

Legislative Council,

Tuesday, 26th January, 1915.

Question: Perth-Fremantle Road	836
Papers presented	836
Assent to Bill	836
Whaling License, Cablegram from Mr. Stang ..	836
Bills: Police Act Amendment, 1A.	837
Stamp Act Amendment, 3A.	837
Esperance Northwards railway, 2A., amend- ment, six months	837
Vermis Boards Amendment, 1A.	852
Public Servants, 1A.	852
Postponement of Debts Amendment, 2A., Com.	872
Naval and Military Absentees Relief, 2A., Com.	872
Control of Trade in War Time Amendment, 2B.	872
Motion: Whaling License, to disallow	852

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

QUESTION — PERTH-FREMANTLE ROAD.

Hon. D. G. GAWLER asked the Colonial Secretary: 1, What was the original estimated cost per chain of the reconstruction of the Perth-Fremantle road? 2, What is the actual cost per chain to date? 3, On what basis is it intended to debit the reconstruction amongst the different local authorities? 4, Has the road been reconstructed throughout all the local districts? 5, Has not the road through the local district of Peppermint Grove been partly repaired and partly reconstructed? 6, Is it intended to allocate the expenditure amongst the local authorities on the same basis whether the road has been reconstructed or merely repaired? 7, Is it not a fact that many portions of the reconstructed road are already showing signs of wear and tear? 8, Does the Government consider that this is consistent with a proper and efficient system of reconstruction?

The COLONIAL SECRETARY replied: 1, The estimated cost per chain varied from £34 9s. to £61 17s. 2, The actual cost per chain to date, including maintenance and street junctions, is £60 3s. 3, A percentage basis after consideration being given to local authorities vitally interested, such as Perth and Fremantle. 4, Yes; as far as work has proceeded. 5, No. 6, Yes. 7, No. 8, Answered by No. 7.

PAPERS PRESENTED.

By the Colonial Secretary: 1, University of Western Australia—Statute *re* method of election by Convocation of persons to be members of the Senate. (To take the place of Statute No. 13.) 2, Water Supply, Sewerage, and Drainage Department: Geraldton Water Supply—Amendment of by-laws. 3, Map of the whaling area on the coast of Western Australia.

ASSENT TO BILL.

Message from the Governor received and read notifying assent to the Grain and Foodstuff Bill.

WHALING LICENSE.

Cablegram from Mr. C. Stang.

The PRESIDENT: I have received a cablegram from Mr. Christian Stang. He seems to misapprehend the functions of a President. I think his object is to bring certain facts before members. The cablegram is as follows:—

Larvik 22/1/1915. To the President, Parliament, Perth, W.A.: Pursuant to letters Colonial Secretary sixth May twenty-fifth November nineteen hundred twelve area North Cape Lambert decided not opened whaling but if considered thrown open I given priority. On faith this promise here published Fremantle and Spermacet Whaling Companies were started. If this promise not given companies not been started because after experience here and elsewhere competition ruins the difficult and hazardous whaling concerns in short time. On Africa for instance where working expenses are much less than in Western Australia most companies after less than five years' existence now liquidate with great losses. Confident in named promise large sums spent finding right fishing grounds in hopes of succeeding later refunding outlays. Confident of this promise companies kept hard in very difficult time when near all other companies started whaling.

Australian waters after great losses had to give up and when mistrust to whalefishing in this waters provoked writing in papers and proposals of Western Australian companies liquidation in time. On faith Colonial Office promises large loans at present been raised getting shore stations which instead five costs more than twenty thousand pounds each when definitely completed. Receive shocking information that North area intended open competition. If now another company going to deal results of Western Australian companies expensive experiences impossible repay companies capital and debt with rational working alone very intense working can possibly save companies great losses whales will then be decimated in short time and companies soon have to liquidate equal damage Western Australia as companies. Apply warmly Colonial Office promises must be kept. As companies existence depends on no competition willing pay what required keeping North area locked whalefishing. Greatest mistake believe I monopoly have assisted starting different companies with different shareholders different directions companies only chosen same manager with experience thus difficult concerns securing rational working. (Signed) Christian Stang, Barrister at Law, Commissioner Supreme Court, Western Australia.

I will lay the cablegram on the Table.

BILL—POLICE ACT AMENDMENT.

Introduced by the Colonial Secretary and read a first time.

BILL—STAMP ACT AMENDMENT.

Read a third time and *passed*.

BILL—ESPERANCE NORTHWARDS RAILWAY.

Second Reading—Amendment Six Months.

Debate resumed from the 20th January.

Hon. H. CARSON (Central) [4.43]: I have read the various reports of depart-

mental officers on the country this line is to traverse, and I have also made inquiries from people who have lived in the district and others who have passed through it. I have read the arguments for and against the construction of the line, and have come to the conclusion that it would be unfair, indeed unwise, not to pass the measure. The attitude I took up during my election campaign was that I would support the line if the Government would give an assurance that the other lines already authorised, should be proceeded with first. I think we have a right to that assurance. This railway should be constructed, not only because the country warrants it, but because there are already numbers of settlers there, and it will be impossible for them to successfully develop their holdings without the line. I strongly believe in decentralisation, holding that without it we cannot satisfactorily develop the State. If the large tract of country lying north of Esperance does not warrant a railway Western Australia is not the land I think it is. I do not know whether the leader of the House will give us the assurance I ask for, but I think it is only right that he should do so. I am supporting the railway, not because I think the work is of more importance or would tend more to the progress of the State than various other works, but because the settlers who have been located there for some years now find it impossible to make a success of their holdings. It is not difficult for me to point out to the Government and this House that many works in the State should take precedence over the Esperance railway. Even in the province which I have the honour to represent there are works of great importance, which to my mind need the attention of the Government. My colleague, the hon. Mr. Patrick, has referred to the Geraldton Harbour. That indeed is one matter requiring immediate attention.

Hon. R. J. LYNN. Are you going to suggest that that shall be done before the railway?

Hon. H. CARSON: I think this should have immediate attention, because the facilities at Geraldton are inadequate, and because of these facilities being inadequate

the products of the farmers are costing them a great deal more to dispose of. There is this to be taken into consideration, that is in regard to the chartering of vessels. All shipping companies take into consideration the convenience of a port and the difficulties, or otherwise, of loading there. Those people who have visited Geraldton will have noticed, especially during the wheat season, how difficult it is for vessels to load there; in fact, at times it is dangerous because at low tide there is a difficulty in keeping a vessel alongside owing to the undertow. Therefore, the buyers of wheat take into consideration also the chartering of these vessels. It is very difficult for vessels to lie alongside the jetty. They may have, before completing loading even, to draw away, on account of this undertow. For this reason I think the Government should take immediate steps in the direction of improving the harbour at Geraldton.

The PRESIDENT: The question is the Esperance Northwards railway.

Hon. H. CARSON: I am desirous of showing that, while I recognise the Esperance railway should be constructed, there are other works which should also receive attention. There is a railway, for instance, from Yuna to Mullewa, which is of great importance to the northern portion of the State and has been promised by previous Administrations. We can quite well understand the agitation for the Esperance railway. There are other railways of just as great importance to the general welfare of Western Australia as this one. We all recognise that to carry out these works money is necessary. Unfortunately our finances are in a bad way. If we continue increasing our indebtedness without a corresponding increase in the population, a serious setback will be given to the full development of our State. The burden necessary to be imposed to carry these increased debts will crush us. Whilst I support this railway, I hope the Government will not discriminate regarding different portions of the State.

Hon. Sir E. H. Wittenoom: What is the good of supporting a railway if you have no money to build it with?

Hon. H. CARSON: If there is no money it will not be built.

Hon. J. W. Kirwan: What about other railways? Will hon. members oppose them also?

Hon. H. CARSON: I have very much pleasure in supporting the second reading of the Bill.

Hon. C. SOMMERS (Metropolitan) [4.50]: I see no reason to alter the vote which I gave when the measure was last before the House. I think if the suggestion of Mr. Paterson, the manager of the Agricultural Bank, in regard to experimental plots had been adopted by the Government, one would have had something more definite to go upon in regard to the rainfall and the capabilities of the land from the wheat growing point of view. I quite understand that any vote I may give will not prevent the Bill from going through. A sufficient number of hon. members have already intimated their intention of voting for the Bill. I do think, however, it is a mistake to bring it in now. We certainly have no money. Railways are authorised which must take many years to construct. I think in fairness to the people who are in other districts where railways have been authorised, that the lines so authorised should be constructed prior to this one. I do hope, therefore, that if the Bill passes, as I am sure it will, we shall include in the Bill a clause to prevent it being constructed until these other lines which are authorised have been built. I do not think that an undertaking is sufficient, as suggested by the last speaker. Before this line is built we may have another Government in power. It may be a Liberal Government, and they may want to rush it through earlier. I would not trust them. For that reason an undertaking would not satisfy me. I want to see a clause inserted in the Bill that the line shall not be constructed until the other railways authorised—or surveys have been authorised, because that really is a promise to make the railways—are built.

Member: Do you include the Kalgoorlie-Fremantle railway?

Hon. C. SOMMERS: I exempt that. It is, in my opinion, a great mistake to talk of constructing a railway which is to cost so many millions of pounds when we have

such a small population as we have at present in this State. Sir Walter James, it was, when Premier, who rather rushed us into that. I do not think it is quite a fair thing for this State to carry this burden just now. If the Esperance line is constructed I think it is a mistake to make it only 60 miles long, because it is admitted that the first 30 miles is over barren country. This, therefore, means that there is a 60-mile railway to be constructed to carry the produce from only 30 miles of country. If the 60 miles of line is built I believe it is only a question of time when it will be connected with the goldfields. If this measure is carried, I do not see why the whole line should not be constructed also. Otherwise, it will create a separate system. I consider that this is a stepping stone to carrying the railway right through. If the Bill passes the second reading I want, in Committee, to move the insertion of a clause that the railway shall not be constructed until the railways already authorised have been built.

Hon. Sir E. H. WITTENOOM: I would like to withdraw the amendment standing in my name.

Amendment by leave withdrawn.

Hon. J. DODD (Honorary Minister—South) [4.53]: Representing a province through which this line will run, I desire to say that I have experienced a good deal of satisfaction in the debate which has taken place upon the measure. I do not experience any feeling of exultation over anything I have heard in the debate, but I certainly feel a good deal of satisfaction over the fact that justice is likely to be done to this long neglected portion of the State. I have never listened, during my short time in the House, to any better case made out on behalf of any public work, whether railway or not, than that which has been put up by my colleague, the Colonial Secretary. I venture to state that in neither House has a better case been put up for a public work than has been put up in this Chamber for the building of the Esperance line. I think almost every point that could be raised has been raised in favour of the line by

Mr. Drew. I think the opposition has been beaten down, as it were, right through the piece on the different points in connection with the line.

Hon. Sir E. H. WITTENOOM: It is a question of money.

Hon. J. E. DODD (Honorary Minister): It is not a question of money with the hon. member. If we had 10 millions surplus the hon. member would still oppose the Esperance railway.

Hon. Sir E. H. WITTENOOM: Do not be too sure.

Hon. J. E. DODD (Honorary Minister): I think that is the case. It is not a question of money at all. In regard to the water supply, it has been freely conceded now on almost all hands that the Esperance lands are well provided with water, on the understanding, of course, that there is a rainfall. This argument would apply to every other portion of the State. I say the same argument can be put forward in regard to every other public work in the State which has been brought forward in reference to this railway, namely that there are more urgent works that need to be done before this particular work. That argument has been used during the last 10 years in respect to the Esperance railway. Speaking candidly, I do not know anything more urgent, especially from the point of view of that portion of the State, than this railway. I deprecate the idea which exists that this railway is going to be harmful to any other portion of the State. I do not think that, if the railway were put through to Norseman to-morrow and connected up with the goldfields, any other portion of the State would suffer in the slightest degree; in fact, in my opinion, it is going to be the reverse and that other portions of the State will derive a certain amount of prosperity owing to the lands around Esperance being opened up. I have come from a place where the mallee land has been under cultivation and I know a considerable amount about the mallee land. Although I have not had an opportunity of going down to Esperance I do know something about this class of land.

I know no country which is more easily cleared or more easily worked than mallee country. In regard to the Esperance railway, the land served will be near the mines. Throughout Australia where there is farming going on in fairly close proximity to mines, it will be found that many of the miners make the best farmers. In fact, men who have been miners are amongst the most prosperous farmers in South Australia to-day. I believe it is possible for a large number of miners to go upon the Esperance lands and, being contiguous to their work, they will be able to go back from the goldfields and recoup themselves, and so have the advantage which at present does not obtain in many other parts of the State. From all I know of the lands, and all I have learned about them, and from what I know of the miners and farming in general, I think that by constructing this line we shall be opening up one of the most prosperous parts of Western Australia. It seems to me a crime that the land has been allowed to hunger for a railway for so long, simply on account of prejudice on the one hand and timidity on the part of members on the other hand. I believe that to-day that prejudice and that timidity are going to be voted out. I do not wish to labour the question. I sincerely hope that nothing will be attempted in Committee that will destroy the effect of carrying the second reading of the Bill. I hope members will be sincere in the votes that they give and will trust the Government to do justice to all the various works which have been passed by Parliament.

Hon. E. M. CLARKE (South-West) [4.59]: I am not going to labour the question very much either. There are a few points, however, that I desire to make. One is that I notice the whole of the farmers and settlers are voting for this railway. One speaker in this Chamber evidently is not much in love with it for all that he is supporting the measure. I admire the consistency of members in voting for decentralisation. At the same time that theory can be

carried too far. One hon. member claims that, as a supporter of this railway, he was returned against two others who were opposed to it. As an offset to that I claim I was returned as against two candidates who were pledged to the railway, and preached it a good deal. I was opposed to it, nevertheless I was returned, but I do not take much notice of that. Still I stress this point: there are more urgent works to be carried out. Esperance will come, sooner or later, but I have claimed for years we are spreading ourselves over too much country. We have done a little work here and a little work there, but it has not been linked up. We want in the thickly populated places the facilities increased. For instance, we want at Geraldton facilities for shipping wheat at the minimum of cost. The farmers and settlers will not deny that the margin of profit in wheat when competing in the markets of the world has got almost to vanishing point, and we want to be in a position to handle our produce at the minimum of cost. The Government have undertaken a lot of things now and they talk as if they had whips of money. They have taken possession of the trams. They have erected sawmills, implement works, and brick works, and a lot of other things, and I say on every one of these industries we are going to lose money. The question of funds is a big one, and we want to be in a position to complete the works which we have undertaken before we start anything else. There is no chance of this being done for many years to come. The Honorary Minister says the Government are going to put on the land around Esperance miners who are suffering from disease. I have yet to learn that we want any persons on the land but men of robust health and men who understand farming. The Minister says that the miners can go on the land, and when they get short of money on the farms they can go back and earn more money on the goldfields. That may appeal to the hon. gentleman, but it appears to me it is implied by the Minister that these men are going to lose money in farming, and are going

back to the fields to make money. We have listened to a great many opinions as to the productiveness of the soil, but strange to say we have to set those opinions against certain facts which for the last three or four years have been placed before us. The greatest return of crop we have had has been about four or five bushels to the acre, and this over normal seasons. How can it be expected we can listen to any one when we have these startling facts? My idea is this: had that land been of great value for cultivating wheat the people would not have sent in an average yield of five bushels to the acre, but more like 20 bushels to the acre. What has happened on the land which has been opened up in other districts along some of the lines which have been constructed? The farmers have not returned an average of five bushels to the acre, but 20 bushels, and then there is this startling announcement that in the Esperance district the yield has been five bushels to the acre.

The Colonial Secretary: In what district has there been a yield of 20 bushels to the acre?

Hon. E. M. CLARKE: Along the Bolgart line. The record crop of hay coming from there is something over four tons to the acre. One phase of the question has never been mentioned. We talk as if this line was to be an extension of some existing railway, but I say when the line has been constructed what is it? We shall have to have new rolling stock, new trucks, new everything. It is starting another little railway system that in the future must be coupled up. I think the Government should pause before undertaking the construction of this line. Settlers have been induced to go back into the wheat belt further than they should have done, and this is all through the expectations of this railway. I think the Government should pause owing to the financial difficulties at the present time. So many things have been promised in the past, such as the opening up of the South-

West, further harbour facilities at Bunbury, the Margaret River railway which has already been surveyed, therefore I think the Government are undertaking too much. I shall vote against the construction of this line.

Hon. E. McLARTY (South-West [5.7]: I do not intend to take up the time of the House because I feel sure every member has made up his mind as to the way he intends to vote. I have not had an opportunity of hearing all the arguments used during this debate, but I do not think any arguments would have influenced me in my opinion, or have changed the opinion I have held for some time, that this enormous extent of country lying in a favourable climate should be opened up and populated. There is only one possibility of this being done, and that is to give the people facilities by building the railway. I, like other members, have not had an opportunity of seeing this country, but I have made inquiries and I am not the least depressed from the fact that the farming in this country in the past has not been a great success. I believe the land there, from the information I have received, is quite as good, perhaps better, than that in many of the wheat growing districts of the State. I had a conversation with one gentleman recently, a man who is a land owner, although he has no interest in the Esperance country, but who has had a great opportunity of inspecting the land, having walked over it for miles and miles, and the opinion he expressed to me is that he had really never seen so much good land in one patch in Western Australia as he had seen there, and that man has seen a good deal of this State. The late Mr. C. A. Piesse, who was a practical agriculturist, and who had been all over Western Australia, was very enthusiastic in regard to the future prospects of this country, and he assured me that the estimate of 1½ million acres of good wheat country was under the area. I cannot accept the opinion of persons that this enormous tract of country is worthless. I believe when the railway is built there will be a rush for land in that part of

the State, and I am satisfied the day will come when the South-East part of the State, and the country lying between Bridgetown and Albany will have a population of three times as many people as are in the State at the present time. I have no land in Esperance or within hundreds of miles of it, nor have I a shilling invested in that country, therefore I can speak without personal feeling. I support the railway heartily because I have every confidence that it is going to be a great success, and bring about the settlement of a large population in that portion of the State. We have heard a great deal about the financial position of the country, but that is a cry which can be raised with every work which is undertaken. I am not the Treasurer, and I do not know what the intentions of the Government are as to their financial position, but I take it that what I have to consider, and what the House has to consider is whether it will be in the interests of the country that this railway should be constructed. For my part I am not prepared to support the amendment suggested by Mr. Sommers. I think that is a matter the Government should inquire into, and they should construct first the works that are most needed. Another matter that strikes me while referring to the financial condition of the State, is that almost every member can mention a large number of works which require to be carried out in his own province. It seems to me that if the expenditure on this line were four times as much as will be required for the building of the Esperance railway, there would not be the slightest objection taken if the expenditure was to be made in some other directions. I am aware that money is scarce, but at the same time the day will come when we shall go on with railway construction. It is inevitable that must be done and some means discovered of finding this sum of money. We find that money is being expended freely. Only the other day a board was created, and the chairman is receiving the magnificent salary of £750 per annum. Therefore I think that money must be plentiful.

The Colonial Secretary: The members of that board are not receiving £750 each.

Hon. E. McLARTY: I said the chairman.

The Colonial Secretary: The chairman is permanently appointed; he is a civil servant.

Hon. E. McLARTY: I think the country traversed by this line worth opening up, and I am sure it will be settled by a large population. The people who have had the courage to go there under such disadvantageous conditions up to the present time are worthy of some consideration. It is not for me to tell the 60 odd settlers who have gone there that they do not know their business, and that they were fools to go there. I presume that they knew just as much about it as I do, and perhaps a great deal more, and if they thought it right to settle on that country that was their business. I think the State has a right to provide them with facilities, and give them a chance not only to make a living but to extend operations and make what in my opinion will be before long one of the great wheat-producing areas of Western Australia. I support most heartily the second reading.

Hon. R. D. McKENZIE (North-East [5.16]: I am very sorry that the Bill does not provide for a railway from Esperance to Norseman, as I feel sure that had such a measure come before the Chamber this year, it would have been carried. However, half a loaf is better than no bread, and I intend to support the present Bill, believing it represents the first half of a line which will connect the goldfields with their natural port. As a business man I cannot help feeling that these isolated railways, of which we have several in the State, are being run at a very heavy loss. Therefore, we should endeavour to minimise their construction as far as possible. This line could very easily be continued another 60 miles, and connected with the present railway system. If the Bill is passed, as I have every reason to believe it will be, there is no doubt it will ease the conditions under which settlers are working on the lands between Esperance and the

end of the line. It will enable them to get fertilisers, machinery, the bags they require for their crops, and the necessities of life at a very much cheaper rate than in the past, and consequently it will decrease the cost of production, and probably enable them to make a living out of their holdings. If the line is connected with Norseman, as it should be, and as I think every hon. member will agree it must be at no distant date—

Hon. W. Kingsmill: No; I do not agree with that.

Hon. R. D. McKENZIE: If the line is connected with Norseman it will mean that the settlers will have communication by railway with their natural market. There is a huge market on the goldfields for wheat, flour, oats, chaff, eggs, butter, and vegetables, and all these commodities can be produced in the Esperance district. At no distant date, I venture to say, they will be able to send large supplies of fruit to the goldfields, and everyone knows what large consumers of that commodity the people of the goldfields are. This question has been well debated, but there is one point which I would like to make, and that is with regard to Esperance as a health resort. I do not want the House to lose sight of the fact that the many years' agitation for a railway has been to a very large extent based on the argument that it would enable people of the goldfields, especially the women and children, to get to their natural health resort at Esperance. This is one of the most important points, and one which the House should take into consideration. We have heard that it is intended to move an amendment to delay the construction of this line. I do not intend to support the amendment. The position of the mover of that amendment, I contend, is untenable. The Government of the day have never been instructed in connection with any public work that they were not to proceed with it until other authorised works had been completed. If the railway is justified, it should be constructed at once; if it is

not justified, it is for the House to say so, and to decline to pass the Bill. I think the railway is justified, and I hope the House will pass the Bill; and once it is passed I trust no obstacle will be placed in the way of the Government carrying out the work as soon as possible. For these reasons I have pleasure in supporting the measure.

Hon. W. KINGSMILL (Metropolitan) [5.20]: I am impelled to support this Bill by what I consider to be a sense of justice. We have in the past been building in an almost lavish manner railways to portions of this country which possess agricultural land which in my opinion is not, either by the quality of the land or the quantity of the rainfall, as well suited for agricultural purposes as the land now under discussion. I may say straight away that I am not supporting the railway for the reasons given by Mr. McKenzie. I am not supporting the railway in order that it may be constructed at once, nor am I supporting it in order that it may form the first portion of the Esperance-Norseman line. I would like to inform the hon. member that if this Bill provided for a railway from Esperance to Norseman, it would have my absolute opposition. Furthermore, if at any time it is sought to bridge this gap by a railway, that proposal will have my absolute opposition. But, in a sense of fairness to those people who have gone into this agricultural country—there is no doubt about its existence—I intend to support this line as an agricultural line. With regard to the financial position, as Mr. McLarty said, it is very difficult to speak of it, because we know only in so nebulous a manner what the position is. It is not the habit of the leader of the House to explain the financial position of the Government to us, and I doubt whether he could, because the Government do not seem to realise as fully and clearly as they might their own financial position. But whatever the financial aspect of this proposal might be, it applies to every railway now under construction or for which a Bill has

been introduced equally with this proposal. I venture to say if a Bill were introduced for the construction of a railway to tap a similar area of the same quality of agricultural land in any other part of the State, it would have the undivided support of this House. I have on various occasions opposed the through line, and I still intend to oppose it, because I look upon the construction of another 60 miles on top of the 60 miles contemplated as an absolute, utter, and entire waste of money. For that reason I shall oppose any Bill if such is brought forward—and I have no reason to suppose it will be for some years to come—on that principle. There are three bogies which have been most ingeniously worked in opposition to this railway. These three bogies are the harbour improvements bogy, the fact that this will not be part of the railway system of the State bogy, and the extension to Norseman bogy. With regard to the harbour bogy, I may say I have a very complete acquaintance with Esperance and its surroundings, an acquaintance gathered on, I suppose, in the last 17 or 18 years a dozen trips to the district, during some of which visits I have remained as long as three months there, and practically the whole time have been travelling about Esperance. But more particularly am I acquainted with the harbour. The harbour bogy, if Esperance were intended to form an oversea port, would be a very real one. Hon. members must recollect that at the jetty, which is already provided, there is accommodation only for vessels drawing 19 feet of water. Let me say that for the district which I think this railway will make, such harbour accommodation is ample. I do not suggest for a moment, and do not suppose that members who have used this argument think that this railway will make Esperance what might be called an oversea port. It will simply make it a port for coastal trade, like the ports which exist in numerous places in South Australia for the shipping of wheat, not in large steamers but in coasting vessels. This is undoubtedly the way I look at it, and I regard the Esperance

district as having to be developed as many districts in South Australia had to be developed, by means of coastal vessels. The harbour facilities at Esperance are very much ahead of the harbour facilities in most of the small wheat ports of South Australia, such as exist on Yorke's Peninsula, on the west coast of Spencer's Gulf, on the eastern side of the Great Australian Bight, and in other parts. I do not think hon. members need for a moment let that bogey frighten them. I do not think there is any need to spend additional money on harbour facilities at Esperance for the district which this railway will make of it. It will make a wheat district which will be in communication with the rest of the State by means of coastal steamers or coastal sailing vessels. A great deal of stress has been laid on the fact that this railway, if constructed, will not form a portion of the existing railway system of Western Australia, that is it will not be connected with the trunk line. I ask members to be reasonable and to recollect that we have in this State a coast line of about 3,500 miles, and can it be expected that in a State with such a length of coast line we can have a trunk system of railways with which all our lines can be connected? It is absolutely impossible. Let us take the example of Queensland and we will find several railways running from the ports into the interior in exactly the same manner as this railway will run inland from Esperance. For this reason I venture to say that the bogey of want of connection with the railway system might be laid for ever, and need not trouble the minds of members any further. With regard to the extension of the line to Norseman, I suppose I may say, without incurring the wrath of members, that the goldfields, good as they have been in the past, and good as they are at present, according to Mr. Kirwan the greatest possible aid to the State, cannot be expected to last for ever. That is undoubtedly a fact, and it is also a fact that the modes of travelling outside of railways are year by year becoming quicker and more comfortable to the public. If, as Mr. McKenzie has said, the want of the goldfields

people is an outlet to a health resort at Esperance, it would be easy to construct a road over that part of the country, already a most magnificent natural road, for a distance of 60 miles between Norseman and the head of the line, suitable for motor traffic, which would fulfil the conditions required by the goldfields people without any very great expense, as quickly as a railway, and with as much satisfaction to the health of goldfields residents as if a railway existed. With regard to the possibilities of keeping a gap like this unbridged for years, I call the attention of hon. members, who might be acquainted with the subject, to the fact that there has been for many years between the railways in New South Wales to the Tweed River and those in Queensland, a gap of 70 miles. Efforts have been made for years and years to bridge this gap. Two years ago it was still unbridged, and, so far as I know, it is unbridged to-day. Members will agree that if it is found to be in the best interests of the State that this gap should be unbridged undoubtedly unbridged it will remain. At all events I promise the leader of the House that should he bring in a Bill next session or the session after, or whenever he happens to be leader of the House, providing for the bridging of this gap, it will have my whole-hearted opposition. Just a word or two now as to the constitutional aspect, touched on by Mr. Cullen and Mr. Gawler. This, I say, should undoubtedly weigh with hon. members. The Bill has been passed, in one form or another, by various Legislative Assemblies—at all events, by two of them—four times in all; and in my opinion it would ill become this House to withstand longer what I gather hon. members of another place term the will of the people. Were I not satisfied that this Bill was going to work no harm to the electors of the Metropolitan Province which I represent, hon. members need not doubt but that I would oppose the measure. I am, however, satisfied of this—and I think the electors of the Metropolitan Province are satisfied of it, too—that every piece of work and every piece of legislation which adds to the prosperity of the State, which opens up new country, which renders it possible for new settlers to make their

homes in this State, must eventually be of advantage to the capital City. For that reason alone I consider that, believing it to be to the advantage of the Capital that all parts of the State should be equitably and evenly and thoroughly developed, I am fully justified in supporting the second reading of the measure. With regard to the time when the line will be constructed, I feel sure that the Esperance Northwards Railway will be taken in its proper order of sequence. I should like the leader of the House, when he closes the debate, to be kind enough to give us some idea of when the Government propose to begin the construction of this railway, and in what rotation the various railways passed by Parliament will be built. It is a significant fact—if one studies the Orders of the Day in another place—that the third readings of no less than four railway Bills are to be found at the bottom of the Notice Paper. That is a most peculiar thing. I presume that after a division has been taken on this Bill those other railway Bills will again occupy their usual and proper place at the top of the Notice Paper; and I am prepared, in order that justice may be done, to give the Government that little trick in. Undoubtedly, the Government are holding these third readings back in order that Ministers may see what is going to become of this particular railway. I suppose the Esperance line is their pet scheme, and therefore we may perhaps pardon them, not for giving it an undue advantage, but for taking advantage of the privileges of Parliament to put this particular proposal a little further ahead on the roster of construction than it might otherwise find itself. Those third readings have been at the bottom of the Notice Paper for quite a number of days. The House has sat day after day and has never got to these third readings yet. I presume, however, that after to-night, if we are fortunate enough to get to a division on this Esperance Bill now, and if justice is done, the third readings I refer to will perhaps float up to the top of the Notice Paper again. If, on the other hand, the division should result disastrously to the Bill, perhaps those third readings will remain at the bottom of the Notice Paper, to lapse at the end of the

session. However, the main principle which guides me in supporting the line is that if we aspire to have any fairness in our composition we must give all parts of the State due and equal consideration. That being so, I am compelled, as I have already stated, to support the second reading.

The COLONIAL SECRETARY (Hon. J. M. Drew—Central—in reply) [5.33]: It is my intention to say only a few words in reply. No good object, so far as I can see, is to be gained by prolonging the debate. The measure has been so often before the House, and the pros and cons have been debated at such great length, that I think every member has already made up his mind as to how he shall vote on the question. The only ground of opposition left, according to the debate, is the low average wheat yield of the Esperance district. That is a point which has been strongly stressed by Mr. Colebatch, Mr. Patrick, and also by Mr. Clarke. If the returns furnished by the Registrar General afforded any fair indication of the value of the Esperance district from an agricultural standpoint, I would say at once that there was no justification at all for the construction of this railway; but opponents of the line continue to assume that the Esperance land is tilled in a proper manner, although they have frequently had it pointed out to them by myself, and also by those who have reported on the country, that the methods of cultivation adopted are of the most primitive kind. The returns sent in to the Registrar General show that over 4,000 acres of land are under cultivation in the Esperance district. I travelled through the district, and, although I did not depart for any distance from the road, I went carefully into the question of cultivation and I am in a position to state from my own observation that there are only 700 acres of land under proper cultivation in the Esperance district. I did not, of course, visit the whole of the farms in the district, but I inspected those situated *en route* to Esperance; and the conclusion I came to from what I observed

and what I heard was that there is certainly not more than 700 acres under proper cultivation. Now, some of our best land in Western Australia, the best virgin land, treated in a similar manner would yield very little crop. The returns from the Northampton district, prior to the use of fertilisers there to any great extent, showed a very low average indeed. Mr. Patrick disputes the fact, but I have here some information from the Registrar General on the point. These figures refer to a period when the Northampton district was included in the Greenough district; and, as Mr. Patrick knows, the Greenough land is the best in the State. At one time the Greenough land yielded an average of 40 bushels. Now, when Northampton was included with Greenough, in 1900-1, the average yield was 8.1 bushels to the acre; in 1901-2 the yield was 10.2 bushels; and in 1902-3 it was 9.6. These yields were obtained during the period when the farmers did not properly cultivate, although I may say that even during the period under consideration they cultivated in a manner far superior to that adopted by the Esperance farmers. But the yield of the Northampton district for 1912-13 was 14.5 bushels to the acre, and for 1913-14 it was 15.1 bushels, which I think was the top average—

Hon. W. Patrick: But in the old days the farmers cultivated year after year.

The COLONIAL SECRETARY: They ploughed. Even as long as I can remember, they ploughed. But the Esperance farmers are not ploughing. They are scratching. When I was in that district, I told them that the worst enemies of the Esperance railway were the Esperance settlers; and that is a fact. Sir Edward Wittenoom stated that by this Bill we propose to build a railway to carry wheat to South Australia. Well, we have been building railways in the past to carry wheat to London. If there is a better market in South Australia for Esperance wheat, why should not we send that wheat there? South Australian sovereigns are just as good as London sovereigns. It would seem, how-

ever, that to carry wheat to South Australia would be something like carrying coals to Newcastle. Next, it has been asserted that several members of the Labour party and of the Country party have been coerced into supporting the Esperance railway. For the Country party I am unable to speak, but I would certainly like to ask, who has coerced that party? If the farmers have coerced the Country party, then I think it is a strong argument in favour of the railway. So far as the Labour party is concerned, although members of it are bound by their platform, no member is bound to support the Esperance railway; and, as a matter of fact, one member of that party in the Legislative Assembly opposed this very Bill. Mr. Colebatch asserts that Esperance is an expensive port to ship wheat from; but from what I could gather when I was at Esperance, as Mr. Colebatch has intimated, harbour improvements are not desired by the settlers. They feel that they could profitably lighter wheat, and that the cost of lightering would not be more than 6s. per ton. I think that is a fair rate to estimate the cost of lightering at, and if hon. members make a calculation they will find that 6s. per ton means merely 2d. per bushel on the wheat. The settlers can stand that charge, because the cost of carrying their wheat over the railway—which is not to extend over a greater distance than 60 miles—will certainly not be very high. So that it is plain the settlers can stand a little more in the form of payment for transit facilities over the ocean. Mr. Colebatch further asserts that the building of the line will yield no return whatever. In the first place, however, there will be a very large return from land sales in the Esperance district, which will continue for some time to come. The value of the Esperance Crown lands, according to Mr. Middleton, is £558,000, in my opinion an extremely conservative estimate. Settlement will follow, and there can be no doubt that if the land is up to expectations the railway must pay. Then, objection has been raised on the score that railway work-

shops will be required at Esperance; but only a small shed will be needed in the first instance. Not more than two locomotives, a few carriages, and a few trucks will be necessary, for a start. If the district develops, then of course it will be necessary to provide larger shops and more rolling stock, for which expenditure there will in that case be ample justification. If hon. members look back to the figures since 1911, they will see that the acreage under cultivation has been increasing from year to year, and that the yield is improving in spite of the methods adopted by the Esperance farmers. The settlers are sticking to their selections. There has been no abandonment, and hon. members must confess that that is a good sign. Farmers have been complaining everywhere except in the Esperance district, and the whole of the Esperance farmers are gleefully looking forward to the passage of this Bill by Parliament. There is no complaint, no murmuring, from the Esperance farmers. They have given the Government no trouble whatever. Next, I wish to point out that the statistical returns in connection with the Esperance district do not constitute a reliable guide to the capabilities of the district. There is a further reason why these returns should not be implicitly accepted; and that is that the boundaries of the statistical district are not coterminous with the boundaries of the agricultural area. The statistical district runs northerly almost up to Dundas, a distance of over 80 miles, on one side, and along a line parallel to Widgiemooltha, and far beyond Norseman, on the other; and westward it extends nearly 200 miles. The statistics to which I refer are calculated right through that area, where nearly every settler and every pastoralist is tinkering with agriculture in some shape or form. They all cultivate to a certain extent, and the returns are collected over an area extending from Esperance nearly up to Coolgardie. These returns having been collected, the average yield for that whole area is then represented in this House as the average yield of the Esperance agricultural area. Sir Edward Wittenoom said that there

were only 62 settlers in the district, and that all the wheat they could grow could be transported in a week. The reason of the limited settlement is that it has not been possible for the number to become greater latterly because the Government have reserved the land and have absolutely refused to sell it. Hence it is plain that the number of settlers would not increase until the land is thrown open for selection. No Government on earth would build a line to serve 62 settlers, and such is not the intention of the present Government. The railway is to be built in order to open up $1\frac{1}{2}$ million acres of land, and if that object is not achieved the Government will be very much disappointed indeed. Mr. Patrick told the House that artificial manures have been used in the Esperance district. I have discovered that 40 tons were used last year. Forty tons for 4,000 acres!

Hon. W. Patrick: Fifty-nine tons was stated in reply to a question.

The COLONIAL SECRETARY: Last year?

Hon. W. Patrick: Last year, and the year before as well.

The COLONIAL SECRETARY: Forty tons in 1911?

Hon. W. Patrick: And in 1912, and then 59 tons and 59 tons again.

The COLONIAL SECRETARY: If the hon. member is correct, those quantities represent just about 20lbs. of superphosphate to the acre.

Hon. C. Sommers: How many acres do you say are under cultivation?

The COLONIAL SECRETARY: Over 4,000.

Hon. C. Sommers: I thought you said only 700.

The COLONIAL SECRETARY: I said that there were 700 acres under proper cultivation. What result could be expected from the introduction into the soil of superphosphates to the amount of about 20lbs. per acre? Mr. Lynn made a lengthy speech, but, as far as I could see, advanced not one solitary argument against the line. He said the Government's majority had been reduced, and he insinuated that it was in conse-

quence of the Esperance railway. A few minutes afterwards he said the Esperance railway had never been prominently before the country.

Hon. R. J. Lynn: No; that is your own construction.

The COLONIAL SECRETARY: Although the Government's majority was reduced, it was not in consequence of the Esperance railway. In any case, the Country party sent to both Houses members pledged to support the railway, and up to the present each member so pledged has fulfilled his promise. Hon. members have asked for an assurance from the Government that this line will not take precedence over other railways. The position is that every railway already authorised by Parliament is in course of construction. There is one exception, a line passed three or four weeks ago, and the Government are making every possible preparation to get an early start with that in order to provide work for men rendered idle by the completion of other railways. In passing I may say there is still another exception, namely, that portion of the Trans-Australian railway lying between Fremantle and Kalgoorlie. That is the exact position. Therefore, no assurance from the Government is necessary, for it is essential that the Government should carry on railway construction within easy reach of the capital during the present crisis in order to provide work for the unemployed. It is not likely that in order to undertake the construction of the Esperance railway they will abandon the lines already commenced.

Hon. W. Kingsmill: In what order are the railways to be constructed?

The COLONIAL SECRETARY: In whatever order suits the Government. But that cannot apply adversely to any hon. member representing a district in which a railway is already under construction, because once a railway is under construction it is likely to be proceeded with in accordance with practice. As hon. members are already aware, I think our section of the trans-Australian railway will have to stand over for some time. Mr. Cullen took the correct attitude on the question of the Esperance railway, pointing out that

things have changed since the general elections, that the question of the Esperance railway had been brought prominently before the electors, and that the matter had come before the new Assembly, where a majority of four to one voted in its favour; and the hon. member asked whether the Council would be justified in further resisting the manifest will of the people. That puts the position in a nutshell, and I hope hon. members will recognise that it is constitutionally sound advice. Mr. Gawler adopted a similar attitude, and it seems to me it is the only correct course for the Council to pursue. I hope hon. members will realise the position and respect the voice of the people as indicated at the last general elections.

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

Ayes	..	..	..	10
Noes	..	..	..	6

Majority for 4

AYES.

Hon. C. F. Baxter	Hon. W. Kingsmill
Hon. J. Cornell	Hon. J. W. Kirwan
Hon. J. F. Cullen	Hon. R. D. McKenzie
Hon. J. E. Dodd	Hon. H. Millington
Hon. J. M. Drew	Hon. H. Carson
	(Teller).

NOES.

Hon. E. M. Clarke	Hon. W. Patrick
Hon. H. P. Colebatch	Hon. C. Sommers
Hon. R. J. Lynn	Hon. A. Sanderson
	(Teller)

Question thus passed.
Bill read a second time.

Personal Explanation—Pairs.

Hon. J. W. KIRWAN: By way of personal explanation, may I be permitted to say that the following members regret exceedingly that they were unable to be present at the division:—Messrs. Gawler, McLarty, Ardagh, C. McKenzie, and Sir Winthrop Hackett for the Bill, and Messrs. Holmes, Allen, Duffell, Jenkins, and Sir E. H. Wittenoom against the Bill.

The PRESIDENT: Pairs are not recognised in our Standing Orders.

In Committee.

Hon. W. Kingsmill in the Chair; the Colonial Secretary in charge of the Bill.

Clauses 1 to 7—agreed to.

New clause:

Hon. C. SOMMERS: On behalf of Mr. Gawler, I move—

That the following be added to stand as Clause 3:—"The construction of the line shall not be commenced nor proceeded with until the completion of the railways specified in the schedule of the Railways Survey Act, 1913, nor until the completion of all other lines at present authorised."

I am afraid it will be necessary to amend the proposed new clause somewhat, because, as we all know, the trans-Australian railway from Kalgoorlie to Fremantle, has been hung up. With the exception of that line, all authorised lines should take precedence over the Esperance railway. We have had an undertaking from the Colonial Secretary, but a change of Government or any of a number of other contingencies may happen, any of which would prove that that undertaking should have been definitely set out in the Bill. As the Colonial Secretary says, most authorised lines are now under construction, but I know of at least one short line of 30 miles, the construction of which is being proceeded with at a particularly slow rate. Moreover, some difficulty must be experienced in raising money with which to construct these lines, and it will be admitted that, as we have the Colonial Secretary's assurance, it most certainly ought to be recorded in the Bill.

The COLONIAL SECRETARY: I cannot accept the amendment. I am very much surprised that it has been moved. I have been for many years in this House, but I cannot call to mind one instance in which a similar clause had been added to a Bill. I was going to say it was an attempt to usurp the functions of the Legislative Assembly.

Hon. A. Sanderson: Hear, hear!

The COLONIAL SECRETARY: I have, however, not even known of one case in which the Assembly has introduced a clause of a similar character. It is totally against the spirit of the Constitution for

this House to take up such an attitude. Apart from that the new clause has a very far-reaching effect. It covers not only railways authorised by the House, but also railways which have not received the sanction of this Chamber. It covers railway lines which this House gave the authority for the survey of with the object of discovering whether they were justified or not. The clause moved by the Hon. Mr. Sommers would make it mandatory upon the Government to hang up the Esperance railway until some line surveyed, or authorised by the House, was completed, although it might not be to the interests of the State that the line should be built at all. The clause is altogether out of place. Every line that has already been authorised by this House, with two exceptions, is under construction, and will be continued, although Mr. Sommers says the Government may abandon the work of construction and go on with the construction of the Esperance railway. That, of course, is perfectly ridiculous. I hope the House will not pass the motion. I am surprised that the Hon. Mr. Gawler should have committed such a clause to paper after due consideration.

Hon. A. SANDERSON: I warned my colleague that if the second reading of the Bill was passed, with a full knowledge of what it meant, that, although I was fighting my best against it, I would not be a party to any obstacle being placed in the way of the measure, after victory had been fairly won. I am strongly opposed to the new clause. I congratulate the Hon. Mr. Kirwan. It is a personal triumph for him. Apart, however, from that personal feeling, and on public grounds, I think it is most objectionable to pass the second reading of a Bill and then defeat the object of it in Committee. We know exactly what will happen. There will be interminable wrangles about the Standing Orders, and difficulty at the fag end of the session. I see nothing that would tend to hold the Council up to more public contempt.

The CHAIRMAN: We are on the new clause.

Hon. A. SANDERSON: This clause will bring contempt upon the Legislative Council. We have, with our eyes open,

passed the second reading of the Bill; on public grounds I trust that the Committee will reject the proposed new clause.

Hon. W. PATRICK: I hold the same view as the Hon. Mr. Sanderson. I have done my best in opposing the second reading of the Bill because I considered there were many other works which required more urgent attention than this, but seeing that we have passed the Bill by such a substantial majority, it is not fair to tie the hands of the Government. We know that the railway has been partially built already without the authority of Parliament. I am not going to interfere with the decision of the House in any way.

Hon. J. W. KIRWAN: I appreciate the remarks made by the Hon. Mr. Sanderson and the Hon. Mr. Patrick. I am quite sure that the people who are affected in the Esperance district will very much appreciate what the Council has done in the way of passing this long deferred work. The people have waited for this for the past 20 years, and the survey has been made longer than any survey in the State—some 10 or 15 years. It is a pity now the majority of the Council recognise that the work has to be done, that a proposal of the kind that is now before us, should have been brought forward. I am quite sure that the railway will be proceeded with in the ordinary course of events, and that the majority of the members here, with one or two exceptions, will take a broad-minded and generous view, such as was taken by the last two speakers. There is another aspect of the question. Parliament, about a year ago, passed a vote of £10,000 for the construction of a road. That money has been spent in a very wise way by the Government. They know that sooner or later the railway would be passed, and in order that this money might be properly spent it was spent upon the construction of a road in such a way that if the railway was built it could be utilised as a permanent way for that line. The work has not been finished although men are engaged upon it. I do not know whether it will be gone on with. As far as the construction of the railway is concerned it may therefore be

said that it has already been begun. I do hope that the majority of the Council will take a generous view of the question. I do not think the Hon. Mr. Sommers was in earnest in moving it.

Hon. E. M. CLARKE: The Bill has been fairly won. I feel inclined to leave this, as with the case of other railways, to the discretion of the Government as to which line they choose to construct first.

Sitting suspended from 6.15 to 7.30 p.m.

Hon. C. SOMMERS: I find on looking further into this question that some of the railways mentioned in the schedule of the Act are almost completed. Therefore I ask leave to withdraw the proposed new clause with a view to substituting another.

Amendment by leave withdrawn.

New clause:

Hon. C. SOMMERS: I move—

That the following be inserted to stand as Clause 3:—"The construction of this line shall not be commenced or proceeded with until the completion of the following authorised railways: Wyalcatchem - Mt. Marshall, Wagin-Bowelling, Bolgart Extension, Kuerin-Lake Grace."

The Esperance railway has been carried in a fairly full House, and the four railways mentioned have been authorised, and the people in the districts concerned are just as keenly alive to having their railways built as the people along the Esperance Northwards railway are in having their line built. The people living in the districts mentioned should not be left in the lurch until the Esperance line is constructed. If so, a great injustice will be done.

Hon. J. W. Kirwan: Has such a proposal been made in any railway Bill before?

Hon. C. SOMMERS: No. The Colonial Secretary has said that the lines in all probability would be constructed in the order in which they have been passed; therefore no hardship will be done, but I fear that the Esperance Northwards line will be given priority in construction.

Hon. J. F. CULLEN: After thinking this matter over I ask Mr. Sommers to

withdraw his proposed new clause. I do not think there would have been any support for such a proposal only for the unfortunate blunder on the part of Ministers in holding back the third reading of the four railway Bills to which there was not the slightest objection, and it is not in keeping with the dignity of Parliamentary procedure. It will be departing from all precedent to put a hard and fast forbidding clause in a railway Bill dictating to the Government as to the order in which they should carry out works authorised by the House. There might be a difficulty arising. It may be necessary before the completion of certain works to start other works. There is far sounder advice to be given to Ministers to push on rapidly with all the railways authorised—I do not mean all at once—but there is a certain amount of money to expend and a growing army of unemployed. The Government are at their wits' ends to hit on some artificial work, or to make work which will not waste money, to keep the unemployed busy. How much better it would be to push on with reproductive works such as these railways. The answer no doubt will be that the Government have only a certain number of plants and organisations, and it would not be good business to multiply those plants and organisations, but why not call for tenders for a certain number of these works, because the Government have not altogether killed private contractors, and the Labour Government of New South Wales to-day are calling on contractors to build railways for them.

Hon. J. CORNELL: I hope Mr. Sommers will not press his new clause, because on analysis what does it mean? If it is carried it will rest with the Executive of the day whether they obey it or not, and the only remedy against that would be to carry a pious resolution in this House or in another place that the Government should obey the instruction. I do not think the hon. member is likely to get any support to his proposed new clause; therefore he should withdraw it.

Hon. H. CARSON: As one of the members who desired an assurance as to the construction of the lines already authorised, I must vote against the new clause, because of the statement made by the leader of the House.

The COLONIAL SECRETARY: I hope Mr. Sommers will withdraw his proposal; it is purposeless and can achieve no object, for every line he has mentioned has been authorised and under construction, and in some instances nearly completed. Three weeks ago I asked the House to suspend the Standing Orders in order to pass a Bill for the construction of a railway so as to give work to the unemployed. There was absolutely no other work for those men to go on with; no other railways which had been passed by this House. Every one of those lines which have been authorised are now under construction, and some of them are nearly completed. I would suggest to the hon. Mr. Sommers that he withdraw his amendment as it might be wrongly interpreted as the desire of this House to delay the building of the line.

Hon. C. SOMMERS: All I desired was that this line should not be put in hand until all those lines already authorised had been provided for. In view of the Minister's remarks I beg leave to withdraw the amendment.

Amendment by leave withdrawn.

Schedule, Title—agreed to.

Bill reported without amendment and the report adopted.

BILLS (2)—FIRST READING.

1, Vermin Boards Act Amendment.

2, Public Servants.

Received from the Legislative Assembly.

MOTION—WHALING LICENSE, TO DISALLOW.

Debate resumed from the 19th January on the motion by the Hon. A. G. Jenkins, "That the lease from the Government to the "Aktieselskabet Australia" be disallowed."

The COLONIAL SECRETARY (Hon. J. M. Drew—Central) [8.48]: Mr. Jenkins, during the course of his speech,

persisted in stating that Mr. C. Stang had a definite promise from the Minister that he would be granted the area in the whaling waters if it was thrown open. There was no definite promise from the Minister. The nearest approach to a promise was made during my absence and the absence of my under-secretary in a letter dated 6th May, 1912, in which it was stated that "should the area be thrown open it is considered reasonable that Mr. C. Stang's application should be given priority of tenure."

Hon. A. G. Jenkins: Priority of claim.

The COLONIAL SECRETARY: Claim. Subsequently, during the following November, when the matter came before me, I instructed my under-secretary by minute to "make no definite promise but to tell Mr. Stang his application will be kept in mind." In any case no Minister could make a binding promise in this connection. It was an Executive Council matter; it was a matter which had to go before Cabinet, and consequently no Minister had the power to pledge the Government in the circumstances. The area was closed, or more correctly speaking it was withdrawn pending investigation as to whether or not it was a breeding ground of whales. The Chief Inspector of Fisheries had newly arrived in the State and taken up his position, and before deciding upon throwing open all the waters of the State he considered it to be his duty to make full inquiries. This area was not withdrawn or gazetted, but was temporarily withheld, as I have already said, in order that the matter might be investigated. Investigations were diligently conducted by Mr. Aldrich. The closed area commences at Cossack, a well known locality, and Mr. Aldrich visited the North-West. He visited Cossack, interviewed the pearlers, secured information from them, and also has ever since been in touch with the captains of trading vessels. As a result of the information gained, he came to the conclusion that that particular portion which it is proposed to grant to the

Australia Whaling Company is not a breeding ground of whales. Mr. Jenkins said Mr. A. Stang's company had carried out investigations. I should like to know when and with what ships. He said that Mr. Stang had sent reports to the department, before the Australia Co's application was received, showing that this particular locality was portion of the breeding ground of whales. I have seen Mr. Aldrich and he says no such reports have ever been received by him. I may say I have never seen any such reports from Mr. Stang or from any one else. It is a singular thing that the Western Australian Whaling Company never objected to Mr. C. Stang's application. Mr. C. Stang's application was in early in 1912 and repeated, yet the Western Australian Co. never protested against Mr. C. Stang's application. And what was the application? Not for 200 miles, as proposed here, but for 1,000 miles, for the whole of the unallotted whaling waters of Western Australia; and yet the Western Australian Whaling Co., which objects to this application on the ground that the 200 miles are the breeding ground of whales, put in no protest whatever against Mr. C. Stang's application. But you may say Mr. C. Stang never intended to operate in these waters, that he desired to keep them closed. But he was prepared to erect a shore factory at a cost of £2,500 in order to treat whales obtained on the area which is now said to be the breeding ground of whales. Even as lately as the 6th November last Mr. C. Stang's brother, of Fremantle, pressed Mr. C. Stang's application. This is an extract from a letter from Mr. A. Stang on behalf of his brother—

Dear Sir, It has come to my knowledge that the coastline from Cape Lambert to the North-Eastern boundary of the State, which has been a closed whaling area, is about to be opened; also that an application for same has been lodged. In view of this fact, I beg to draw your attention to my brother's (Mr. C. Stang) application and the department's let-

ters of 6th May and 25th November, 1912, No. 5809/11, in which I am informed that the Government is not then prepared to deal with the matter, but that it is considered reasonable that Mr. C. Stang's application will be given priority in the event of the area being thrown open. As, however, in my interview with you last month with reference to this application you informed me in the presence of Mr. Swan, ex M.L.A., that you did not intend to open the area, I allowed my brother's application to rest. If the area is now to be thrown open, I have the honour to press this application which, as previously pointed out, the department on two occasions advised me would receive priority of claim—I have the honour, etc.

Ten days later the same Mr. Stang wrote this letter on behalf of the West Australian Whaling Company—

Referring to the coastal area north of Cape Lambert which has hitherto been kept closed because the department considered it the breeding ground of the whales, and which it is now proposed to open, I respectfully beg to point out the disastrous effect such action will have upon the other companies operating on the coast, particularly the Western Australia Whaling Company, whose area adjoins that now proposed to be opened, an effect which will be reflected in future reduced catches and consequent depreciation in the value of the shares to the detriment of local and Home shareholders. I would respectfully remind you that it is only as recently as 9th of last month you personally assured me the area would remain definitely closed; an assurance given in the presence of Mr. Swan, ex M.L.A., whose letter I attach. In view of this assurance I voluntarily agreed to the amendment of the license granted to this company and the imposition of fresh terms. Up to 9th ult. the result of the departmental inquiries showed that the area was considered a breeding ground, which it was considered

inadvisable to disturb. I shall be glad to be informed whether any fresh facts have since come to light to cause the department to alter this opinion. As you are aware, my company has spent large sums in exploratory work during the last three years, having employed their whaling steamers for months in observing the habits and customs of the whales; and the results of those observations clearly prove the existence of breeding grounds upon the area now proposed to be thrown open. It is generally recognised that whaling at such places in the case of the female animal means the destruction of two, or sometimes three, lives for every life that can be turned to profitable account, the first life being the unborn foster and the second the young animal accompanying the mother, and which when deprived of the latter frequently succumbs to the attacks of sharks, or is unable to nourish itself. Such a waste of life must necessarily shorten the life of the industry as a whole without compensating commercial advantage. Experience elsewhere shows that if whales are disturbed in their breeding grounds they frequently cease to resort there and seek other grounds where they will not be disturbed. In such event, the "track" of whales along the coast would cease. I will therefore urge upon you the desirability of continuing to keep the area closed with a view to permitting the industry to become established on a permanent basis. I recognise that by so doing the revenue may suffer to some extent, and I am therefore prepared to pay an annual sum equal to that the department would obtain by licensing the area or any portion of it. I may also mention that the company's operations in 1912 showed such poor results that a section of the shareholders then proposed withdrawing from the coast; a proposal, which if carried out, would probably have resulted in the abandonment of the coast as a whaling field for many years.

Mr. A. Stang there protests for the first time on behalf of the Western Australian Whaling Company, while during the previous two years that his brother's application was under consideration, he made no protest whatever on behalf of that company. It was stated by Mr. Jenkins that Mr. C. Stang, of Norway, was on his own, that he was altogether apart in connection with this application—

Hon. A. G. Jenkins: I said nothing of the sort. I said that he was a director of one and a shareholder in others.

The COLONIAL SECRETARY: If he was not on his own why is Mr. R. Stang, of Fremantle, protesting against the application which is now before the House? He (Mr. C. Stang) is not on his own. He, as admitted by Mr. Jenkins, is a director of the Western Australia Whaling Company which has objected to the granting of the lease. I have the report of the Western Australia Whaling Company for the year ended 1913, and that report is signed by Mr. C. Stang as director. It shows conclusively that the companies are working together, that is, the three companies controlled now by Mr. Stang at Fremantle. Mr. Jenkins says they are not.

Hon. A. G. Jenkins: Read it.

The COLONIAL SECRETARY: This is an extract from the report—

Even if the expenses at Western Australia are heavy it will be more than made up by the richness of the season, especially when it is remembered that we do not depend upon the humpback season only.

If he was depending on the humpback season only he should be whaling in these waters.

When this season is over we go south where the spermacet whale is found where we can operate the whole year round with this whale.

The areas in which the spermacet whale is found have not been granted to the Western Australia Whaling Company, but to the Spermacet Company. The report continues—

We have therefore come to an understanding with the two other companies in Western Australia to work together; by doing this it will be possible to keep the industry going at more or less pressure the whole year round. It will easily be seen the great advantages this will be to our company. On account of being in sole possession we need not be afraid of the whale taking off through damaging opposition. We have therefore a good opportunity of working up an industry that no other whaling company has been able to do before.

Here we have the Western Australia Whaling Company working on this Spermacet Company's leases. We have also the directors of that company priding themselves on being in sole possession of the whaling areas of this State, and also of being free of damaging opposition and having an opportunity to do what no other whaling company has been able to do before. If Mr. C. Stang's application had been granted we would see the present companies operating in the waters which they now say are the breeding grounds for whales. There is not the slightest doubt about that. The Fremantle Company and the Western Australia Whaling Company have been catching whales since early in 1912, but they have not carried their agreement out with the Government.

Hon. R. J. Lynn: Why did you cancel it?

The COLONIAL SECRETARY: I am coming to that. They have been extracting the oil, but they have not erected factories for the production of fertilisers. That was the main incentive to the Government to grant licenses in the first place, namely, that they should erect a shore factory at a cost of £5,000 for the conversion of the by-products of the whales into fertilisers.

Hon. J. F. Cullen: Was that in the lease?

The COLONIAL SECRETARY: I am going to explain that. In the drawing up of the lease one defect occurred. The companies were given an option of either establishing a ship factory or a shore

factory. It was evident that they should carry out the entire treatment of the whales.

Hon. A. G. Jenkins: Where is that?

The COLONIAL SECRETARY: The extraction of the oil is not the entire treatment. Every portion of the whale should be treated, as is understood by custom in connection with the whaling industry; but that has not been done. I will read from the agreement. Clause 3 is as follows:—

Within twelve months from the commencement of this grant to establish within the said area or on the mainland on land lawfully acquired by the grantee under the provisions of the Land Act, 1898, or otherwise a factory and works for the treatment of whales, whale blubber, and other material derived from whales, and to provide all necessary plant and machinery for that purpose, the amount of capital to be expended thereon during such period being not less than five thousand pounds.

Clause 6 reads—

To carry out within this State the entire treatment of all whales, whale blubber, and other such material as aforesaid, taken or obtained by the grantee under or by means of the license hereby granted or taken or obtained by it, at any place within this State or the coastal waters thereof whilst such license is in force.

That portion of the agreement has never been carried into effect. They have not produced one cwt. of fertiliser during the period that the license has been in operation.

Hon. A. G. Jenkins: Have you had the opinion of the Crown Law authorities?

The COLONIAL SECRETARY: I have their opinion in regard to the only defect, that is in regard to the option of whether it shall be a ship factory or a shore factory. In the original application which was made by Mr. R. S. Haynes on their behalf, they stated that they were prepared to erect factories and to convert the bi-products into manures. That was definitely stated in December, 1911, by Mr. R. S. Haynes in writing, acting for the company at that time, before Mr. A. Stang

took charge. This showed that they were prepared to carry out the agreement in that respect. I will read a portion of Mr. Haynes' letter, which is dated 8th December, 1912. It begins—

To effectively carry on the business of whaling within the area, and for that purpose to employ steamers in the business of the aggregate tonnage of 5,000 tons at least; within two years to erect on the mainland or islands within the area the necessary plant for the manufacture from the refuse of whales of manures, and to expend in such construction not less than £2,500. To make a commencement to the satisfaction of the hon. the Colonial Secretary of the aforesaid industry and works within twelve months of the date of the license.

What did the companies think of this? Did they realise that they had to carry out this portion of the agreement? Did they recognise that they had to erect shore factories or were they under some strange delusion in the matter? I have their report for the year ended December, 1913, the report itself being dated January, 1914. The directors here say—

As the company has an agreement with the Government of Western Australia to build guano factories, for reasons stated before, we could not send our land station out; therefore our representative in Western Australia managed to get extension of time in which to build these factories.

As a matter of fact, we did grant them a brief extension of time of three months.

But it cannot be for long, and this large expense will then have to be made, but when established the guano factory in Western Australia should be a very favourable proposition, as the whole of the production will be sold in Western Australia, and the big transport expenses will therefore be saved. The price for guano in Western Australia is even better than in Europe. After analysis, which the Government Chief Inspector of Fisheries has made of this guano, he has valued it at—

I am not going to quote the price here. It is so much a ton. I do not want to publish information that may not be to the

interests of the company. Two of the leases were liable to forfeiture. Captain Andersen, on behalf of the Australian Whaling Coy., applied for the cancellation license of the Fremantle Whaling Coy. I resisted it. I refused to grant a cancellation, and I informed Mr. Stang that I would be prepared to give him six months' extension of time without any conditions whatever except that he signed a supplementary agreement making it mandatory that a factory should be erected on the land, and also making further provision that he should put up, if more than six months were required in which to do it, a sum of £500 as a guarantee. Mr. A. Stang agreed to the terms to put up £500 and signed a supplementary agreement embodying the conditions that I desired, and making it specific that the bi-products would be turned into guano.

Hon. A. G. Jenkins: What date was that?

The COLONIAL SECRETARY: A few months before approval was given, that is, for the license.

Hon. A. G. Jenkins: A few days before?

The COLONIAL SECRETARY: The vice-consul and the applicant for the license were bombarding me with telegrams and letters, and threatening to bring the matter before Parliament. I resisted it. I thought a gross injustice would be done by cancelling the license without some notification and some extension of time. I realised that after a time they would make good, and I had every confidence that they would do so. After securing his position, Mr. C. Stang approached me on behalf of the Western Australia Whaling Coy., whose license was also in jeopardy. He asked for 18 months' extension in regard to that company in order to carry out the terms of the agreement. He did this voluntarily. He agreed also to put up an amount of £250. Some attempt had been made to do something. A windmill has been erected and pipes had been laid down, and I came to the conclusion that a start had been made, so I therefore made the figure only £250. It has been stated that the condition of signing the agreement was that

the area temporarily withdrawn should be kept locked up. There was no such arrangement. During the interview with Mr. Stang, when Captain Andersen, on behalf of the Australian Whaling Coy., endeavoured to secure the forfeiture of the license, Mr. Stang asked me whether this area on the North-West would be thrown open, and I told him it would not, because I was under the impression that it had been absolutely closed as a breeding ground for whales.

Hon. A. G. Jenkins: You confirm Mr. Swan's statement.

The COLONIAL SECRETARY: I confirm Mr. Swan's statement to the effect that I said it would be kept closed. I made the same statement to Captain Andersen a few days afterwards, when he approached me—I had not seen the file—When a report came from the Chief Inspector of Fisheries pointing out that the area could be leased with safety, I had no hesitation in deciding that it should be thrown open.

Hon. J. F. Cullen: Where is that report?

The COLONIAL SECRETARY: It is on the file in the Legislative Assembly. The hon. Mr. Jenkins is anxious to know where Mr. Fallowfield got his information, that it was not the intention of the Fisheries Department to keep the whole area closed. I do not know. Probably he heard that it had been withdrawn pending investigation. Nor do I know where Mr. A. Stang got his information that the license had been approved within a few hours after approval had been effected. These are the points I would like to have cleared up, but so far they have not been cleared up. Mr. Jenkins referred to the promptitude with which the Australian Whaling Coy.'s application was put through. Captain Andersen intimated to me that he was leaving the State shortly, and that he wanted a decision given quickly. He wanted "yes" or "no," and wanted it without any delay. As a matter of fact the application was made on the 29th October and the question did not reach Cabinet until the 28th November or nearly a month later.

Hon. A. G. Jenkins: It was ready on the 5th.

The COLONIAL SECRETARY: No it was not.

Hon. A. G. Jenkins: Look at your own minute.

The COLONIAL SECRETARY: The whole details were being gone into almost right up to the time it was presented to Cabinet. To make a comparison of promptitude, take the old company: the old original application of the Spermacet Company was dated 18th December, 1911; it was approved by the Colonial Secretary on the 26th January, 1912, and approved by Cabinet the same day, or one month 8 days after the date of application. The original application of the Fremantle Whaling Company was dated 4th January, 1912, was approved by the Colonial Secretary on the 19th January, 1912, and by Cabinet on the 22nd January, 1912, or 18 days after the date of application. Again, the original application of the Western Australian Whaling Company was dated 8th December, 1911, and Cabinet approved of it on the 11th December, 1911, or three days after the application was made. So greater promptitude was shown in connection with Mr. Stang's company than in respect to the other companies.

Hon. W. Kingsmill: How many applications were granted?

The COLONIAL SECRETARY: Only three.

Hon. A. G. Jenkins: What about others received

The COLONIAL SECRETARY: I have never seen but the three.

Hon. R. J. Lynn: Many other applications for whaling licenses have been made.

The COLONIAL SECRETARY: I have not seen them. When I approved of the throwing open of the area and the granting of licenses Captain Andersen was shortly afterwards informed that approval was given subject to his accepting the Government's terms, that the question of rent would have to be carefully considered, that stringent con-

ditions would be imposed, and that he would have the right to withdraw his application at any time if he considered the terms were in any way harassing.

Hon. A. G. Jenkins: Is that on the file?

The COLONIAL SECRETARY: No.

Hon. A. G. Jenkins: It must have been verbal.

The COLONIAL SECRETARY: Yes. In addition to that he was informed that the matter had to go before Cabinet and, further, had to be submitted for the consideration of Parliament. The conditions, I submit, were made as good as possible for the State. A charge of £1 per mile was made, whereas in connection with the older company the charge was only 10s. The area proposed to be granted under this exclusive license is 200 miles, and the company which secures the license will have to spend on that area £5,000, the exact amount which the companies controlled by Mr. Stang will have to spend on an area of 600 miles. Provision is made in the agreement against a combination to restrict supplies or to put up prices; there is no such provision in the other companies' agreements. There is also a provision that no fertilisers shall be exported from the State without the consent of the Colonial Secretary; that is not in the other companies' agreements. There is also a provision for limiting the number of ships—which is not in the other agreements. Again, there is a covenant against whaling in closed waters. Mr. Jenkins says I wrote to Mr. Stang thanking him for having waived the legal rights of the company; I did nothing of the kind. Mr. Stang informed me that the action taken by Captain Andresen to secure the forfeiture of his license would alarm the shareholders, and under date 21st October, 1914, I wrote him the following letter:—

Mr. August Stang, Attorney for Fremantle and Western Australian Whaling Companies, Fremantle, Sir, I wish to place on record my appreciation of the manner in which you met my wishes in regard to the signing of

a supplementary agreement in connection with the exclusive whaling licenses held by the companies represented by you in Western Australia, and also the readiness with which you complied with the conditions I saw fit to impose in the interests of the State. I have never had any doubt as to the genuine intention of the companies to develop the industry in which they have embarked to the fullest extent possible, and I desire to state that my action must not be taken as indicating any lack of confidence in their bona fides.

I did appreciate the manner in which Mr. Stang met my wishes, and even today I have no lack of confidence whatever in the bona fides of these old companies. I am sure they will do what they are pledged to do, but at the same time I think they have quite enough territory, and the very fact that they have had to come forward and ask for an extension of time in order to carry out their contract goes to show that, to use the somewhat vulgar expression, they have bitten off more than they can chew.

Hon. A. G. Jenkins: Why did you say in your minute to Cabinet that they required careful watching?

The COLONIAL SECRETARY: I contend from our experience of them that it will be necessary to watch them. I say that without any reflection upon the company. These companies have from Cossack to 130 miles beyond Esperance, and still they are not satisfied. I could say more in regard to Mr. A. Stang of Fremantle. As a matter of fact, the Government are under a deep obligation to him and his company for having supplied us with one of their whaling boats at a nominal figure in order to bring down fish to Perth. I have always found Mr. Stang courteous and in every way entitled to respect. What would be thought of me if I had acceded to his application on behalf of his brother that the whole of the waters of Western Australia should be handed over to what I am convinced is practically one company? Mr. Jenkins says it is

unfair to state that Mr. C. Stang has any interests excepting in one company. The extract I have read shows that the three companies are working together, and if C. Stang has an interest in one he must have an interest in all. The report shows further that there is a division of profits between the Western Australia and the Sperrmacet companies. Mr. Jenkins misconstrues the words of my Under Secretary "Nothing has been heard of Mr. Stang's people for two years" to mean "We have had no correspondence with them." If that was the intention of the Under Secretary, his statement would not be in accordance with fact. What Mr. North meant was "We have not heard from these companies for two years in the way of carrying out their agreements with the Government." Mr. Jenkins further stated that Chr. Nielsen & Co. have no interest in the whaling companies. It is not a material point, but the members of the firm are the directors of the Western Australia Whaling Co. because they signed their report, and this firm also appears in the *Norwegian Gazette* and in *Lloyd's Register* as controlling these ships.

Hon. A. G. Jenkins: And controlling how many others?

The COLONIAL SECRETARY: It is not a material point. Mr. Jenkins further states that the breeding grounds for whales can only be located by having ships to investigate them. I would like to know what vessels made these investigations on behalf of the companies referred to. Again, if they have discovered the breeding ground of whales, seeing that Mr. C. Stang is a director of the Western Australia Whaling Company, and, I am informed, of the Fremantle Company also, it is peculiar that he should be desirous of securing this area for the purpose of operating on it. Not 100 miles, but 1,000 miles. Mr. Jenkins holds that tenders should be called and the area given to the highest bidder. There is no suggestion whatever of such a course in the Act, and I followed the procedure as laid down by the Legislature. Parliament has decided that the granting of

exclusive licenses for whales, turtles, and pearl shell fishing should be left to the Governor-in-Council, with the provision that if the area extends over 75 miles the papers must be laid on the Table. When the Bill was introduced in 1909 under a previous Government, there was no limitation to the area which could be allotted to one individual; the whole of the waters of the State could have been handed over, with no limitation whatever, and there was no condition that the papers should be laid on the Table. This House passed the Bill as it was, and sent it on to another place, where the amendment was effected. Previous Governments have granted exclusive licenses for turtle; I believe the present Government have done so. We are granting exclusive pearling licenses every week, and there has never been any suggestion of calling for tenders. Surely if this House realised that this was necessary, the time when the contracts with the three companies were laid on the Table was a fitting opportunity to express that opinion—when three-fourths of the waters of the State were handed over to the three companies, which are practically one company.

Hon. W. Kingsmill: It is never too late to mend.

The COLONIAL SECRETARY: One would imagine that there were scores of people waiting to secure these concessions and only too ready to put in a tender. As a matter of fact there are only two sets of companies in Australia engaged in whaling, namely the companies under the control of Mr. Stang and the Australian Whaling Company. Suppose we called for tenders; we would require to advertise all the conditions set forth in the agreement, and publish them in the Norwegian papers, because these enterprises originated in Norway. The fee in connection with the matter is a question of only minor importance from the point of view of the Government. The production of fertilisers is of very great moment, and all must admit that in that connection competition is very necessary. We have none now. We have it on record that these companies are working together and will be working together

when the fertiliser is produced, when they will put up the price as high as possible. That monopoly should not be enlarged, it is large enough at present. It is far better to bring in a third party. Mr. Stang would probably give more; no doubt he would, for he has offered the Government £200 to keep this area closed. Why? Because he does not want competition. Supposing he secured this, we should have the same old fleet operating whereas under this agreement a new fleet altogether will be introduced which will have no connection with the companies in existence now. I said that Mr. C. Stang of Norway was not on his own and I have endeavoured to prove it. I can furnish further proof out of his own mouth. The proof was furnished this afternoon in the cable message from Mr. Chris. Stang of Norway which was read to the House. I will read it again in order to refresh the minds of hon. members. It is as follows:—

Solely on the faith Government's promises priority north stretch here published I succeeded start Western Australian companies.

This is the gentleman who has no connection except with one company. The cable continues—

If been risk competition sufficient shares never been drawn because competition means companies short lastingness and great losses shareholders. On Africa for instance most companies after less than five years existence now liquidate with great losses. Western Australian companies raised large loans erecting guano factories which instead five costs more than twenty thousand pounds each when definitely completed. If competition opened companies' capital and debt cannot be reimbursed unless very intense working. This means such decimation whales short time that companies soon have to liquidate equal damage Western Australia as companies. Greatest mistake believe I monopoly have established. Three different companies with different shareholders different directors. Companies only chosen same

manager with experience difficult concerns securing rational working. Apply warmly northern area not being opened competition.

There is no reference in the wire received to-day by the President, and a copy of which was sent to the Premier, from Mr. C. Stang, evidently representing the three companies, to the breeding ground of whales. He could not consistently put forward that plea because at present he is endeavouring to secure these waters to catch whales in them. The only fear the gentleman has is the fear of competition. Right through the cable he refers to competition. He has a mortal dread of it. It follows that if Mr. C. Stang got these concessions there would be no competition. It is not a fact, as he says at the conclusion of the wire that he has established no monopoly. It is quite inconsistent with what has gone before. He said he started these companies on the strength of the Government's promise of priority. That statement will not bear examination. These companies were floated in 1911; all the capital was subscribed, because, according to the companies law of Norway, the whole of the capital must be subscribed before registration. Towards the end of 1911, the companies had been floated and registered in Norway and had to be registered in the Supreme Court of Western Australia before any action could be taken. That was in 1911 and the only statement approaching a promise received by Mr. C. Stang was on the 6th May, 1912, when I was absent. Yet he informs the House in his cable message that he floated these companies on the strength of the Government's promise of priority. Every hon. member must know this is utterly incorrect and Mr. Stang must know it. The question of closing these waters never arose until 1912, long after the flotation of these companies. This is an effort to mislead the House.

Hon. A. G. Jenkins: Only certain portions of the area were ever opened, so the statement is quite correct.

The COLONIAL SECRETARY: What his company applied for in the

first place was granted. Later they came along in the name of C. Stang and were refused. The companies were floated before any sort of promise was given.

Hon. A. G. Jenkins: Three licenses were granted and the rest of the waters were closed.

The COLONIAL SECRETARY: To keep the waters closed would suit Mr. C. Stang just as well as keeping them open because he would be rid of what he fears most, namely, competition. If it were simply a question of the extraction of oil, it would not matter if 60 companies were operating and they formed a monopoly, because the oil is not consumed in Western Australia; it is exported. Therefore, if it were merely a question of the oil, there would be no ground for objection, but a greater question is involved. The question of the manures is a very serious and different proposition so far as this State is concerned, and no doubt Mr. C. Stang wants to get tip top prices for his fertilisers.

Hon. C. F. Baxter. Why did not you have that stated in the agreement?

The COLONIAL SECRETARY: We have had a little more experience. It is provided in this agreement and should have been provided in the original agreement.

Hon. A. G. Jenkins: If so you should restrict the price under the new agreement.

The COLONIAL SECRETARY: How could the price be restricted? We have had no experience of the production of this class of fertiliser.

Hon. A. G. Jenkins: Then do not use it as an argument that they would put the price up so high.

The COLONIAL SECRETARY: If all of the companies were working together it follows that they could put the price up to the highest possible limit.

Hon. A. G. Jenkins: Then it would be worthless. People would not buy it.

The COLONIAL SECRETARY: No doubt they would fix the price sufficiently low to induce people to buy it. It appears there are three points at issue. Should Mr. Stang be given priority? I think I have conclusively proved that he

should not be, as that would be opposed to the best interests of the State. Should tenders have been called? I have pointed out that there are only two sets of companies in the State, and if my first contention is sound that an enlargement of a monopoly of this kind is against the best interests of the State, the possibility of getting more money in the way of rents should not be considered. Fair fees should be fixed and stringent conditions imposed. This is what I have endeavoured to do in connection with this license. The rent comes up for review at the end of seven years and can be fixed in accordance with the ideas of the Government of the day. The third point is, should the area be closed? My responsible officer, my adviser in these matters, says this particular portion might be safely thrown open.

Hon. A. G. Jenkins: He says, "I think."

The COLONIAL SECRETARY: This is the gentleman upon whom I depend for advice. I have had definite advice from Mr. Aldrich that this particular area can be leased with absolute safety and he is impartial whereas Messrs. C. Stang and A. Stang are interested parties. Everything I have done has been done in complete conformity with the Act. I do not think that can be disputed or denied. I have done what has been done by the Minister under any previous Government and now it is purely a question for this Chamber to decide whether it will accept or disallow this particular license.

Hon. R. J. LYNN (West) [8.40]: I am sorry that I have to follow the Colonial Secretary, because I do not like to take advantage of any reply he has made to the motion, but the one aspect that appeals to me and which is very evident and has not appealed to the Minister or his responsible officers is the isolation of the North-West coast. It is within my knowledge that the Government in connection with the construction of many of their works in the North-West have been unable to proceed with them on account of the fresh water question. They have had to

send up condensers at very heavy cost and expend large sums of money in order to meet this difficulty. Those who have any shipping experience in this State know there is practically no harbour on the North-West coast where any company operating could establish a port in order to proceed with their operations. It would be necessary for the companies in view of these conditions to expend large sums of money in connection with the exploration of the North-West coast. I do not know of one port or harbour in the North-West where they could establish factories and operate with steamers. Mr. Jenkins, in moving the motion, dealt exhaustively with the minutes on the file and clearly demonstrated that after having a company to pioneer operations there, no concession should have been granted other than by public tender. The companies who hold the concession started two or three years ago, but applications were also made for exclusive whaling licenses by firms who have not been mentioned to-night by the leader of the House.

The Colonial Secretary: How many years ago?

Hon. R. J. LYNN: Three or four.

The Colonial Secretary: The Act has been in operation only two or three years.

Hon. A. G. Jenkins: It was passed in 1911.

Hon. R. J. LYNN: Even admitting the argument of the Colonial Secretary that the original agreement provided for the establishment of shore factories, it was practically impossible to establish them on the North-West coast except after considerable delay. It would take any company many months to find a suitable locality where fresh water and the necessary draught and protection for shipping were available. The companies in question came along and as the leader of the House has told us, entered into an agreement to start within a certain time. On the other hand, I understand, and I am subject to correction, that when the amendment of the original agreement was entered into recently it was stated by the Crown Law authorities that the attorney for the companies, Mr. Stang, had no power to sign the original agreement and

it had to be sent home to the directors in Norway in order to get the agreement completed. If this is so, Mr. Stang had no right under his power of attorney to sign the agreement binding the company to erect shore stations, and how could it ever have been intended that shore factories should be established under the original agreement. If this was intended why was it not clearly set out? My interpretation, and I believe it is endorsed by the Crown Law authorities, is that a shore factory would be one operating within the area. Now "out of the area" means within the fishing area; so that as long as the company had a store ship or factory ship, it was to all intents and purposes carrying out the spirit of that agreement. But if it was intended, as the leader of the House would have us believe, that the spirit of the agreement was the erection of shore factories, I say it would have been absolutely impossible for any company to operate on our North-West coast within a period of 12 or 18 months if it had to locate a place where fresh water could be found—

The Colonial Secretary: Three years.

Hon. R. J. LYNN: Three years, then; and a factory established.

Hon. A. G. Jenkins: Mr. Aldrich says the same on the file.

Hon. R. J. LYNN: We were told by Mr. Jenkins when moving his resolution that this company, being anxious to establish shore factories, brought out machinery but, being unable to locate a suitable site for the establishment of the factories, was compelled to return the machinery to Norway. This is clear and convincing evidence of a desire on the company's part to establish such factories, even if that was not included in the agreement, or was not mandatory under the agreement. It is plain that the company was willing to obey the spirit of the agreement, because this machinery was brought out. The leader of the House said that this company had bitten off more than it could chew, but yet this company which had bitten off more than it could chew, was quite prepared, as the Colonial Secre-

tary himself tells us, to find additional capital to obtain licenses in order to keep the ground closed. I am not in accord with the Colonial Secretary in his reference to a charge on a mileage basis for a fisheries license. So long as a company obtains a license from the Government, it matters not whether the mileage is 1,000 miles, or ten miles, or one mile. So long as within the radius of the one mile or the ten miles the company has a port where it can erect a factory, the mileage is immaterial, because immediately the company has a location it can go beyond the three miles, outside the territorial limit, and fish wherever it pleases. So that the suggestion of mileage charge, to my mind, should not enter into the question at all. I am unable, also, to agree with the Colonial Secretary in his reference to the additional charge for license fee on a mileage basis. The serious aspect, to me, of the granting of the license is that we have a company which came out here and, according to the Colonial Secretary's own statement, was willing to observe its agreement in every respect, and, although possibly it wanted watching, still was trustworthy as regards the carrying out of the conditions of its agreement, and that when the agreement is being carried out practically in its entirety, and certainly in its spirit, we find the Colonial Secretary granting a license to another company to operate practically on the same ground.

The Colonial Secretary: Not the same ground.

Hon. R. J. LYNN: Practically the same ground. Because the harm which the second company would do must disturb the fishing in other waters. This second company, which was granted the second license, came out here, I am informed, some three years ago, when the other company started operations. The attorney of the second company visited Western Australia with a view of prospecting our waters, and if possible commencing business here. However, distant fields appeared greener to him; and he left Western Australia, passed it by, and commenced operations in some other part of the Commonwealth. Later,

the other company came here, expended some thousands of pounds in exploratory work, brought out factory ships, erected at heavy cost large shore stations, pioneered and established the industry, and then, after two or three years, when the company was just commencing to reap some little reward from its energy and enterprise, the other company is brought into competition with it. The other company came here practically at the same time, and had equal opportunity to establish itself here; but it chose to go past our shores and proceed somewhere else, where it made a failure. Now, at the expense of the company which pioneered the business, this other company desires to enter upon the field. I submit that it is not fair to allow this other company to enter into competition.

Hon. W. Kingsmill: How enter into competition?

Hon. R. J. LYNN: By entering into competition. I fail to find words to express myself in reply to the hon. member interjecting, because I know that his flora and fauna and fisheries knowledge is a little above mine. However, let me remind the hon. gentleman that the whales move up and down the coast very considerably. Further, it is well known—as the hon. gentleman interjecting himself well knows—that the granting of another license will seriously hamper the operations of the company now at work. In view of the heavy expense that company has been put to in pioneering the industry, I consider that some time should be allowed to it to reap the reward of its enterprise. In this connection, I hold that at least a few years should be allowed to elapse before competition is introduced. I am not in a position to argue whether that particular portion of the coast is the breeding ground for whales. Perhaps Mr. Kingsmill can tell the House whether it is so. I have heard it stated that the area is the breeding ground of whales, and it was stated on excellent authority. There is in this House a member acquainted with the industry, and perhaps that hon. member will inform us on the point.

Hon. W. Kingsmill: He is not acquainted with the locality.

Hon. R. J. LYNN: He may not be acquainted with the locality, but he may be able to give the information from his knowledge of the industry generally. Personally, I am not in a position to speak definitely on the point; but I do think that, rather than that another company should come along and reap the reward of the pioneering work which it has not done, and reap that reward at such a minimum of cost, it would be better, if the Government do finally decide to bring in competition, for the Government to take that course publicly. If competition is to be brought in, then I consider equal opportunity should be given to all to tender for that particular license. As I have said, I am placed in rather an awkward position, following the leader of the House, because I had intended to enter into some details of the file relating to the priority of claim promised therein. After listening to Mr. Jenkins, it is plain to me that priority was promised to Mr. C. Stang. That may not have been intended by the Minister; but I think the reading of the file would lead anyone to the conclusion that, in the event of Mr. C. Stang requiring that particular ground, and if the locality were thrown open, that gentleman was to be given a prior right in that connection. One objection I have to take is that, evidently, the amended agreement was signed under a misapprehension that something would be done in the same direction. It is not reasonable to assume that an amended agreement would be entered into unless some benefit would accrue from that amended agreement. Yet we find Mr. Stang being permitted to enter into an agreement supplementary to the original one, and undertaking to do certain things, but getting nothing in return.

The Colonial Secretary: He was afraid of forfeiture.

Hon. A. G. Jenkins: You were afraid to submit the matter to the Crown Law authorities.

Hon. R. J. LYNN: The question is one on which I think the leader of the

House is somewhat astray, because the file clearly shows that a suggestion came from the department that the lease should remain in abeyance for some little time, and that every opportunity should be given Mr. Stang to take it up later. At the present time, looking at the file one sees that some little extension as regards payment for the lease was given by the department at the department's own suggestion. Therefore, it does not appear as if the Crown Law authorities considered that the agreement was liable to cancellation. I should certainly like to see the agreement last entered into withdrawn from the Table of the House. If it is decided by the Government to open the area in question, after the Government have fully satisfied themselves that the area is not the breeding ground of whales and that the throwing open of it is not likely to injure the industry now in existence, the license should be thrown open to public tender, with due consideration, however, for all the expense incurred; or, otherwise, an extension of time should be granted to the company which pioneered the industry.

Hon. W. KINGSMILL (Metropolitan) [8.58]: I think this matter has been argued to some extent unduly on the grounds as between one company and the other. I wish to look at it, if I may be allowed to do so, from the point of view more particularly of the State. Just touching, however, for a moment on the question as between the one company and the other, I may say that the map which was laid on the Table of the House to-day exhibits to hon. members in a most striking manner what I can only think is a display of greed on the part of the three companies which already have had granted to them such a huge extent of our Western Australian waters. Hon. members can see from their seats what I mean.

Hon. R. J. Lynn: Cannot the companies fish for whales, even if these come from Batavia?

Hon. W. KINGSMILL: Certainly; but I am speaking of things as they are, and not of things as they might be. The Government of Western Australia have

taken into their hands the power to grant exclusive licenses for whaling. That power has been accepted by the people who applied for exclusive licenses. The position being thus, it would ill become this House or any other place to disturb a system of arrangement which appears to suit both parties. But I am just speaking for the moment on the question as between company and company, and I would invite hon. members to look, from their seats, at the map which I hold in my hand. They will see on the map, coloured in dark blue, the area or extent of coast which has been granted to these three companies—companies which, it would appear from the report of one of them, are working really as a single company.

Hon. R. J. Lynn: Their working must be reciprocal.

Hon. W. KINGSMILL: I do not wish to imply that there is anything but an honourable arrangement between the three companies interested. However, those three companies are identical.

Hon. A. G. Jenkins: Not at all.

Hon. W. KINGSMILL: Then I misunderstood the Colonial Secretary when he read from the report which I have not yet had time to read myself. At all events these three companies had had granted to them an exclusive license over an area extending from Israelite Bay to Cos-sack.

Member: Is Esperance in that area?

Hon. W. KINGSMILL: Well within the area; another company comes along and asks an exclusive license for an extent of 200 miles of coast; members can see it on this map coloured red. I say that the mileage is the question, and this is one of the most stupendous examples of greed I have ever seen. Members can see the disproportion. Here are three companies, which we may at all events strongly suspect of acting as one, holding 1,800 miles, and another one comes along and asked for 200 miles. The applicant company have carried out all the conditions laid down; that is all the Government ask. The hon. gentleman

talked a lot of nonsense about the pioneering of the industry; there is no pioneering in whaling. The companies simply came here because they had been informed of the existence of whales on the coast. They came here and found the prospects good; and it was a commercial proposition; they did not come for the purpose of opening up our coast. The whales have been gradually increasing on this coast ever since the old-fashioned whaling ceased, and when the Norwegians saw that the whales had sufficiently increased in number they came here, not before; they did not come to suit the State. It is grossly unfair that three companies hold 1,800 miles of the coast and object to another company getting 200 miles. The hon. gentleman talked about competition. What competition can there be except that pointed out by the hon. Minister. There is no more competition in whaling than there is in any other branch of fishing on the coast. Therein lies the refutation of the hon. member's own argument. Those people engaged in getting the hump-backed whale from Shark Bay northwards capture the whales when they are travelling north, not when they are travelling south.

Member: Who is your authority for that?

Hon. W. KINGSMILL: Mr. Aldrich.

Member: It is not on the file.

Hon. W. KINGSMILL: Mr. Aldrich told me because I inquired.

Member: The information should be available for all members.

Hon. W. KINGSMILL: When the whales are going north they would have to pass through probably 1,000 miles of the coast of Western Australia held by Stang's Company before they got to this part, and it is very questionable whether they hug the coast so much as to bring them into the concession asked for by this applicant. This brings me to the question of breeding grounds, and the solicitude shown by the companies on this question of breeding grounds is an altogether new development in modern whaling.

If members will read concerning modern whaling they will find that the system has been to go on to a coast, get the whales as quickly as possible, and then go on somewhere else. Where did these gentlemen come from? From the coast of Africa. Having denuded the coast of Africa of whales, and then finding this coast good they came here and afterwards they will go to some other part of the world.

Hon. A. G. Jenkins: That is why they are spending £70,000 down there.

Hon. W. KINGSMILL: That is not in evidence at all. The hon. gentleman is now making more astounding statements. Just now it was £50,000. With regard to this question of breeding grounds. It is far from being established that the contention of Mr. Stang's company that this 200 miles is a breeding ground of whales on this coast is correct. As a matter of fact I myself have seen whales with very young calves at Shark Bay some hundreds of miles south. I have the evidence of another hon. gentleman in this House, who is in a position to speak probably better than any of us, that this class of whale with young has been seen east of Esperance. This question of the breeding ground is not one to be settled in a moment. It has even occurred to me from the direction the whales take up the coast, that the breeding grounds might well be at the Ashmore Shoal, 200 miles off the coast, which fulfil all the necessary conditions of sheltered water and so forth, conditions which do not obtain in the locality under discussion. This particular stretch of the coast from Cossack to Condon is amongst the best known parts of the north-west. For many years pearling has been carried on there. Not only that, but, for years and years the whole trade of the north-west goldfields was carried out between Cossack and Condon by means of a number of cutters and schooners which carried goods which were to be transhipped inland to Marble Bar and other places.

Hon. R. J. Lynn interjected.

Hon. W. KINGSMILL: I am alluding now to 20 years ago. Evidence is available, and that evidence has been taken advantage of by the Chief Inspector of Fisheries in the report which the Minister says he sent in, that so far as he can gather this particular area is not the breeding ground of whales. As I have said it is an open question, and certainly the evidence, so far as it has been given to this House, is rather against the proposition. I feel very sorry for the Hon. Colonial Secretary in connection with this matter, because, for one reason or another, he has been placed, in my opinion, in a false position. I think there is no more delicate position than that of the Minister chosen to administer the department of a colleague, and no circumstance in which a man has to be more circumspect. Undoubtedly it was recognised by the Chief Inspector of Fisheries that some sort of promise was given to Mr. Stang by Mr. Drew's *locum tenens*. Whether it was in the best interests of the country is, in my opinion, extremely open to doubt. Personally I do not think it was. I think that Mr. Stang's people, having such an immense grip on the coast, should have been satisfied, and the Government should have been satisfied. Even supposing they were the pioneers, it was a false step to promise them any further priority of claim; but if such a promise was given it should be carried out. I have endeavoured to learn all the details, and on looking at this matter from as wide a point of view as possible, the responsibilities of a Minister in connection with the granting of these licenses are great indeed. Exclusive licenses were first granted in this State in 1898, and they have been granted for various purposes ever since. It is necessary we should observe the most extreme caution in connection with our coastal industries. Pearl shell fishing at Shark Bay and northward has been flourishing for years, and whaling has now been resuscitated. There are others yet to come for which facilities will be asked which will demand the utmost circumspection on the part of the Minister. In years to

come this coast will be one of the principal sources of supply of sponges, and no doubt the production of fertilisers manufactured from fish will be carried out to a great extent. On the East coast of America this finds employment for thousands of men. Years and years ago that industry occupied somewhere about 2,500 vessels, of which number probably 500 were steamers. And the same thing will apply undoubtedly on this coast, and the more useless class of fish should be made into fertiliser. When we consider this we want to be careful in order that Ministers may not make too great a concession to applicants. Those gentlemen who applied for such a large area for whaling purposes are not alone in their endeavours to grasp huge areas along the coast. I remember having to deal with the application of a gentleman who wished to obtain an exclusive license to take all products of the sea on the coast of Western Australia from Cape Leeuwin to the North West Cape. That shows the sort of application that Ministers may be met with. The hon. Mr. Jenkins mentioned that he thought it would be a very good plan if these licenses were subject to some sort of public tender. I am of the same opinion. As a matter of fact, it is my intention to move an amendment which I understand from private information must have some merit in it because it is distasteful to both parties to the dispute. It would appear that it hits the middle course. The amendment I propose to move is an amendment to the original motion which hon. members will see in the Notice Paper. The original motion is "that the lease from the Government to the Aktielselskabet Australia be disallowed." I wish to move an amendment first of all to insert before the word "lease" the word "proposed," and secondly to strike out the word "disallowed" and insert the following words:—"made the subject of public tender and that future applications for exclusive licenses under the Fisheries Act be similarly treated."

Hon. R. J. Lynn: Would you give them a few years to go on with?

Hon. W. KINGSMILL: Mr. Stang's companies are not affected; their holdings would be left untouched.

Hon. A. G. Jenkins: That is of no effect.

Hon. W. KINGSMILL: I cannot say that. The hon. gentleman will have an opportunity of speaking on the amendment, when he can explain to the House why it will be of no effect. Until this is shown to me I will proceed with it. I do not think it is necessary to say any more in explanation of it, because the amendment itself is, I think, self-explanatory. I move, therefore, an amendment—

That the word "proposed" be inserted before the word "lease," and that the word "disallowed" be struck out, and the following words inserted in lieu:—"made the subject of public tender and that future applications for exclusive licenses under the Fisheries Act be similarly treated."

The PRESIDENT: The amendment requires a seconder.

Hon. A. G. JENKINS (Metropolitan—in reply) [9.20]: I should be very pleased to accept the amendment if I thought it would benefit the case I have endeavoured to set up and am quite sure that the leader of the House would be pleased if he thought it would benefit the case that he was going to set up. But in my opinion it will benefit neither of us. This, to re-echo the sentiments of another hon. member, I look upon as a pious resolution. It sets out what the wishes of the House are with respect to exclusive licenses. Unfortunately, that is not what the House has to decide. If it were, the resolution of the hon. Mr. Kingsmill would be an excellent way out of the difficulty and I am sure we should all be only too glad to accept it if we could; but we cannot accept it. The question before the House is whether the lease is to be allowed or disallowed. I am sure the Colonial Secretary accepts that position. There can be no half measures about this matter. The lease has either to be allowed or disallowed. For that purpose it has been laid on the Table.

The Act refers to 14 days, but it does not say whether the lease shall be allowed or disallowed. If the Act is read as it is meant to be read, then the House should have an opportunity of saying whether the lease should be allowed or not. I am sorry I cannot support the hon. member. Could I accept the amendment, I would be only too glad to do so. I will refer shortly to the remarks made by the hon. Mr. Kingsmill and by the Colonial Secretary. I have already taken up considerable time of the House in opening my motion, but there are a few remarks I would like to refer to. I still maintain, notwithstanding what the hon. Mr. Kingsmill has said, that the area of ground proposed to be given has no more to do with it than the walls of this House. It matters not whether you give an area in territorial waters, of five, ten, or twenty miles, if you provide that shore stations shall be erected. Hon. members will remember when I opened the question that I did not debate strongly the merits of the different companies. I certainly debated the rights of the companies on my second point, on the rights of Mr. C. Stang to have an exclusive license. The point on which I argued the whole question was that if the exclusive license (for what I maintain are closed waters) was to be given, companies should not be able to come in like this company and a few days after the present companies were told that the waters were going to remain closed, to apply for an exclusive license as they did on the 29th October and to get it approved on the 5th November. The license would then have been ready for Cabinet only that this appears on the file that this lease was actually granted to the company before the question of rent was even considered.

The Colonial Secretary: That was gone into from time to time.

Hon. A. G. JENKINS: The company were told that they were to have this lease. An urgent message went to the Crown Law authorities to prepare the lease for the company and the Under Secretary minuted that the question of rent would have to be considered, not-

withstanding that the Under Secretary was informed that the matter should receive urgent attention, and it was sent forward as an urgent memorandum. This appears on the file in black and white. That is why I say that if the rights of the company are to be considered at all I only argue this point from these premises, that on the 9th October the company were told that these waters were going to remain closed, that between that date and the 21st October they agreed to a variation of their agreement which they were not legally bound to do, and that the Minister had no legal right to compel them to erect a shore factory or to compel them to make fertiliser from whales. There is not one word about this in the agreement. The Minister knows that these agreements were never submitted to the Crown Law authorities nor was their advice ever given upon them; because he knows, as well as any legal member of this House, that a favourable opinion from that aspect of the case could not have been obtained from the Crown Law authorities. On the 9th October this definite promise was given. It was a promise. On the 10th Mr. Aldrich writes a minute which I will read to the House. Between the 10th and the 21st a variation of the agreement is agreed to. On the 21st Mr. Drew wrote a letter to the company which has already been read, thanking the company for what they were doing in varying the agreement. On the 29th, eight days afterwards, he granted an exclusive license to a strange company without any competition and without informing other people (whether it was necessary to inform them or not one cannot say.) They got a license on the 5th November without the question of rent having been referred to. But there are difficulties that this company did labour under, and to show that there were others beside the Minister whose interests were *bona fide*, I will refer to a minute of Mr. Aldrich on the 10th October, 1904, which I did not read to the House when the matter was first considered. The minute is as follows:—

I note letter from Mr. Stang (Attorney for the West Australian Whaling Company, Ltd.) hereunder. In so far as this department is concerned, the position is as follows:—Recently I drew Mr. Stang's attention to the fact that the framing of the licenses of the three whaling companies he represented was practically on the same lines, and pointed out that, whilst from my own personal knowledge I knew that one—the Spermacet Whaling Co.—had almost completed the erection of a shore station at Frenchman's Bay, Albany, I would like further information as to what had been done in that direction by the West Australian Co. Mr. Stang stated that, whilst he had been advised by the companies' solicitors—Messrs. R. S. Haynes & Co.—that it was not obligatory on the part of the company under the terms of the license to erect a shore station, he (Mr. Stang) was using his utmost endeavours to have this work completed, and there had been ordered a guano plant, which would be erected as early as the difficulties of securing a suitable site would permit. Mr. Haynes, K.C., also saw me with Mr. Stang and again expressed the opinion that the terms of the license did not bind the company to erect a shore station. Without admitting anything in this direction, I threw out the suggestion that as they argued that the license was faulty in certain respects—

That is the exclusive license.

but that they had stated that they all along intended erecting a shore station it might be advisable to have a supplementary agreement drawn up and signed, which would set at rest any doubt that might exist. Mr. Stang stated he was prepared to agree to this. His letter now under review confirms this statement. On another file I have stated that, in my opinion, doubt exists as to the obligations cast on the company by clauses 3 and 4 of the license—

These are the clauses which the Colonial Secretary read to the House—

and I certainly think that the opportunity should be taken and a supplementary agreement be drawn up placing it beyond doubt that the company must within a stated time, say, 18 months, erect either on the mainland, or on an adjacent island, a station or factory of a value not less than £5,000 for the treatment of the carcasses of whales taken and the preparation of other by-products.

I may say that these shore factories cost £20,000 to erect in a proper manner, and that one of the companies has already spent £20,000 and that each of the other companies propose to spend a like sum.

Hon. J. F. Cullen: Where was that £20,000 spent?

Hon. A. G. JENKINS: It was spent in Albany. The memorandum goes on—

I recommend that this course be followed.

I draw hon. members' special attention to this.

I have every reason to believe that the statements made by Mr. Stang relative to the difficulty in securing suitable harbours on the area comprised in this license are substantially correct. In the face of these difficulties I consider the company has shown considerable enterprise. At the present time three large factory ships and six steam whalers of an approximate value of £130,000 are operating at Point Cloates, and considerable improvements in the direction of a jetty, wind mills, tanks, wells, motor driven pumps, pipe tracks, etcetera, have I am informed on reliable authority, been erected at a cost of some thousands of pounds.

Here is a further minute dated the 10th October—

Submitted for your approval. I think Mr. Stang's readiness to sign a supplementary agreement and not to take any advantage through a possible flaw in the original agreement is to be highly commended.

I still state—and the agreement read by the Colonial Secretary proved my case—that there was no legal liability cast

on these gentlemen to do what they did. They did it voluntarily, as a moral obligation, and naturally, when they erect a shore factory they want to get the best results they can from their endeavours. They have erected one and are now proceeding to erect others. My first argument was that the exclusive license should not have been granted unless open to competition, and until it had been conclusively proved that it was not the breeding ground of whales. I have listened with great attention to the speech of the hon. member because he takes a great interest in fisheries, and other branches of the department. He may be possessed of information not at the disposal of the House. But there are eight files in connection with this matter, and I will defy any hon. member to find in those files any information at all that would justify Mr. Aldrich in saying that this is not the breeding ground of whales. According to the files there does not seem to have been the slightest inquiry made by the Fisheries Department as to whether or not it is a breeding ground of whales.

Hon. W. Kingsmill: Inquiries have been made. The Colonial Secretary has told us so.

Hon. A. G. JENKINS: It is not shown on the files. Except that Mr. Aldrich paid a visit to Cossack and made some inquiries, nothing whatever has been done.

The COLONIAL SECRETARY: He has been consistently inquiring.

Hon. A. G. JENKINS: Then it does not appear on the files, although it should appear there. It is extraordinary that for more than two years Mr. Aldrich was writing about this question, and stating that he could not get any information on the point. Then, three days after the company put in its application, he says, "I think I must admit that the breeding grounds are further north." There is nothing whatever to show how Mr. Aldrich arrived at that opinion. It is most peculiar that a gentleman whose business it was to find out where the breeding grounds were should keep that information to himself

until required for the purpose of this application. That was my first point, namely, that until proper inquiries were made this ground should not have been thrown open, and that if it was discovered that the area included the breeding ground of whales it should be closed, while if it was discovered that it did not include such breeding ground it should have been opened to the person prepared to pay the most money for it.

Hon. W. Kingsmill: Given to the monopolists.

Hon. A. G. JENKINS: No. If the hon. member had been in the House he would know I never advocated that it should be given to monopolists, except in the respect that it should have been given to the men who held the Government's promise, if it were to be given to anybody. Of course a Minister cannot pledge the Government, but when a man has a definite promise made by a Minister, he is entitled to rely on it. Mr. Stang did not know whether Mr. Angwin was administering Mr. Drew's department or not. He only knew that he received a letter from the department telling him that he was to have priority of claim?

The Colonial Secretary: He knew that no Minister had power to make such a promise.

Hon. A. G. JENKINS: There must be some honour even in the Labour Government, and if a Minister, whether Liberal or Labour, gives a definite promise, the other man is entitled to rely on it. The Colonial Secretary says this ground was not gazetted as closed, that it was only held back. To the public it was closed waters, and although frequent applications were made, no application was considered until the present gentleman came along with his application. Clauses 5 and 6 of the agreement do not state what the Colonial Secretary says they do. The proof of the pudding is that they could not and did not and dared not take any steps to cancel this license. The two leases were not liable to forfeiture. The Colonial Secretary talks of the company putting up £250 guarantee. What for? They were going to spend £25,000. What

is £250 on that? These three companies have already working in these waters a plant of the value of £300,000, and they are asked to put up a paltry £250! He says the first leases were expedited as much as this lease. I say they were not. The first leases were months and months under negotiation before the applications were put in, and so of course when the applications were eventually put in they were granted as a matter of course. I have referred to the Colonial Secretary's minute in which he says that the company needed careful watching, and to his letter of the 21st October, congratulating them on what they had done. I care nothing about Mr. C. Stang's interests, or his attempt to create a monopoly, but I will read to the House a cable sent to the registrar of companies in Norway, as follows:—

Telegraph whether Christian Stang is director Fremantle and Spermacet whaling companies. Search register ascertain whether shareholder. If so how many shares held.

This was sent by Mr. Stang of Fremantle, and here is the reply—

According register Christian Stang is not director or shareholder either in Fremantle or Spermacet companies. The shareholder capital in Fremantle and Spermacet registered respectively at £700,000 kroner and there are different shareholders.

I always admitted that Mr. Stang was a director of the West Australian Whaling Company. This cable asked whether he was a director in the other company.

Hon. W. Kingsmill: They all work together.

Hon. A. G. JENKINS: To some extent of course.

The Colonial Secretary: They divide the profits.

Hon. A. G. JENKINS: No. They have a system of working together under the same legal management, but there is no agreement as to division of profits.

Hon. W. Kingsmill: Their interests are identical.

Hon. A. G. JENKINS: To the extent that they desire to do the best they can

to protect the whale fishing in our waters, notwithstanding that the hon. member said their only desire was to get as many whales as they could and get out of the country as soon as they could. They are spending £70,000 on the treatment of this fertiliser, yet the Minister says they are anxious to get out of the State. I do not want the fact of Mr. Stang's cable to the House to prejudice the merits of the case.

Hon. W. Kingsmill: It should do.

Hon. A. G. JENKINS: Perhaps it may. I do not want it to do so, because hon. members have to decide as to whether it is a correct thing to give this lease to a company in closed waters without public competition. My second point is, did the Minister in granting this application make all the necessary inquiries as to whether it was a breeding ground for whales, or has he satisfied the House that it is not a breeding ground for whales? Again, it must be decided whether the interests of this company who at present are working on the coast were properly protected. The third point is, if anybody was to have got this license then Mr. C. Stang of Norway had a definite promise that he should have priority of claim. Members have to decide that.

Hon. J. F. Cullen: How can they do that?

Hon. A. G. JENKINS: I do not see that they can. When this gentleman holds a letter from the Minister he is entitled to rely on the letter. There must be some morality or some honour in a promise, even if there are no legal obligations. For these reasons, I move the motion.

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

Ayes	..	..	..	9
Noes	..	..	..	3

Majority for .. 6

AYES.

Hon. C. F. Baxter	Hon. R. D. McKenzie
Hon. H. P. Colebatch	Hon. A. Sanderson
Hon. V. Hamersley	Hon. C. Sommers
Hon. A. G. Jenkins	Hon. C. McKenzie
Hon. R. J. Lynn	(Teller).

NOES.

Hon. J. M. Drew
Hon. W. Kingsmill

Hon. J. E. Dodd
(Teller).

Question thus passed.

BILL—POSTPONEMENT OF DEBTS AMENDMENT.

Second Reading.

Hon. J. E. DODD (Honorary Minister—South) [9.48] in moving the second reading said: This is a short Bill simply to provide for the continuation of the Postponement of Debts Act. The measure passed last session has never been put into operation but has remained dormant. It will remain in force until the 30th June, and the Government desire that the time be extended until the end of December. I do not know that there is any intention to put the measure into operation, but the Government are of opinion that the Act should remain on the statute-book a little longer. There is a slight alteration in the Bill providing that discretion may be given to the Governor-in-Council to decide whether interest shall be payable during the postponement of any debt; that is the only alteration. I move—

That the Bill be now read a second time.

Question put and passed.

Bill read a second time.

In Committee.

Bill passed through Committee without debate, reported without amendment, and the report adopted.

BILL—NAVAL AND MILITARY ABSENTEES RELIEF.

Second Reading.

Hon. J. E. DODD (Honorary Minister—South) [9.52] in moving the second reading said: This is a short Bill introduced at the request of the Federal authorities. Under our present laws all persons absent from the State for more than six months in the year are classed as absentees and have to pay a special

impost under the Income Tax Act, and are subject to other disabilities. There is a certain amount of discrimination shown against them. The Government desire that members of the expeditionary forces shall not be classed as absentees, and shall not be penalised when they are absent from the State doing their duty to their country and the Empire. I believe the measure is uniform with others introduced in the Eastern States. I move—

That the Bill be now read a second time.

Question put and passed.

Bill read a second time.

In Committee.

Hon. W. Kingsmill in the Chair; the Hon. J. E. Dodd (Honorary Minister) in charge of the Bill.

Clause 1—agreed to.

Clause 2—Persons absent on naval or military service not to be subject to discriminations applicable to other absentees:

Hon. C. SOMMERS: Provision ought to be made for those people who have been made prisoners of war.

Hon. J. F. Cullen: They are included.

Hon. C. SOMMERS: I would like that assurance from the Minister.

Hon. J. E. Dodd: I see no objection to including such persons, if they are not already included.

Hon. J. F. Cullen: A man on active service taken prisoner should be included.

Hon. H. P. Colebatch: There are prisoners who were not on service at all.

Hon. C. SOMMERS: I move an amendment—

That in line 3 after "Majesty" the words "or is a prisoner of war" be inserted.

Hon. J. CORNELL: I agree with the hon. member but submit that the amendment, however desirable, is foreign to the title of the Bill. If such persons are not already included, the Government should introduce a Bill in order to exempt them.

Hon. J. E. DODD: It might be desirable to report progress in order to consult the authorities on the point.

Progress reported.

BILL—CONTROL OF TRADE IN WAR TIME AMENDMENT.

Second Reading.

The COLONIAL SECRETARY (Hon. J. M. Drew—Central) [9.59] in moving the second reading said: It will be remembered that the Control of Trade in War Time Act of last session was introduced in haste for the purpose of meeting any unreasonable advance in the price of foodstuffs. The Bill was drafted in a hurry and passed in a hurry. It was an emergency measure, and we all did our best in the circumstances. Since the Act has been in operation certain defects have been discovered. The principal object of the legislation was to control trade in war time; in other words, to enable the Commission to fix maximum prices for necessities of life. Owing, however, to the conditions under which the Bill was drafted—and very little time indeed was allowed to the Parliamentary Draftsman to prepare it—while the maximum price can be fixed, the measure does not prevent people from selling above that price. As a consequence, the Act has proved abortive. A person may voluntarily buy from another person at a higher price than the maximum, and under such circumstances the seller escapes any penalty. If the price of a commodity is fixed at, say, 10s., and I offer a person who holds the commodity £1, the law as it stands cannot in any way interfere with the transaction. Thus the whole object of the measure has been defeated.

Hon. J. F. Cullen: Has any loss resulted? Has any need arisen for this amendment?

The COLONIAL SECRETARY: Probably loss has resulted to someone. Under the Act the maximum price of wheat is fixed at 4s. 6d.; but there are different grades of wheat, and 4s. 6d. was fixed as the price of old wheat on a milling basis of fair average quality. There was, how-

ever, seed wheat to be purchased as well; and some of the old wheat was being sold as seed. This caused complications, and it was soon found to be possible for traders effectively to control the position. The object of the Act was to prevent speculation which would be injurious to the great body of the people, but I must admit that the measure has failed to effect its purpose.

Hon. J. F. Cullen: With no loss to anybody?

The COLONIAL SECRETARY: If it is desirable that we should fix the maximum price, we should do as the Board of Trade have done in England, and provide a penalty for any one selling above the maximum. That is being done by the Board of Trade in England at the present time. There the board has fixed a price for various commodities, as, for instance, Australian butter; and I may mention that the English maximum is less than we in Western Australia are now paying for our butter. Under the English law, if any one has been charged above the price fixed by the Board of Trade, and notifies the board, then the seller will be prosecuted, and compelled to refund to the purchaser the excess of the price charged over the maximum price fixed by the board.

Hon. R. D. McKenzie: Is provision made for fixing both retail and wholesale prices?

The COLONIAL SECRETARY: I think the retail prices are fixed. Under our law as it stands at present, although there is power to fix the maximum price, there is no power to prosecute, unless a person demands the commodity at the price fixed by the commissioners and is refused it, and thereupon notifies the commissioners and demands that action shall be taken.

Hon. J. F. Cullen: That will break down.

The COLONIAL SECRETARY: We recognise that there are difficulties; that, in fact, it is almost impossible to fix the prices of goods for the whole of Western Australia.

Hon. J. F. Cullen: Hear, hear!

The COLONIAL SECRETARY: Clause 2 of this measure provides that the

Governor may fix and declare different maximum prices for different parts of the State, and for differences in variety and description, and that the Governor may vary such prices. We make further provision bringing our legislation into line with that obtaining in England and administered by the Board of Trade. Clause 3 adds to Section 5 of the principal Act a subsection reading as follows:—

If any person sells or offers for sale any necessary of life at a price higher than the maximum price fixed under this Act, he shall be guilty of an offence and liable on conviction to a penalty not exceeding one hundred pounds, and in case of sale shall be liable to refund to the purchaser the difference between the fixed price and the price at which the necessary of life was sold.

This is merely taking powers already operating in Great Britain, where prices have been and are being fixed, as I have stated. It is not necessary for me, I think, to say more at present, though I could go further into the matter. The question is one which has been thoroughly considered by every hon. member, and it will be time enough for me to meet objections in Committee; unless, of course, there is strong objection to the second reading of the Bill, in which case I shall reply to the speeches of hon. members. I move—

That the Bill be now read a second time.

On motion by Hon. J. F. Cullen, debate adjourned.

House adjourned at 10.7 p.m.

Legislative Assembly,

Tuesday, 26th January, 1916.

	PAGE
Papers presented	874
Assent to Bills	874
Questions: Bread, increased price at Kalgoorlie	874
Aborigine Missions, subsidies	875
State of Business	875
Bills: State Hotels, 1R.	876
Public Servants, 3R.	876
Vermilion Boards Act Amendment, 3R.	876
Lunacy Act Amendment, report stage	876
Dividend Duties Act Amendment, Com.	876
Stamp Act Amendment, returned	901
Municipal Corporations Act Amendment, 2R., Com.	901
Church of England Lands, 2R., Com.	907
Licensing Act Amendment Continuance, 2R., Com.	907
Annual Estimates, general debate	984
Resolution: Money Bills Procedure	908

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

PAPERS PRESENTED.

By the Minister for Water Supply: Amendment of By-laws of Geraldton Water Supply.

By the Honorary Minister: Draft Indenture of Exclusive Whaling License to Aktieselskabet Australia;

ASSENT TO BILLS.

Message from the Governor received and read notifying assent to the following Bills:—

- 1, Land Act Amendment.
- 2, Grain and Foodstuff.

QUESTION: BREAD, INCREASED PRICE AT KALGOORLIE.

Mr. E. B. JOHNSTON (for Mr. Green) asked the Premier: 1, Is he aware that the price of bread has been recently raised to 6d. for the 2lb. loaf in Kalgoorlie and Boulder, as against 3½d. in the Metropolitan area? 2, Will he bring this matter under the notice of the Commission for the control of food-stuffs?

The PREMIER replied: (1) and (2) I have referred the matter to the Royal Commission for the Control of Trade in War Time, who advise me that they are not aware of the rising of the price of bread to 6d. per 2lb. loaf in Kalgoorlie