there to kill the timber.

Hon. J. MITCHELL: I did not send unemployed down there. It was before I became Minister for Lands that the unemployed were sent there. I want to describe the method under which we sold the land. Under free selection, it sometimes happened that good timber was allotted to the applicant because the forest inspector, who was not a surveyor, often got on to a wrong block. Then the department approved of the selection and when the survey was made good timber was often found within the boundary of the block selected. This selling of the timber is a thing of the past, because of the system instituted by me when I was Minister for Lands. I do not know how much timber was ringbarked in that district, but I know that some timber was ringbarked some years ago, and I hope that the land on which the timber was ringbarked is now under cultivation. However, I hope that good karri was not ringbarked to any large extent.

Mr. E. B. Johnston: It was.

Hon. J. MITCHELL: The land to which the Minister referred would probably be found to have contained a very small amount of timber if it was very good. The selling of our karri forest has been stopped and it was stopped before the present Minister took office. I hope the Premier, when he replies, will—

The Premier: Reply to what?

Hon. J. MITCHELL: When the Premier explains—

The Premier: Explains what?

Hon. J. MITCHELL: Why he made this agreement.

The Premier: You are tall.

Hon. J. MITCHELL: We have not had any explanation. We have had a great deal of matter from the Minister for Works, who put his case very eloquently and in a very musical voice, so that we have been very interested, but we have not been interested on account of what he told us because he was careful to keep away from the agreement altogether. The Minister made some very wild assertions and accused all and sundry, as he always does, whenever he is called upon to defend himself. The Premier will have an opportunity to explain—

The Premier: What do you want explained? I am in a fog.

Hon. J. MITCHELL: The Premier might tell us why he concealed the agreement, why he made it at all, why he agreed to pay the royalty for five years after the company have a right to collect it—

The Premier: The Minister for Works has told you that.

Hon. J. MITCHELL: The Premier might very well give his attention to these matters; the people of the country will want to know these particulars. The agreement has been dealt with at considerable length by the Opposition and the people of the country are concerned to know all about it from the Government. It would be well to finish the matter for good and all.

The Premier: It has been finished.

Hon. J. MITCHELL: If the Premier can do that, it will be splendid, but otherwise I am afraid it will be an oft-recurring trouble because the people of the country will not forget this agreement which has been made. Will the Premier also explain why the powellising company are allowed to get away from their agreement? Members in another place were told of the splendid contract which has been made for the supply of sleepers, and now we are told that the Minister is pleased to get out of the contract.

The Minister for Works: I am not pleased to get out of it. I am not weeping over it, though.

Hon. J. MITCHELL: If it is a good contract, why not enforce it? Is Mr. Bethell to do as he pleases in connection

with agreements he makes with the Government? Will the Premier, when he replies—

The Premier: I am not replying.

Hon. J. MITCHELL: Will the Premier, when he speaks, explain why this agreement has been broken, and why Mr. Bethell is not fulfilling one of the conditions set out. The agreement states—

And whereas in consideration (a) of an extension by the Department of Lands and Surveys of the sawmilling permit now held by the patentees near Bridgetown by an area of 15,000 acres, or thereabouts, of adjoining karri forests to be selected by the patentees; and (b) of the acceptance by the licensee on behalf of the said Government of a tender by the patentees for the supply by the patentees to the said Government of one million powellised karri sleepers; the patentees have agreed to allow a rebate of 1s. 3d. per one hundred superficial feet of the said royalty payable in respect of all timber treated under this agreement for the use and requirements of the said Government in Western Australia, thereby reducing such royalty to 9d. per 100 superficial feet.

Will this clause of the agreement stand, now that another portion of the contract is not being enforced? Will the powellising company have the right to select 15,000 acres of country now that the sleepers are not being supplied? We want some information on this point. It is quite possible that in letting off the company as regards one clause of the agreement, the Minister has provided for the payment of 2s. per 100 superficial feet, even on his own timber. The House will realise that the reduction from 2s. to 9d. royalty was made a consideration of this contract on the allotment to the company of 15,000 acres of karri country. This matter might well receive attention at the hands of the Premier, and it might be well for him to consult the Crown Law officers in order that there might be no uncertainty regarding it. The Minister for Works will be well advised to adopt the course I suggest. I hope that in future the company will not be able to do just as they please in connection with

their agreements, but that the Minister will enforce the agreements he makes, particularly when it is in the best interests of the country, according to his colleagues, that he should do so.

The PREMIER (Hon. J. Scaddan): There is really no need for any member on my side of the House to say anything further in connection with this matter, but as our friends opposite have, during the last few months, made a great deal of noise about this particular agreement, the action of the Government in entering into the agreement, and also the contract to supply sleepers for the construction of the Trans-Australian railway, and as they have not had the courage of their opinions by coming to the House and launching a vote of no-confidence against the Government in order to show what side of the fence they are on, I am going to give them that opportunity. I asked, during the debate on the Address-in-reply, and I repeat the question now, whether our friends opposite are against the use of karri timber for the purpose for which the Government have decided to supply it. Do they desire that our karri forests should remain as they are to-day, worth nothing to the State, and a bar to the further settlement of the valuable areas in the south-western portion of the State? If they are, they must disagree with the action of the Government in utilising the only possible method known to the world at present for successfully using that timber.

Hon. J. Mitchell: Creosote is known.

The PREMIER: That creosote has not been successful has been proved by its use in the North-West. Be that as it may, the fact remains that considerable tests have been made with the powellising process as applied to hardwood, and in every case they have been successful as far as we can learn. I want the hon. member for Northam, and others who are continually quoting from reports received from different parts of the world to realise that we are dealing with the question of powellising a hardwood and not a soft wood; and no one will claim that the New Zealand pine—

Hon. J. Mitchell: Your Minister claims it.

The PREMIER: No one will claim that the New Zealand pine can for a moment be compared with powellised karri or jarrah. No one would suggest the use of even powellised pine as sleepers in Western Australia, and much less in the north-western portion of the State. We are dealing with hardwood and I would commend to the hon. member an article which I recently read in an English magazine. The article was supplied by an engineer who has nothing whatever to do with the powellising company, and in it the writer stated that the application of the powellising process to hardwoods had not only the effect of preventing dry rot and the inroads of white ants, but it also had the effect of immediately seasoning the timber so treated. After going through the process the timber was just as good as the best seasoned timber to be obtained anywhere, and thus we are going to make use of a timber which to-day is going to waste. Any hon. member going through the South-Western district will find that valuable trees are being destroyed by ringbarking, in order to permit of settlement on the land, and that other trees are being destroyed in other directions. We are going to put that timber to use, and make it valuable to the State and to those who use it. With the Minister for Works I say, in order that there might be no misunderstanding in future that the present Government were willing and anxious to supply purely powellised karri sleepers for the whole length of the Trans-Australian railway, because we know that notwithstanding what has been said by the member for Northam, white ants unfortunately do attack jarrah, and they are to-day attacking jarrah sleepers where they are stacked at Kalgoorlie, and before they have been put into the ground. This is regrettable, but we want the Trans-Australian railway and the construction of it to be a success, because as taxpayers of Australia, we have to pay for its construction and maintenance. We are only trustees on behalf of this section of the taxpayers, and as such we are interested, not only in

making use of the timber, but we are also interested in seeing that the timber used is in the best interests of Australia. As far as powellised karri is concerned, surely the hon. member for Northam will not claim that Mr. Deane, consulting engineer to the Commonwealth, is in any way an interested party, but Mr. Deane, in his capacity as consulting engineer, has made enquiries from different parts to satisfy himself that the use of this karri will be successful, and in this very morning's newspaper we find the following words from Mr. Deane, and I must say that in view of his statement I was surprised that the leader of the Opposition, after reading it, proceeded with his motion:—

It is confidently anticipated that while jarrah sleepers are known to have an average life of fourteen years, karri powellised sleepers would last double that time.

Hon. J. Mitchell: How does he know?

The PREMIER: No one can say definitely that it will, but we know that where it has been treated, and has been in the ground seven years, it is in the same condition to-day as when it was put there; and I would like to mention a fact which the Minister for Works overlooked, in connection with those sleepers that were removed from East Perth, that it required two men on a lever or bar to get the dog-spike out, and it made a tremendous bruise in that karri sleeper, in fact it took away a part of the wood also. That is why Mr. Deane makes this statement. He goes on to say—

Jarrah timber has an unfortunate peculiarity of shrinking away from the spikes, so that in time the spikes become loose.

They shrink away so frequently that they have continually to be putting in a fresh dog, with the result that eventually the sleeper gives out by breaking off long before the timber itself is finished, and that is why jarrah sleepers do not last as long as they should do. The jarrah is all right, but this is a difficulty that has to be overcome. As Mr. Deane points out—

Karri, on the contrary, closes round the spikes, and holds them fast. That is the opinion of Mr. Deane, who is Consulting Engineer for the Commonwealth, and it should be satisfactory enough for the hon. member for Northam (Hon. J. Mitchell). Further, let me say that I particularly asked Sir Joseph Ward, when he was going through to England, whether there was any truth in the statements circulated that the New Zealand Government proposed to cease using the powell process, because it had not been satisfactory; and he had no hesitation in assuring me that such was not the case, but that powellising was successful, and that they were increasing the use of it in every possible direction. Let me point out that the difference is this: that in the one case they are using it on soft wood, and we are using it on hard, and no one will contend that soft woods are comparable with hard. The leader of the Opposition, when he was Premier of this State, was interviewed in London by Mr. Powell of the Powell Wood Process Company, and the leader of the Opposition on his return wrote the following minute—

When in London I was approached by Mr. Powell in connection with the matter referred to in attached letter. I promised that if any of the timber companies or the Government of India wished to make a trial of powellised sleepers from Western Australia we would undertake to powellise a small quantity as a test—say 10,000 or 15,000. You will note that Messrs. Killick, Nixon & Co. now ask us to quote c.i.f. Bombay or Karachi. I do not propose that we should sell sleepers at all, but am prepared, in reply to this letter, to offer to powellise the quantity mentioned at a price, they making their own arrangements with regard to sleepers. Will you please give me the price at which sleepers can be treated, being delivered to the works and taken away therefrom?

Now I want to point out that the hon. member is complaining with regard to powellising, which has been tested and proved of so much value; and here he puts

it on record—instead of denying that jarrah would not withstand the attacks of white ants—and he permits himself to sign a minute saying he is prepared to have jarrah powellised and tested in India, thus admitting that jarrah from his point of view was not giving the satisfaction desired.

Hon. Frank Wilson: They stated that it was not.

The PREMIER: And the hon. member accepted the position.

Hon. Frank Wilson: Have you any fault to find with that?

The PREMIER: Yes; if the hon. member's statement lately made in this House is to be accepted, that jarrah can be used without any treatment.

Hon. Frank Wilson: Undoubtedly it is a good sleeper.

The PREMIER: Then the hon. member should not have made those people believe it was necessary to powellise them.

Hon. Frank Wilson: Not a bit of it.

The PREMIER: If it did not require powellising, then there is no test for the powellising process: if it will withstand dry rot and white ants there is no test for the process. The leader of the Opposition admitted that jarrah would not stand those things, and was therefore prepared to apply this particular process. I claim that the agreement entered into by the Government was not only in the best interests of this State but of Australia generally, and I want to give this House an opportunity which the leader of the Opposition has failed to give it, that is, of enabling hon. members to express a definite opinion upon the action of the Government. We are being assailed by our friends opposite through interviews in the Press of this State and on the public platform, and I am going to give them an opportunity of backing their opinion. I am going to move an amendment to the motion, and I want the House to express an opinion upon it, so that it will be seen how members vote. I move as an amendment—

That all the words after "that" in the first line be struck out and the following inserted in lieu:—"In the opinion of this House the action of the Govern-

ment in securing the use of the process known as the powellising process for converting the waste karri forests into valuable commercial and national wealth is of inestimable advantage to the State, and that the House welcomes the opportunity of demonstrating this fact to the people of Australia."

The ATTORNEY GENERAL (Hon. T. Walker): I second the amendment.

Hon. Frank Wilson: Is the amendment in order?

Mr. SPEAKER: The amendment is perfectly in order.

Hon. FRANK WILSON (on amendment): I certainly admire the courage of the Premier in taking action of this sort.

Mr. Monger: It is worthy of the party.

Hon. FRANK WILSON: A few minutes ago the Premier said he saw fit to take the motion as a no-confidence motion, but it must be remembered that he has 34 on his side and on this side of the House there are only 16 if we are all present. This is the way the Premier puts the whip on his followers to discuss the merits or demerits of a contract he has entered into on behalf of the State.

The Premier: I want you to declare your position.

Hon. FRANK WILSON: He says practically that he will not give this House and the country the information I have asked for. I have asked that a certain agreement entered into by the present Government and an agreement entered into by a previous Government should be placed upon the Table of this House for the information of members and of the country, and the Premier, by his amendment, refuses to concede the right of this House or the people to have the information I have asked for in their name. I wonder what he can expect from the members of this House or the people of this country when he adopts such a childish attitude as this. He ignores the importance of the question, and makes it a personal one. Perhaps he wishes to make me feel humiliated to some extent by moving to strike out all the words of the motion in order to get a motion of confidence in the Government carried.

The Premier: I want to get a declaration of your position. I will give you the papers.

Hon. FRANK WILSON: The Premier can keep the papers for ever so far as I am concerned. After the statesmanlike attitude he has adopted in the Parliament of this country, he is welcome to keep the papers until doomsday, until the people of this country fire him out, and the effects of the contract he has entered into will be apparent in his Treasury balances. We know that will come about; it has already come about in connection with the State steamships. The same thing will follow in connection with the sawmills, and it is going to be equally disastrous with this powellising contract. The Premier had the audacity to attack me because when I was in his position, and when I was in London, Mr. Powell waited upon me in connection with this process. The Premier said I admitted that jarrah timber was not fit to be used in railways without being treated, because I offered to treat a certain number of sleepers for certain railways in India. Did anyone ever hear of such a thing? Mr. Powell came to me and asked me in view of certain statements that were being made by the expert officers of some of the northern Indian railways that jarrah sleepers were being attacked by white ants, whether I would undertake to supply powellised jarrah sleepers for those railways. I, as the representative of the Government of this State, declined. I declined to step into the position of contractor into which the gentlemen opposite have jumped with so much confidence, and so little result up to the present. I said, "No, we are not contractors. We are not going to undertake the responsibility of supplying sleepers or any other commodity to anybody in competition with our own people. Make your own arrangements about sleepers. I will assist those from whom you purchase the sleepers to test the powellising process by treating a certain number at the Government works, then, if you find that they answer the purpose"—I admit that I thought the system was very pro-

minging and worthy of encouragement—I said, “If you find on these railways that they have overcome the attacks of white ants, then our private firms working the forests of Western Australia will be probably induced to put down plant of their own to meet your requirements in the future, or you could establish your own works in India, and treat the sleepers there as they arrive.” What was wrong about that? I was trying to conserve Western Australia’s interests in India in regard to jarrah sleepers in particular, and yet the Premier makes this charge against me and says that, in trying to conserve our trade, which had been very seriously attacked by a commission which sat to inquire into the condition of these sleepers in the northern portions of India, I admitted that jarrah was unsuitable in all countries and in all climates. Jarrah has proved itself from time immemorial, and the attitude of the Government to-day is damning the jarrah timber for sleepers and other railway purposes, and the Minister for Works is backing this up by some evidence—I admit it is genuine evidence—on a small scale as to the durability of karri when treated by the powell process. I have never decried the process, and Ministers will admit this. Only last session, when debating this question—I have been trying to find the debate in *Hansard* but I have not been able to lay my hands on it—and referring to the attitude of some of our members in the House of Representatives, I stated clearly that I would not go so far as to condemn the process. I said that it had certain merits, so far as it had gone, and that I had a high opinion of it for preserving timber against the attack of white ants.

Mr. Green: You are getting in out of the wet now.

Hon. FRANK WILSON: The hon. member cannot get in out of the wet: he is always wet. He can turn up *Hansard* for himself, and see what I said about this process. So much for the Premier’s arguments. He is always adopting the attitude that if anything in his administration is pointed out as being wrong, as has been done in this case very effectually—

The Premier: Oh no.

Hon. FRANK WILSON: He always adopts this attitude, “You did something worse years ago.” We had experience of this the other night, when the Premier accused me of serving the interests of a friend in connection with a certain railway, to the extent, as he stated, of giving that friend some £6,000. I did nothing of the sort. I brought my friend down to the margin that Cabinet said on the advice of the Engineer-in-Chief ought to be paid to the contractor over and above the departmental estimate. That is on record, and the Premier cannot get away from it. If I could get the run of the files I would soon find that record, and confuse the hon. member in the attitude which he takes regarding the late Administration. What I want to point out, however, is that we are not concerned as to what took place in the past.

The Premier: The public are: they are getting to know you.

Hon. FRANK WILSON: Ever since the Premier has been in his present position we have refuted everything which he has mentioned, and proved him to be wrong, and yet he brings these things up again to hide his own tracks, his own maladministration, and the expenditure of public money on State enterprises. I want to reply to the Minister for Works, who has spent about two hours in explaining this contract.

The Attorney General: You are not finally replying?

Mr. SPEAKER: The hon. member is perfectly in order.

Hon. FRANK WILSON: I am going to show why the words it is suggested should be struck out should be allowed to remain in the motion, and I am going to reply to the Minister’s remarks.

Mr. Green: You are going to try.

Hon. FRANK WILSON: I always succeed, but I do not intend to weary the House unduly, as the Minister did. He went all round the bush, and went back to time immemorial to give us the history of powellising, and the results of the use of jarrah on our railways, and quoted files galore, and eventually in the last quarter of an hour of his speech came to

the bone of contention, the terms of the agreement. No one has disputed that certain tests were made with powellised sleepers on our railways. Those tests were made in our time under instructions. I presume, from the Minister who controlled the department at that time. I cannot say from memory as to whether I was there or not. At any rate, some one else was a member of the Liberal Government at that time and gave instructions that these tests should be carried out, and now the Minister for Works makes this point that he and his colleagues are absolutely satisfied that powellising is effective, and that, therefore, they should discard jarrah altogether.

The Premier: No.

Hon. FRANK WILSON: Yes, discard jarrah altogether and adopt powellised karri.

The Attorney General: Use the two.

Hon. FRANK WILSON: The Premier has quoted Mr. Deane. We know that that officer has given a favourable report with regard to powellised karri.

Mr. Thomas: Do you doubt his knowledge?

Hon. FRANK WILSON: I doubt his practical experience. Mr. Deane is going on reports which have been sent from this State, reports which have been supplied to him by the Minister for Works. I am not here to dispute that he was justified in undertaking powellised karri for this purpose. On the reports he got it is not sufficient for our Government, nor for this Parliament to decide off-hand that we are going to adopt powellised karri sleepers for all time in the construction of our railways in this State. I think it would be disastrous, and I deprecate the apparent attack and aspersions thrown on the good qualities of jarrah timber to bolster up the Minister's argument.

The Attorney General: Never.

Hon. FRANK WILSON: Jarrah has proved itself for years and years in this State to my knowledge. I have been intimately connected with the trade for 22 years past, and I know the results which have followed the use of jarrah sleepers.

The Attorney General: That does not prove karri to be worthless.

Hon. FRANK WILSON: I am not trying to do that. The value of jarrah has been proved incontestably during the past 20 or 25 years, and the fact that a few sleepers have been attacked by white ants when stacked at Kalgoorlie, does not prove the unsuitability of that timber. These few sleepers might have been faulty and might have been passed by inspectors, and as such they might have offered an inducement to white ants to attack them. The fact that several of these sleepers were attacked by white ants seems sufficient to justify the Premier in saying that we must adopt powellised karri in the future.

The Premier: Do not put words into my mouth.

Hon. FRANK WILSON: That is the only conclusion that we can arrive at. The speech delivered by the Colonial Secretary the other day in regard to this matter brings home to members of Parliament and to the public generally that this is so. I admit at once that karri as a timber is an excellent timber. Karri for certain purposes has proved to be sound and strong. It is good for wagon building, and good for superstructures, but up to the present time, without treatment, it has been found to be unsuitable when put under ground. I am not going to admit that jarrah sleepers ought to be condemned because at this late stage, it has been found that dog spikes do not hold in them as firmly as they do in karri, but in the course of my experience I have never had complaints put before me. Of course, you will get sleepers here and there which will not hold the spikes, but it is only now when we are asked to support a contract of the description of the one under discussion that we have these side issues brought in. Mr. Julius was an excellent officer, and he was largely quoted in the department, and by the Minister for Works. He was a conscientious officer, and did excellent work in testing and proving the different timbers of the State, but whilst I admit that he was conscientiously imbued with the opinion that karri powellised was better than any other timber for railway construction, I venture to suggest that at the time he

made that report, when we were beginning with the small tests, it was a bit premature, and certainly it is not the sort of evidence that Ministers should have acted upon at the present time. I hope the prognostications of Mr. Julius will prove true. Still we surely ought not to commit ourselves to a policy of this description, involving millions of money by expenditure on our saw mills and the cutting of sleepers for our own requirements, to say nothing of those for the Trans-Australian railway; we should not commit ourselves to a policy of this description on the evidence of one untreated karri sleeper as compared with another which was powellised and which was found to be perfectly free from dry rot. Nor should we decide on the evidence of culvert timbers to which the Minister for Works has referred. I am prepared to admit that the Government found those that were powellised satisfactory, and that the culvert timbers were found to be in a sound condition after having been six years underground. But I submit that we are going rather a long way when we decide that we are going to alter the policy of this country for all time so far as sleepers are concerned, and commit the country to huge expenditure on small trials such as these are. We know full well that only 130 odd sleepers all told have been tried in our railway system; that is, 130 powellised karri sleepers up to the present time. We know that the other tests outlined by the Minister for Works to-night have been tests of minor importance, and I doubt whether any of the taxpayers of the country will be satisfied that on those tests and those tests alone we are justified in plunging the country into the expense and the liability of such a contract as this is, into the huge expenditure to which we are already committed in connection with our State sawmills. The evidence of the architects is excellent, and I am glad indeed that the Minister has it from such men as Mr. Eales and Mr. Ochiltree. The treatment ought to be, at any rate, a preventive in the North-West for some years, and if it will do what these gentlemen have satis-

fied themselves it will do so far as building timbers are concerned I hope it will be the means of inducing others to utilise timber instead of the steel structures the Minister has referred to. With regard to the Port Hedland railway the Minister made a great point of the fact that some ten thousand sleepers had been sent up there untreated by this system. I think he will bear me out when I from memory state that these sleepers were sent up there by instruction. I imagine that I myself gave the instruction, and that they were sent up in order that other preservatives might be tried side by side with the powellising; for it will be remembered that we were mainly using powellised jarrah sleepers in that line. I think it was ten thousand sleepers that were to be treated by different systems or processes which other people were trying to get us to adopt, and which they, equally with the powellising company, guaranteed would be effective. The Minister has shown that 33 sleepers out of the ten thousand have proved to be defective. I believe that any preventive applied to the skin of a sleeper, whether by dipping or by a brush, cannot possibly be as effective as the process undertaken in connection with the powellising of timber, namely the boiling process, and ultimately, according to the theory they advance, the vacuum drawing the sugar and arsenic into the very centre of the timber. That has been disputed by some people, and whilst the company naturally maintain that the timber is treated right to the core, others have maintained that they cannot get beyond a certain distance from the surface.

The Minister for Works: Mr. Julius proved that it goes to the very centre of the timber.

Hon. FRANK WILSON: I say the company maintain that. The Minister will remember that Mr. Julius left here and joined that company as consulting engineer.

The Minister for Works: He was a servant of the State Government for many years before that.

Hon. FRANK WILSON: Yes, but he left us and joined the company, so imbued was he with the excellence of the

process; and, naturally, he maintained that it was effective.

The Minister for Works: But he maintained it when a servant of the State Government.

Hon. FRANK WILSON: Yes, I dare say that is true.

Mr. Green: And Mr. Ferguson also.

Hon. FRANK WILSON: Mr. Ferguson was the powellising company here; the works were established at his timber yard.

Mr. Green: But the young Mr. Ferguson.

Hon. FRANK WILSON: They were all in the family and all connected with the process. Mr. James M. Ferguson put up the first powellising plant at his yard, and all tests were made there until the Midland Junction workshops put up a small plant, which eventually developed into the works we have to-day at Bunbury. The family were all involved. They thoroughly believed in the system. I am not saying that I am satisfied it will be a failure. I hope it will be a huge success: and to show that what I said was correct in regard to my attitude last session, let me quote from my speech of the 29th October. On that occasion, referring to the question of karri sleepers, I said—

I am of opinion myself, as one who has been connected with the timber industry in this State for a number of years, that karri is an excellent timber, and I believe it can be preserved to give excellent results in the ground, where it heretofore proved a failure owing to dry rot and to its liability to attack by white ants. I believe, as far as I can gather from the small tests made by the powellising process, which is a very valuable process, and which will prove successful to a very marked degree in preserving the karri timber in the ground, and indeed in preserving it so far as any class of work is concerned, that we should not as a State refuse to sell karri timber powellised because in the early stages it proved unsatisfactory when put in the ground without any treatment whatever. But I recognise that whilst I advocate and commend

the action of the Government in endeavouring to get our Western Australian timbers used in this great work of the Trans-Australian railway, whilst I commend them for endeavouring to get our timbers used in the other States, I must also grant equal liberty to others who think we are running an undue risk in pressing this timber for the purpose for which it is intended, namely the construction of the railway. And although I cannot agree with Mr. Hedges and Sir John Forrest in their anxiety in connection with this matter, and although I hold that it is a matter for the Federal Government to take the risk of, and not the State, you cannot be buyer and seller both, and the buyer must satisfy himself that what he is getting is the right article.

That was the opinion I expressed last year. I said the Government were perfectly right in endeavouring to use our karri on the Trans-Australian railway, and that the Federal Government must satisfy themselves, independently of anything we, the sellers, said, that they were getting a good article. But it is a very different thing when Ministers take up the attitude that they are going to guarantee the sleepers to be immune from white ants, and are going to discard the policy of using jarrah sleepers, and for the future to use nothing but karri sleepers powellised, and that they are going to enter into a contract of this description which binds the country for ten years, if not longer. I maintain that no business man would say that Ministers are justified in entering into an agreement containing such clauses as are to be found in this agreement, unless they have proved to the very hilt that the utilisation of these powellised karri sleepers will prove to be successful, that they will have a life for the term which Mr. Deane believes they will have.

The Minister for Works: Do you think we could ever prove to your satisfaction that it is so?

Hon. FRANK WILSON: I do not know that the hon. member could prove anything to my satisfaction. He goes all around the bush. He will not stick

to his facts. When I am trying to bring out his evidence he goes on making insinuations and casting slurs on the previous Administration. The Attorney General is very busy, and I suppose we will have from him a legal dissertation on this subject and on the enormity of my conduct. Well, I have shown that these tests, satisfactory though they may be, are not sufficient to warrant us in entering into this agreement. Of course I can quite understand the indignation of those connected with the standards on the show ground; that anyone should get hold of powellised stuff, especially the company itself, and show it about as being powellised, would naturally cause them any amount of annoyance, no doubt. I think the letters the Minister read in regard to those oregon standards on the show grounds are satisfactory. It appears there has been some mistake made by Mr. Hedges, or those who supplied him with the remnants of the standards, and that they got hold of some posts which had not been treated by this process. But that does not in itself provide sufficient grounds for an agreement with such clauses as this agreement contains. Now we come to the charge the Minister made with regard to the Busselton jetty. Of course I have not got the whole of the facts before me. I could not possibly have them, but I do say that this is a very paltry attitude to take up in replying to the serious matter which I have brought before the House on this occasion. He wants to make out that I was not accurate in the statement I made before the Committee in connection with the construction of that jetty, and that, therefore, I suppose, I was much blacker than he is, and to that extent his offence, if it be an offence, ought to be condoned. I want to say at once that in putting the matter before the Committee, I clearly pointed out that these people would guarantee a minimum in fees and charges of £2,000 per annum.

The Premier: You made it a maximum in your agreement.

Hon. FRANK WILSON: I did not. They have to pay all the charges, just as do any other persons using the jetty.

The Premier: It became a maximum.

Hon. FRANK WILSON: No, it did not. If the company brought five or ten steamers in, and the harbour dues and wharfage fees amounted to more than £2,000, they had to pay up.

The Premier: But it was carried forward.

Hon. FRANK WILSON: Yes, to make up the minimum charge next year. But it was not a maximum. They had to pay the charge on every ton that went over the jetty.

The Premier: It was a maximum guarantee.

Hon. FRANK WILSON: No, it was a minimum guarantee. They guaranteed £2,000 per annum as a minimum, because we undertook to spend £25,000 on the extension of the jetty. They suggested that it should be an aggregate amount of £20,000 in ten years. I objected to that, because ten years is a long time to wait. It was not that I objected to the £20,000 in ten years, because that was only the equivalent to £2,000 per annum; all I wanted to get guaranteed was the interest on the capital expenditure, and I had it in either case. But I objected to the lump sum, because we would have to wait ten years before we could get due performance of the contract. So we ultimately decided—I do not now remember whether it was Mr. Price and the Premier, or the Premier and myself; but I feel sure I was called in—we decided that we would allow the surplus of one year to go towards the minimum guaranteed in the next year.

The Premier: Making it the maximum.

Hon. FRANK WILSON: No, it was not. I have the Minister getting up and twitting me on the score that I made some arrangement different from what I had put before Parliament. Nothing of the sort; or rather, I made a better arrangement. And the Minister goes down to Busselton, and in my presence in the town hall declares that everything I had stated in connection with the harbour extension had been amply justified;

and that while he was opposed to it at the time, he was happy to say that he was satisfied the company had performed the conditions of their contract, and that he proposed to give further facilities in view of the extension of trade.

The Minister for Works: I said they fulfilled the contract, and they have done so, but the contract was not the one you led the House to believe you would enter into.

Hon. FRANK WILSON: It is the contract, and it provides exactly the same money. That contract was not laid on the Table; it had not been drawn up at the time. It was the principle of the thing; they had to guarantee interest on the expenditure, and they did guarantee it, and paid it, and the Minister expressed himself satisfied at a public meeting in Busselton. Yet he comes here and tries to throw discredit on me, and to hide up his agreement and his lapses by leading the House to believe that I had been guilty of misrepresentation some years ago in connection with this matter. The hon. member went on to argue that by the railway agreement, although it had only five years currency, because it contained an option of extension for a term after the expiry of the patent rights, we practically committed ourselves to a further extension of the time and to increased payment. He argues that because we took that option we must pay a greater royalty to be mutually agreed upon. There was no obligation to go a day beyond the expiration of the agreement on the 16th of last month. If we had extended the agreement, as I dare say we should have done if we had been in power, then the royalty to be paid under the agreement came up for revision and mutual negotiation. Nobody can take exception to that, and it does not follow that we were going to pay an increased price if we were not satisfied that it is in the interests of the State to do so, and I venture to believe that very few people will agree that the present Government made a good deal in the extension of the agreement. Because it was stipulated that the plant erected at Bunbury should be capable of treating 11 million super. feet per annum, the Minister says that we, there-

fore, had guaranteed to treat that quantity. The argument seems to me to be absurd. The representative of the Government in another place has also advanced that theory and used language which was certainly definite in its expression in that regard. That hon. gentleman said that whilst the previous Government's agreement provided for the treatment of 11¼ million superficial feet per annum, the agreement made by the present Government only gave an undertaking to treat 10 million super. feet per annum. I say there is no such undertaking in that railway agreement, and the fact that Mr. Short wrote any letter such as the Minister indicated to-night does not go to prove to the contrary. The Commissioner, no doubt, was anxious to get his agreement signed. No doubt he was buoyed up with the view that he would eventually use a large quantity of powellised timber, and no doubt he was perfectly honest in saying that if the company concluded the agreement he thought they would not be disappointed in the quantity used. They have been disappointed, they must have been disappointed.

The Premier: You admit that he was honest when he said that.

Hon. FRANK WILSON: Yes, I dare say he was honest, but that does not show any warranty for the agreement we are discussing. It is all beating about the bush. That is no defence to the charge that has been made. It is simply saying that some agreement has been entered into which contains terms which ought to be observed, because we gave similar terms in an agreement which we had disclosed to the public in the past. The agreement made by the Liberal Government contains no such conditions at all, and it is idle to ask me to believe that the company, if they had either a legal or a moral claim on the Government, would sit down quietly and accept an aggregate royalty of a little over £2,000, when they ought, according to the contention of the Minister, to be getting something like £20,000 for the term the agreement has been in vogue. If the company had a claim they would make it, and Ministers know that very well. But I am sorry to think that

claims will be made under this loosely-made agreement which at the time the Government have no idea of, and do not wish to think of or consider. The next point the Minister made was that the agreement was not made public for the same reason as the previous agreement was held in the background. I have no knowledge at all of the previous agreement, but I dare say it may have been kept quiet for the reasons stated by the Minister. But is there any comparison between the two? He admits that the process was on its trial when the agreement was made five years ago, that the process had not been proved, and therefore the company were justified in asking that some safeguard should be made so as not to injure their negotiations with other States. But to-day we have no further proof, except that the few sleepers the Minister has referred to have been underground for six years. We have no proof on a large scale to-day more than we had at that time, that the process is going to achieve all that the Minister claims for it. But we have it on the Minister's own showing that the company had already entered into agreements with the other States. Therefore, what was the need for keeping the agreement dark? It ought to have been public property at the earliest possible moment, containing as it does penal clauses, which mean so much to the State, and mean probably a very heavy expenditure for nothing in return.

The Premier: Your imagination is running riot.

Hon. FRANK WILSON: The Premier knows in his innermost heart that he has a nasty contract to deal with, and that he will court failure in trying to carry it out. Our agreement was such that we paid only for what we got: the present agreement provides that the Government are going to pay for 10 years or longer for what they do not get. I want to ask, when these big contracts have been executed, and the trans-Australian railway has been completed, and if in four or five years' time it is found—I hope not—that the result of this powellising process is not such as the Minister hopes, and I hope, it will be, what will be

the position of the Government? They have to find 300,000 sleepers to powellise every year, in order to cover the minimum quantity upon which they have to pay royalty; and we have the figures of the Railway Department that it is going to cost 3s. 2d. per 100 super. feet to treat that timber, after we have embarked on heavy capital expenditure to establish works for the purpose. All these things make one feel that we are venturing on thin ice and courting disaster in connection with this matter, and certainly go to show that I am justified in moving the motion to-night, a motion which I never dreamt the Premier and his colleagues would be so foolish as to object to, when it asks for information in the name of the people who sooner or later must pay the bill. The Minister for Works says that I blocked the use of the powellising process because I, as acting Premier, took certain action in connection with the desire of the Lord Mayor of Sydney to shut out jarrah for wood paving. I cannot remember all the details of that transaction very clearly, but I do know that I took exception to that statement, and I hastily started to put a different construction upon the matter, and if possible remedy the evil effect, so far as jarrah timber was concerned, which had been brought about by the statement that we were using nothing but powellised timber in the North-West, and that eventually we were going to use it entirely in the South-West. It has yet to be proved that jarrah has failed the country in its public works. The mere statement that a sleeper here or a timber there has been eaten by white ants is not going to condemn an industry which has been of so much importance to this State for 35 years, and is not going to outweigh the proof of millions of sleepers lasting year after year, and being as sound almost as the day they were put in, 10 years, 15 years, and I know of even 20 years, after they had been put into the railways of the State. Jarrah has built up its reputation, but we know that it has failed and will fail, as all timbers will, in isolated cases, more especially if one gets some faulty piece. It all depends on the quality and

the time when the timber is cut, whether the sap is up or down, and we know that the timber getters had little regard for those matters in the early days. Therefore, it is reasonable to suppose that, good as jarrah is, we will find occasionally isolated cases where it will be attacked even by dry rot and in certain circumstances by white ants. But are we going to haul down the flag in regard to the celebrated jarrah timber, and are we going to say that for the future everything must be powellised? Was I not justified in sending that telegram to the Lord Mayor of Sydney, after a consultation with the Commissioner of Railways and my colleagues, notably the then Minister for Railways—the matter had not been dealt with by Cabinet—that we had not definitely decided that we would utilise powellised timber right throughout the South-Western portion of the State? Why, even the Minister to-day says no, and yet he accuses me of having gone behind the departmental officer.

The Minister for Works: So you did.

Hon. FRANK WILSON: Of having gone behind the departmental officer who had wrongfully taken upon himself to say that he was going to utilise powellised karri or jarrah, as the case might be, in the southern portion of the State. The Minister blames me because I rectified that error and to some extent put jarrah upon its old footing in Sydney, and enabled it to be included in the timbers which would be utilised for the paving of Sydney streets. I only did my duty on that occasion, and I did it after cabling to the then Premier, Mr. Moore, who was in London at the time. He had had this complaint brought to him, and of course was naturally anxious, as we all were, to push the interests of our jarrah timber trade, even as we are anxious to-day to push the interests of our karri timber trade.

The Premier: Oh, oh!

Hon. FRANK WILSON: I say at once that these hon. members lacking a knowledge of the trade are taking a wrong step in trying to push the karri timber, which after all said and done, even if powellised, has not been suffi-

ciently proved, at the expense of the jarrah timber which has proved itself during the past 25 to 30 years.

The Premier: Nobody is trying to do that. You are trying to damn karri just the same.

Hon. FRANK WILSON: I am doing nothing of the sort, and the hon. member knows it, and he is trying to hide his tracks once more by making that statement and charge against me.

The Premier: You declare yourself.

The Attorney General: I do not think you ought to be everlastingly accusing people of statements which are not true.

Hon. FRANK WILSON: I have been dwelling on the charge made by the Minister with regard to my attitude in connection with the tenders called for paving timbers in Sydney, and the statement of the Minister that it was detrimental to the use of jarrah. I have proved that it was in the interests of the use of jarrah, although not powellised jarrah. But I want to know how all this affects the minimum quantity to be treated under the Minister's agreement? The minimum quantity has nothing to do with the attitude I took up on that occasion.

The Minister for Works: You blocked the expert officers from doing what they said they intended to do under the agreement.

Hon. FRANK WILSON: I blocked the expert officers from fashioning the policy of the Government of the day, and I would do it again, and the Minister ought to do it to-day and not be led by his expert officers. What right has any officer to commit the country to the use of powellised timber, and without permission from the Government of the day to cable over that powellised timber was being used exclusively in the North-West, and was to be used in future in the southern portions of the State?

The Premier: He had his agreement with the director.

Hon. FRANK WILSON: He had nothing of the sort, and the Premier knows he is not stating a fact when he says so. He took upon himself to send this message and I took up a right attitude when I checked him and saw that jarrah was

given a fair deal in the market in Sydney. Then we have the strange statement and the counter charge made against my colleague, the member for Northam (Hon. J. Mitchell); but all the Minister can say is that the hon. member slaughtered karri trees in the South-West, and that instead of slaughtering them as the hon. member did, the present Government are going to make them a marketable product. If I remember aright my colleague reserved some three-quarters of a million acres of karri timber in the southern portion of this State for the State's own use.

The Minister for Works: And what did he slaughter?

Hon. FRANK WILSON: He did not slaughter any trees at all, and if trees are being slaughtered to-day the members of the Government are responsible for it.

The Premier: Great Scott!

Hon. FRANK WILSON: Ministers do not go and inspect timber country themselves, and if timber country has been taken up it has been taken up after a report by responsible officers that there is not sufficient marketable timber on the block to warrant the Government in withholding it, and perhaps that is what the Minister for Works was referring to. He was reflecting on his own permanent officers all the time in the hope of hitting my colleague by making a damaging statement of this sort.

The Premier: You are crawling out now.

Hon. FRANK WILSON: Then we have both the Minister for Works and the Premier gloating over the fact that the contract with the powellising company—an iniquitous contract, and as it was done *sub rosa*; it might be a cheap rate, I do not know that it will be too cheap, by the time it is figured out—is thrown up. We have entered into a contract according to these papers and the statement of the Minister for a million sleepers which he says he badly requires and did not know which way to look to get out of his difficulty, and yet he has not attempted to enforce the delivery of one single sleeper under the contract. Twelve months have gone by at least, if not more, and the company have not attempted to supply

one single sleeper. The mills, I am told, are to-day closed down, and I understand the Minister for Lands has granted an exemption for twelve months. I cannot vouch for the statement, but the Minister for Works, I think, agrees that the mills are closed down, and he coolly says the Government are going to abandon the contract. If it is a good contract, why not stand by it? Why should these people receive consideration which no other people can get? The Minister adduces the same argument in regard to the 15,000 acres of land. He says the company have not taken the land up. I can quite understand that, but perhaps they have an exemption for a further twelve months.

The Attorney General: How can they have an exemption when they have not applied?

Hon. FRANK WILSON: They have an exemption for another twelve months, and have it in writing.

The Premier: An exemption from what?

Hon. FRANK WILSON: From the conditions of their sawmill permit.

The Attorney General: They have not applied for one.

Hon. FRANK WILSON: The Attorney General does not know what he is talking about, because he has not been to the department to see.

The Attorney General: I have seen the file. Now do not preach to me.

Hon. FRANK WILSON: I will preach to the hon. member as long as I like.

The Premier: You do not keep to facts well enough to preach.

Hon. FRANK WILSON: And I can preach to the hon. member as long as I conform to the rules of the House. The hon. gentleman needs a little exercise. I advise him to go outside and take a run around the building.

The Attorney General: Do not be insolent; do not be cheeky; do not act the boy in the gutter.

Hon. FRANK WILSON: The hon. member ought to listen to my arguments.

The Attorney General: I am listening for your arguments, but you do not use any.

Hon. FRANK WILSON: Then how can the Minister be listening to my arguments?

The Premier: Get on with your speech.

The Attorney General: He has none.

Hon. FRANK WILSON: I want to know whether this House and the country are satisfied with the Minister's explanation with regard to this special consideration which has been given to this company in the granting of this large area of timber country, and in the entering into an agreement with them for a million sleepers without any competition, without permitting anyone else to compete and say whether they are prepared to do better or not. I do not care what the price is; the principle is absolutely wrong and vicious. It is a wrong principle. I say, that the Government should enter into a private agreement with any firm for such a large quantity of timber as a million sleepers even of the size outlined by the Minister without throwing it open to public tender or inviting public competition.

The Minister for Works: We tried competition for other sleepers and did not get it.

Hon. FRANK WILSON: The Minister did not do so.

The Minister for Works: Yes, I did.

Hon. FRANK WILSON: Then the Minister went on to quote the price for powellising in New Zealand as 2s. per one hundred super. feet. In New Zealand it is doubtful whether they are treating any timber by this process.

The Minister for Works: The member for Northam said they are treating 50,000 sleepers a year.

Hon. FRANK WILSON: That is only a test, a sample. I say it is doubtful, and I guarantee that they do not pay for any minimum quantity, but only for what they treat. In New South Wales and Victoria, according to the Minister, they are paying 2s. I do not think either State has a contract.

The Minister for Works: The Government have no contract, but that is the ruling rate. It is not limited to any one person in either of those States and several people are using it.

Hon. FRANK WILSON: Quite so, private people are using it in a small way, but I think if the hon. the Minister inquires he will find that the Sydney works are pretty well idle at present.

The Minister for Works: In Victoria they have a very big mill.

Hon. J. Mitchell: That is their own mill.

Hon. FRANK WILSON: I think they have a mill of their own in Victoria, but the one in Sydney is run by a company. Then the Minister went on to point out that the Commonwealth got a quote of 1s. 3d., and later on certainly he justified this quote to some extent by saying they had a letter from the company which will make it clear that they have to pay only 1s. 3d.

The Minister for Works: The letter reads, "In accordance with the clause in the contract we hereby notify you that we have done this."

Hon. FRANK WILSON: Then why should not we know it? Why should not that information have been made public at the same time?

The Premier: It was, last year.

Hon. FRANK WILSON: No.

The Premier: It was, last October.

Hon. FRANK WILSON: We have a contract published in the newspapers and it has no reference whatever to the price which Ministers state they have arranged with the company. It has no reference whatever to the price of 1s. 3d. According to the reading of the contract, the Government had to pay 2s. for powellising sleepers for the Trans-Australian railway, and yet Ministers say they have another letter which the public know nothing about.

The Premier: We made that public in answer to a question in another place last year. It was not necessary to steal it.

Hon. FRANK WILSON: No. In another place it was said that the price to be paid was 1s. 3d. The Minister did not state that the Government had another letter or agreement. Naturally, when we got this statement made by Mr. King O'Malley in the Federal House that the Commonwealth Government had nothing to do with the powellising process, but that it was a matter between the company

and the Government of Western Australia, we began to feel uneasy, and then, when we see the terms of the contract published, and published without the knowledge of Ministers, and we compare the two we think that a mistake has been made. This valuable information which the public are entitled to is withheld from them, and they naturally come to a wrong conclusion in connection with the matter. The Minister says that no contract has been signed by the Commonwealth Government but that they have taken delivery under the terms of the contract. I do not wish to infer for a moment that the Commonwealth Government will not stand by the contract.

The Premier: You practically said so during the debate on the Address-in-reply.

Hon. FRANK WILSON: No, I did not.

The Premier: You inferred so.

Hon. FRANK WILSON: No, I found fault with the Government then as before, for not having the contract completed. Their friends, the late Federal Labour Government, had a contract in their hands signed by the Minister for Works of Western Australia for, I suppose, twelve months.

The Minister for Works: I thought you said you had not seen it.

Hon. FRANK WILSON: I have not seen it.

The Minister for Works: Then how do you know?

Hon. FRANK WILSON: Yet the present Government sit back complacently and allow their Federal friends to go out of power and another Government to come in without having their contract completed, and they tell us that we have to be satisfied. They have committed this country to a huge expenditure, because they have taken delivery of a certain number of jarrah sleepers which have been charged up to them at the rates in the contract.

The Premier: I think the Liberal Government might be even more generous, and that we will get an even larger contract.

Hon. FRANK WILSON: If they do not let the work by contract as is suggested in the Press to-day—

Hon. J. Mitchell: The contract of building the railway?

The Premier: Yes.

Hon. FRANK WILSON: If the Government get the contract to construct that line we shall have to go into liquidation.

The Premier: I think they are doing it in our interests.

Hon. FRANK WILSON: I am satisfied that Ministers will not have a feather to fly with at the end of the term. I am surprised to hear their argument that while they have entered into a contract the succeeding Government would not be bound by it. I do not know whether the Minister for Works reads the Commonwealth Act or not, or reads *Hansard*; I do not know whether it is a clause in the Act.

The Minister for Works: It is a clause in the Act.

Hon. FRANK WILSON: Any succeeding Government must of necessity carry out a contract which has been entered into. I have never heard of a Government repudiating their contract with other Governments, or private individuals, although I have experienced repudiation of promises given inside the House, but any Government—and the Minister knows it full well—whether Liberal or Labour, must of necessity carry out the terms of a contract entered into on behalf of the State, even though it may be a contract—and I am afraid it will be in this case—which will end in very serious loss for the State. The Minister rose up in his wrath and smote us hip and thigh because this agreement had leaked out in the Press. He said that members of the Opposition knew something about the publication of this agreement, and he said that I personally had condoned its disclosure by a public officer.

The Minister for Works: Hear, hear.

Hon. FRANK WILSON: I venture to say that he does not know even yet that a public officer has been disloyal to him.

The Attorney General: You seem to know who it was.

Hon. FRANK WILSON: I venture to say that he does not know as a result of his heresy hunt that a public officer has been other than loyal. I never condoned

such a disclosure. On the contrary, I condemn it. I would always condemn any officer for disclosing anything that was not public property in his department, and the Minister knows it full well. To say that I condoned the offence and knew anything about it! I had no conversation with any officers of the department; I never knew where the Minister for Works kept the agreement; it may have been in the Premier's office for all I know. All I am aware of is that it appeared in the *Sunday Times* and the Premier says it is correct.

The Premier: You knew it before it went into the *Sunday Times*.

Hon. FRANK WILSON: No I did not.

The Premier: You repeated the agreement to me very well then, your memory is bad.

Hon. FRANK WILSON: I never repeated the contents of it. I think I said to the Premier that there was going to be a disclosure in regard to a contract entered into, but I never repeated any details of it. It was a conversation in the Premier's office which I suppose he is referring to. I said it was a contract which had been signed, I supposed, when he was in London. May I say exactly what occurred? I called to see the Premier upon some other business, and on leaving, I think, I said, "I have heard a rumour that there is to be a disclosure in the *Sunday Times* that some peculiar contract has been entered into—entered into, I believe, in your absence by the Minister for Works and your colleagues, and it would be as well for you to inquire into the matter." The Premier said, "I have seen the contract, but I cannot remember the terms of it." Those are his exact words, and the matter passed off. That was all. I knew nothing of the contents, but I knew a rumour was going around town that the *Sunday Times* had a contract, and it would be published the next morning.

The Attorney General: They let you know.

Hon. FRANK WILSON: The man in the street knew.

The Premier: That is where you get all your information—in the street.

Hon. FRANK WILSON: Someone told me, and I told the Premier. I acted the part of a friend in telling him exactly what I had heard. Surely he should not twit me with knowing the contents of an agreement because I mentioned the agreement to him. I do not know that I need say anything more. I know the Premier is not going to grant me these papers.

The Premier: You can have them.

Hon. FRANK WILSON: He is taking a very grave course indeed. He is taking the unwise advice of his Attorney General, and is moving an amendment which strikes out the words of the motion—

The Premier: I could not do it otherwise.

Hon. FRANK WILSON: And substitutes a motion which implies confidence in himself and his colleagues in regard to this contract.

The Premier: I endeavoured to do it without striking out any words, but could not.

Hon. FRANK WILSON: I do not think that the reply of the Minister for Works has been satisfactory, and certainly the Premier's remarks have not been conclusive. Perhaps it is natural for me to feel that, in view of the extraordinary contract, which I venture to say caused even the Premier himself some uneasy moments. Those terms are such as need not have been entered into with this company. The Premier has not heard the last of the 15,000 acres of karri country, nor has he yet heard the last of his million sleeper contract; he is going to be kept up to the mark in regard to his agreement.

The Premier: Oh!

Hon. FRANK WILSON: I am judging by what is said by those who are smart enough to get a contract of this sort from the Government. The Minister will find that whatever liabilities he has committed this State to under this agreement will be enforced against him, and he will have to pay every penny that they can demand by their contract. The very principle of our friends opposite to have no dealings with companies, men who, according to their views, are boodlers, and robbers against the State, is toppling to its

fall under the treatment of hon. members opposite. They go to their Labour caucus meetings and to their Trades Hall gatherings; they denounce the companies, the existing companies, as being all out to rob the State, but this thing which is to be the basis for the flotation of a company is, of course, in the interests of the State. I should advise them, Mr. Speaker, to look more to their principles and pledges to their followers and the electors of this State. They cannot play fast and loose with the people for all time.

The Premier: You found that out.

Hon. FRANK WILSON: Sooner or later they will be found out, and they will go under for the very reason that to-day they do something that is in the interests of the people, and to-morrow they go and do something exactly the opposite.

The Premier: Weighty words, from you; you speak from experience.

The MINISTER FOR WORKS (Hon. W. D. Johnson, on amendment): I do not desire to speak at any length, as I have the right to do to the amendment, seeing that the leader of the Opposition has practically replied to the remarks I made. I simply rise to say definitely on behalf of the Government that the agreements the hon. member has moved for will be placed on the Table of the House. The agreements would not have been presented if it had not been for the fact that we have in our midst a dishonest civil servant or a number of dishonest civil servants, and it is true that we do not know the individual or individuals. If we found them, I can assure the House that they would not remain members of the public service. Such people are a disgrace to the service, and they cast a reflection on the remainder of the service.

Hon. Frank Wilson: I agree with you.

The MINISTER FOR WORKS: I am of the opinion that hon. members opposite could assist the Government to find the culprit, and I appeal to them in the interests of the civil service, to do so that we might clear the service of whoever was dishonest enough to make the agreement public.

Hon. Frank Wilson: We know absolutely nothing.

The MINISTER FOR WORKS: The member for Northam said distinctly, "We made it public," and from that I imagined that if the other members of the Opposition did not know anything, that hon. member, at least, knew, otherwise he would not have made that remark. We gave our word that the agreement would not be made public, just as the previous Government did in regard to their agreement, but, seeing that that agreement has expired, we see no harm now in making it public, and as our agreement has been made public through a dishonest member of the civil service, we have no reason now to carry out the arrangement that the agreement would be kept private for business reasons. Therefore, both agreements will be laid on the Table of the House when we assemble to-morrow. But I want to make it clear that members of the Opposition have never yet declared themselves as to whether they agree to the utilisation of the karri forests in the manner that this Government proposes to do. There has been too much sitting on the rail and just waiting for the opportunity to get down on the side that suits them best. If we are wrong, let them say so, but if we are right, let them say that we are right. There was only one way to do it, and that was by submitting the amendment which has been moved, and giving members the opportunity to declare themselves.

Hon. J. MITCHELL (Northam, on amendment): I wish to assure the Minister that I do not know who made the agreement public. I want to tell the Government also that I mean to make the agreement as public as possible, and whenever the opportunity offers I shall discuss it.

The Minister for Works: You said "We made it public."

Hon. J. MITCHELL. I did nothing of the sort; you can turn up *Hansard*.

The Minister for Works: *Hansard* does not give a correct interpretation of what you said.

Hon. J. MITCHELL: I repeat, I said nothing of the kind. I did not know the agreement until it was made public, and I certainly do not know who made it public.

The Minister for Works: You said, "We made it public."

Hon. J. MITCHELL: What I said was, "We will make it public." I repeat that, and every time that the Minister transgresses, as he has done to-night, I will see that the public of Western Australia shall know. I assert that it should not have been left to an officer of the Minister's department, or some other department, to tell the people of the State what they should have known. With regard to the value of karri, is that up for consideration now? Are we not discussing the fact that this agreement was concealed for sixteen months?

The Minister for Works: No.

Hon. J. MITCHELL: Are we not asking the Minister why the Government made the agreement, and why the State was committed to such an enormous expenditure? No Minister can tell us to-day that powellising will prove successful. I hope it will, and if our karri forests can be removed and sold and turned into coin of the realm, great good will accrue to the State. Obviously the seven years' test does not justify the Premier facing the enormous expenditure the country is being put to.

The Premier: Take up a courageous attitude and say we should not go on with it.

Hon. J. MITCHELL: I say, unhesitatingly, the Government should not go on with it, and I say that the Premier has no right to use karri sleepers on our railways until the value of karri has been proved, and certainly not while we know the value of jarrah.

The Attorney General: Never go into the water until you have learned to swim.

Mr. B. J. Stubbs: And then get out as quickly as you can.

Hon. J. MITCHELL: I think Ministers are in the water, and I do not think they can swim. We know that jarrah is good. The Premier tells us that we must accept the word of the Minister for Works that powellised karri has been

proved to be absolutely satisfactory. There will be no dry rot and no white ants. He knows, because he has had seven years' experience of the timber. So far, so good, but he does not know enough to justify him in making the statements he has made in connection with the powellising process, and he certainly has said nothing to-night to justify any member approving of the action of the Government in regard to the contract. I have no intention of saying more. I hope the Minister for Works will accept my assurance that I did not know the agreement was to be made public, and that even now I do not know who made it public. I hope, however, the Minister will agree with me that it should have been made public long ago in the interests of the people of the State and the Government and the party who sit behind them.

Mr. MONGER (York): I usually rise to congratulate the Government upon the various methods adopted by them regarding the legislation which they attempt to bring under the notice of the people of Western Australia, but to-night I must congratulate the Premier upon his manner towards the leader of the Opposition. After hearing from the Minister for Works that the papers asked for by the leader of the Opposition are going to be placed on the Table of the House to-morrow, I want to know quietly and calmly the reason for the Premier's attitude towards the motion. We have had a lengthy and a splendid debate, especially from the leader of the Opposition, who wiped the floor with the remarks of the Minister for Works and the Premier, and even my friend, the member for Subiaco remained more than usually quiet under the strong and fiery arguments of the leader of the Opposition. Here we have brought down at the eleventh hour something in the shape of an amendment, and we are told, "We are going to give you the papers to-morrow, but in order to vindicate ourselves from a *Hansard* standpoint, or from the standpoint of a newspaper controversy, and in order to maintain the dignity of our party, we are moving this," what I shall term ridiculous amendment of the Premier's. And it is

going to be carried by that party who have met all day to-day, and who in solemn conclave, no doubt, arrived at the decision that this splendid amendment of the Premier's would be brought down at the eleventh hour. And they are going to vote for it, one and all, no matter what arguments may be used against it from this side, or even from that side. Every man is bound to the decision which was arrived at during the caucus meeting to-day. I congratulate them upon their noble attitude. I hope that the division, if there is to be a division, will result in all my friends on that side responding to the crack of the whip.

Amendment (that the words proposed to be struck out be struck out) put, and a division taken with the following result:—

Ayes	..	..	..	26
Noes	..	..	..	9

Majority for 17

AYES.

Mr. Angwin
Mr. Bolton
Mr. Collier
Mr. Dwyer
Mr. Foley
Mr. Gill
Mr. Green
Mr. Holman
Mr. Hudson
Mr. Johnson
Mr. Johnston
Mr. Lewis
Mr. McDonald
Mr. McDowall

Mr. Mullany
Mr. Munsie
Mr. O'Loughlen
Mr. Scaddan
Mr. B. J. Stubbs
Mr. Taylor
Mr. Thomas
Mr. Turvey
Mr. Underwood
Mr. Walker
Mr. A. A. Wilson
Mr. Heilmann
(Teller).

NOES.

Mr. Broun
Mr. Harper
Mr. Lefroy
Mr. Male
Mr. Mitchell

Mr. Monger
Mr. A. N. Plesse
Mr. F. Willson
Mr. Layman
(Teller)

Amendment thus passed.

Amendment (that the words proposed to be inserted be inserted) put, and a division taken with the following result:—

Ayes	..	..	..	26
Noes	..	..	..	8

Majority for 18

AYES.

Mr. Angwin
Mr. Bolton
Mr. Collier
Mr. Dwyer
Mr. Foley
Mr. Gill
Mr. Green
Mr. Holman
Mr. Hudson
Mr. Johnson
Mr. Johnston
Mr. Lewis
Mr. McDonald
Mr. McDowall

Mr. Mullany
Mr. Munsie
Mr. O'Loughlen
Mr. Scaddan
Mr. B. J. Stubbs
Mr. Taylor
Mr. Thomas
Mr. Turvey
Mr. Underwood
Mr. Walker
Mr. A. A. Willson
Mr. Heilmann
(Teller).

NOES.

Mr. Broun
Mr. Harper
Mr. Lefroy
Mr. Male
Mr. Mitchell

Mr. A. E. Plesse
Mr. F. Willson
Mr. Layman
(Teller).

Question as amended put and passed.

House adjourned at 11.1 p.m.

Legislative Assembly,

Thursday, 14th August, 1913.

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Papers presented	574
Questions: Railway rolling stock and rails, duty paid	575
Bruce Rock township, sanitation	575
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Bills: Wagin Agricultural Hall Transfer, 3s.	575
North Fremantle Tramways Act Amendment, 2s., Com.	575
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The SPEAKER took the Chair at 4.30 p.m., and read prayers.

PAPERS PRESENTED.

By the Minister for Mines: Return of Mining Exemptions granted during the year ending 30th June, 1913.

By the Minister for Works: 1, Copy of agreement between the Commissioner