

of rabbits and made an offer to that man that he should clear a certain area of rabbits. Immediately they made the offer they applied to the Minister for written permission; but they have already committed a breach of the Act!

Hon. F. E. S. Willmott (Honorary Minister): They would get a license first.

Hon. W. C. ANGWIN: But by making tentative arrangements with that man before getting permission they are liable to a penalty of £20. It is a heavy penalty for a technical breach of the law. Another clause which should be watched very carefully—some members of the select committee will not agree with me in this—is that prohibiting the selling of rabbits west of the fence. Seeing that we have large numbers of rabbits in the State, and that we are sending out of the State considerable sums of money for imported rabbits, I cannot see why we should not keep that money in the State. Any person who offers to sell a rabbit on the western side of the fence is liable to a penalty of £50 if the rabbit shall have been killed in Western Australia, and his only successful defence will be that he brought the rabbit from outside the State. Surely if the people of the metropolitan area are willing to purchase rabbits for food they should be given an opportunity of purchasing them fresh.

Mr. Thomas: They can if they get permission from the Minister.

Hon. W. C. ANGWIN: Why should a man have to get permission from the Minister? At the time of the industrial trouble here men were willing to go out killing rabbits, but it was found that under the regulations of the department no person would be allowed to kill rabbits unless he was owner of the land or a settler. In other words, a farmer had to knock off work and go and kill his own rabbits.

Mr. Thomson: That is not so.

Hon. W. C. ANGWIN: Well, that was the information given me at the time.

Hon. F. E. S. Willmott (Honorary Minister): They are holding licenses to-day.

Hon. W. C. ANGWIN: I have pointed out one or two clauses that require attention. We are placed in a difficult position, inasmuch as we have not heard from the select committee any explanation of the various clauses. I hope that when in Committee some of those clauses will be amended.

Hon. T. WALKER (Kanowna) [10.55]: Will the Honorary Minister agree to adjourn now?

Hon. F. E. S. Willmott (Honorary Minister): No; not after your threats and your bad language. I would keep you here for three months.

Hon. T. WALKER: Well, I move—

“That the debate be adjourned.”

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

Ayes . . . . .	17
Noes . . . . .	16
Majority for . . . . .	1

# AYES.

Mr. Angelo	Mr. Maley
Mr. Angwin	Mr. Money
Mr. Chesson	Mr. Munslie
Mr. Collier	Mr. Nairu
Mr. Hickmott	Mr. H. Robinson
Mr. Holman	Mr. Roche
Mr. Johnston	Mr. Walker
Mr. Jones	Mr. O'Loghlen
Mr. Lutey	(Teller.)

# NOES.

Mr. Broun	Mr. R. T. Robinson
Mr. Brown	Mr. Stubbs
Mr. Durack	Mr. Teesdale
Mr. George	Mr. Thomson
Mr. Griffiths	Mr. Underwood
Mr. Harrison	Mr. Willmott
Mr. Mitchell	Mr. Hardwick
Mr. Pickering	(Teller.)
Mr. Plesse	

Motion thus passed.

## BILL—VERMIN BOARDS ACT AMENDMENT.

Order Discharged.

The MINISTER FOR WORKS (Hon. W. J. George—Murray-Wellington) [11.2]: I move—

“That the Order of the Day be discharged.”

Question put and passed.

House adjourned at 11.3 p.m.

## Legislative Council,

Wednesday, 22nd May, 1918.

The PRESIDENT took the Chair at 3.0 p.m., and read prayers.

## ELECTORAL—NEW MEMBERS.

The following members, elected at the biennial election, took and subscribed the oath and signed the roll:—Hon. Hal Pateshall Colebatch (East), Hon. Archibald Sanderson (Metropolitan-Suburban), Hon. Robert John Lynn (West), Hon. Richard George Ardagh (North-East), Hon. Hector Joseph Stewart (South), Hon. George James Gallop Warden Miles (North), Hon. Henry John Saunders (Metropolitan), Hon. John Ewing (South-West).

Writs were also returned showing that James Cornell (on active service) had been elected for the South Province, and Joshua Mills (absent) had been elected for the Central Province.

[For "Question on Notice" and "Papers Presented" see "Minutes of Proceedings."]

# MOTION—BOTANIST AND VEGETABLE PATHOLOGIST.

Hon. H. STEWART (South-East) [3.13]: I move—

"That in the opinion of this House the changes which have taken place since the 25th October, 1917, in connection with the office of Botanist and Vegetable Pathologist, and the transference of the office of Botanist and Vegetable Pathologist from the Agricultural Department to the Mines Department, are not in the best interests of the agricultural industry."

I have brought this matter forward because it seems to me to afford a typical instance of a mistake in administration. If that mistake cannot now be rectified, at least it may be made to serve as a lesson from which similar errors may be henceforth avoided. Reviewing the position with regard to the office, I may say that on the 1st November last I observed from the Press that the office of Botanist and Vegetable Pathologist was to be abolished; and I travelled 400 miles in order to try to get information as to the reasons for the abolition of an office which I considered vital to the welfare of the agricultural industry. After endeavouring to obtain some information, I took the step of writing, as a representative of the South-East Province and of the agricultural industry, to the Minister responsible, and to other members of the Cabinet, putting the case as it appeared to me. I wish to emphasise that I sent the letter not only to the Honorary Minister then in charge of the Agricultural Department, but also to other members of the Cabinet. My object in writing to other Ministers was that, if the mistake took place through ignorance on their part, they should at least have my opinion on the matter. I drew the attention of the Honorary Minister then in charge of the Agricultural Department to the gravity of the proposed step of abolishing the office, and consequently abolishing an officer of the qualifications possessed by Dr. Stoward. The Minister then forecasted, and I have since learned from the files that he recommended, that Dr. Stoward's place should be filled by that officer's assistant, who, I should explain, is not an assistant pathologist, but a laboratory attendant. Anyone conversant with scientific laboratories knows that the so-called laboratory attendant or laboratory steward is not necessarily a man of systematic scientific training, but merely a man who does certain routine work, in addition to laying out apparatus, and cleaning it up after the scientist has done his work, and who does experimental work under supervision of the specialist. The assistant is merely by way of being a routine man; or I might say that in comparison with the botanist and pathologist he is as an unskilled labourer to a skilled mechanic, the former economising the time of the latter. I pointed out to the Honorary Minister and to other Ministers, that the position in abolishing the scientist and, as they propose, putting the assistant in charge under the supervision of the Government Analyst, was

comparable with discharging a surgeon and putting the dresser in charge of the patients, or of discharging the principal medical officer of the Perth Public Hospital and putting the druggist in charge under the supervision of the Government Printer of the Archbishop. I pointed out that a retrenchment of this description was false economy and would not be practiced in any Government even, I think I am safe in saying, in the Federated Malay States.

Hon. W. Kingsmill: The Federated Malay States are thousands of miles ahead of this country.

Hon. H. STEWART: Quite so. I pointed out that not even Java or the Federated Malay States would do such a thing. I showed that the Washington Bureau of Agriculture has 1,500 persons engaged in the department in research and scientific work and in demonstrative and field work, and that 300 of them have that systematic scientific training which is vouched for in a man who holds a University degree in connection with the department with which he is working. I said that it was first of all the office we wanted to preserve and safeguard by filling it with a fully qualified competent man. I pointed out that Dr. Stoward had exceptional qualifications, that he was certainly not a showman, but a trained investigator par excellence and that the investigations he had conducted in this State had received world wide recognition. I said that to lose him would mean the loss of much that would result from investigations inaugurated by him and still in progress. I may say that in having lost a man who since 1909 has been engaged in various branches of research work in the Agricultural Department, we have lost what represents a capital expenditure. He has now been replaced by one who, though no doubt a very able man, is a junior, not comparable in status or achievement with Dr. Stoward, and as far as I have been able to gather, a young man who has just graduated through his University. I and many others can testify to the direct and prompt information given to us by Dr. Stoward in connection with agriculture. Dr. Stoward is a Pasteur Institute man. If the Minister had an appreciation of what being a Pasteur Institute man means, he would know that such a man possesses the hall mark of research work of the world. Dr. Stoward is an Australian who worked while he was gaining his University training both here and in England, and then by a system of scholarships having completed his science course in Birmingham, he obtained admission to the Pasteur Institute and the Institute Agromonique, both at Paris, where he worked under the most distinguished investigators in connection with botanical and pathological work. I pointed out in my letter, that the State was extremely fortunate in having secured Dr. Stoward in 1909, that we could better spare clerical workers and reduce the number of members of Parliament than thus weaken the personnel of the Agricultural Department whose work is

recognised by all enlightened Governments as of indispensable in pointing the way to increased production. In writing to other members of the Cabinet I pointed out that they had on their platform a plank reading "National Developmental Research" and that it seemed to me from their action in this particular office, and from things one hears in regard to their actions in connection with technical officers in other departments, that the majority of the Ministers do not appear to understand very clearly what "National Developmental research" means; because, as far as present indications go, they seem to be more ruthless in their treatment of technical officers than have been any other Government in power for many years past. In reply to my letter, the Honorary Minister sent this—

I have your letter of the third inst. regarding the Botanist and Plant Pathologist. I think you have not quite got the full strength of the situation. We have a Government Analyst, Mr. Mann—

I might here point out that it seems to certain laymen that so long as we have a laboratory we can do anything in it. I pointed out to the Honorary Minister subsequently that we can do only one class of work in one class of laboratory. In my student days I had to go to four or five laboratories to get the training necessary to complete the engineering course. The same thing applies to a medical man or to a student in natural science and similar branches of training. The Honorary Minister seems to think he can put the various scientific investigators in one laboratory under one head, whereas each branch, pathology, biology, chemical and so forth, is a special branch which only the specialists can deal with and control.

Hon. C. F. Baxter (Honorary Minister): To which of the Honorary Ministers are you referring?

Hon H. STEWART: To Mr. Willmott. The letter continues—

We have in the Government Analyst a man who has already done a great deal of work in connection with our poisons, and I find this work has been duplicated to a large extent. In Mr. Wakefield, the assistant pathologist, we have a man with the very highest credentials who, under Mr. Mann's direction, will, I think, give every satisfaction. We have in Mr. Newman, the entomologist, an officer who has already proved his worth; in Professor Paterson another scientific agriculturist. If we find we can place Dr. Stoward in any other department where his services will be valuable to the State you may be quite sure this will be done. I am working in that direction.

That answer seems very satisfactory from a layman's point of view. My reply was in this strain:—

I am in receipt of your favour of 7th inst., for which I thank you. Contents noted, and in reply I beg to point out that not one of the gentlemen mentioned or the combination of them possess the qualifica-

tions of Dr. Stoward that so eminently fit him for the position of plant pathologist and botanist, unless, possibly, Professor Paterson may. Professor Paterson is not an officer of the Agricultural Department, so far as I am aware: his specialty as a scientific investigator is as an agricultural chemist; but I can soon find out whether he lays claim to be considered a pathologist and botanist. At any rate he has not the time to cope with the work awaiting the attention of that officer. Mr. Mann is an analyst and I feel confident lays no claim to the qualifications which should be possessed by the occupant of the office in question. Mr. Newman is inspector of fruit, etc., and officer in charge of insectarium, and would not, I think, have the temerity to lay claim to the qualifications for the office, and certainly not to attainments in any way comparable to those possessed by Dr. Stoward. Mr. Wakefield is assistant to the vegetable pathologist, which I venture to say is very different to being assistant pathologist. He, like the previously mentioned gentlemen, certainly has not attainments in any way comparable to those possessed by Dr. Stoward. I think I am quite right in saying that both Mr. Newman and Mr. Wakefield have not completed proper academic course qualifications such as should be insisted on even in junior officers who hope to rise to such offices as vegetable pathologist and entomologist. They have had the opportunity of gaining such qualifications at our free University, they have been advised to do so in their own interests by others interested in them and in scientific work of the department in which they are employed. I trust the information may be of use to you and that you will receive my reply in the helpful spirit in which it is tendered in the interests of the agricultural industry. I think that my simile of putting the dresser in charge of the surgeon's cases (of substituting a pharmaceutical chemist for the medical officer) is quite apropos.

I could proceed no farther at that time, but there came a change in Honorary Ministers, and after Mr. Baxter was appointed I sent him copies of that correspondence. Dr. Stoward was still in the State, but I may say I am pleased that he is no longer available to the Government, because I can now treat this matter from a purely impersonal standpoint. At the same time I very much regret from the point of view of the agricultural industry, that Dr. Stoward's services are no longer available. Only yesterday a private gentleman came to me to ask Dr. Stoward's address with a view of his firm offering Dr. Stoward a higher salary that he had been getting in the department.

Hon. J. Nicholson: The doctor has a better appointment now.

Hon. H. STEWART: Yes. This only tends to emphasise the point that the Government, in the steps they have taken, have not been alive to the true interests of the agricultural industry in this State. It is partly due to methods of administration, and to the fact

that the technical officers are under the control of laymen. As I have said, I forwarded the preceding correspondence to the incoming Minister, to see if he could not undo the bad thing done. I have done my best as the representative of the industry and it was only right and proper that I should move in the direction in which I did. The Honorary Minister, Mr. Baxter, replied to me—

I regret that I received this too late to permit of my taking any action. You will understand that, as Dr. Steward's retirement took place from the 31st December, it was impossible for me to move in the matter. All I have to say in connection with that is that I believe Dr. Steward was still in the State until well into March. After the date of the Minister writing the latter, namely, the 10th January, there was still an opportunity—particularly when we come to deal with the files and show how things were going on—there was an opportunity then of reinstating an officer who we had every reason to believe was particularly valuable to the State. I say this because when we come to deal with the files later on, and the replies that the leader of the House gave to the questions that I asked with regard to the matter before the recent adjournment, these abolitions of office of botanist and vegetable pathologist and dispensing with the services of Dr. Steward it was done purely on account of financial stringency and I say that it was false economy. As the reply from Mr. Baxter meant that nothing further was likely to be done I asked if the files in connection with the matter could be made available for my perusal and he very courteously said that he thought so. After the lapse of some weeks in endeavouring to get the files and endeavouring to keep appointments with a good deal of waste of time, which should not be necessary or the part of a Parliamentary representative, he informed me that certain high officers in the State objected to me seeing the papers. Therefore, it was necessary for me to move that all the papers in connection with the matter be laid on the Table of the House. That was carried and the files were laid on the Table. The following day I went through the files and I made a digest of the more recent papers on them. I found that certain papers, which the files showed should have been there, were not there. In connection with other files, as I stated in the House, although the House had carried the motion, the files were not complete. Here is a point to which I wish particularly to refer. I asked amongst the questions before the recent adjournment, quoting from one of the files—

“Where is the minute referred to in Mr. Sutton's opening sentence. please?” is a question by the Under Secretary for Agriculture on agricultural file 137, dated 23rd January, 1918, and addressed to the Chief Record Officer?

The chief record officer said it had not come to hand on 23rd January. The minute has since come to hand. It was put on the file and dated 16th January.

Hon. C. F. Baxter (Honorary Minister): Was it not on the file?

Hon. H. STEWART: I will deal with that when I come to it. The reply was on pages 6 and 7 of the file 4922/17 previously laid on the Table of the House. When I got the files again the minute referred to was there; but I am a careful, methodical man, and before I put the question to the Government and criticised the action of the Government, I went through the files and made a digest of them, and at the time the files were on the Table of the House file 4922/17 was a duplicate of P.S.C. 99/18, and the paper I believe was not on either of those files and has thus been added to 4992 since the papers were taken from the House and returned with them. This House carried the motion that all papers in connection with the matter be laid on the Table of the House and I am not satisfied that file 782/17 is complete, as it does not show who—other than Mr. Willmott—recommended the abolition of the office. I asked before the recent adjournment—

Did the Hon. F. E. S. Willmott make that recommendation solely on account of necessity to economise owing to the stringent financial position? Did he recommend that the work of the botanist and vegetable pathologist be taken over by the Government analyst? Did the Hon. F. E. S. Willmott, when lately acting as Minister for Agriculture, on his own responsibility and without the advice of permanent officers of the service, recommend the retirement of the officer holding the position of botanist and vegetable pathologist?

The answer to that was “No.” He did not do it on his own responsibility or without the advice of some permanent officer of the department. When we come to turn up the files in connection with that matter we find that the only recommendation is from the Honorary Minister (Mr. Willmott), and I contend that if he did not do this on his own responsibility these files should show who was responsible for the advice given to him, or the recommendation given to him that led him to take that step. On the 25th October Mr. Willmott, the Honorary Minister, wrote to the Premier for the consideration of Cabinet—

On account of the financial position the State is in at the present time I recommend that certain offices in the Agricultural Department be abolished, viz: Botanist and plant pathologist (Dr. Steward), fruit industries commissioner, and commissioner for the South-West.

The others I am not dealing with.

The work of Dr. Steward I recommend should be taken over by the Government analyst, Mr. Mann. His salary is £432, and incidental expenses amount to approximately £250 per annum. Mr. Wakefield, Dr. Steward's assistant, could be transferred to Mr. Mann to carry out the necessary duties under that office supervision; likewise the junior now employed. The direct saving, if this course is adopted, would be: Botanist and plant pathologist, £432 salary; incidentals, say, £118; total, £550.

There are no recommendations on this file except those of October 25th of the Honorary Minister to the Premier and the Public Ser-

vice Commissioner. The latter is endorsed by the Under Secretary for Agriculture. As the House has authorised that all papers be laid on the Table and as the reply is that it was not done by the Honorary Minister (Mr. Willmott), I want to know why there is no other minute besides that on the file, or else an explanation why that simple word "No" is given in reply to my question. There is another paper here which is not a recommendation. It is by the Public Service Commissioner and is dated 29th October. It refers to the Honorary Minister's minute of the 25th inst. as follows:—

Referring to the Honorary Minister's minute of the 25th inst., hereunder, and to my interview with him of the same date regarding the abolition of the positions of botanist and vegetable pathologist, fruit industries commissioner and commissioner for the South-West, I understood from the Hon. Mr. Willmott that the above course is proposed solely on account of the necessity to economise owing to the stringent financial position.

The remainder of the minute deals simply with the basis of retirement and the retiring allowances. Although the minute is on the file it is nothing in the way of a recommendation. The letter I read from the Premier is practically a replica of the one that Mr. Willmott sent to the Public Service Commissioner prior to the one sent to Cabinet. It is dated the same date, the 25th Oct., and reads:—

On account of the financial position, I recommend that certain offices be abolished—to wit—(a) Botanist and plant pathologist, (b) Fruit industries commissioner, and (c) Commissioner for the South-West. I would suggest that Mr. Wakefield, the pathologist's assistant, should be transferred to Mr. Mann, to carry out any necessary duties under that officer's supervision. The junior now employed by the pathologist could also be taken over by Mr. Mann. Re the question of leave and retiring allowance, I should be glad of your recommendation in this regard. I would suggest that notice be given Dr. Stoward at the earliest possible date in order that we may dispense with his services at the end of November.

To the Public Service Commissioner from the Under Secretary for Agriculture there is this minute on the Honorary Minister's recommendation—

Please accept the Minister's recommendation as per minute above as my report under Section 37 of the Public Service Act. This is a file that deals with the abolition of botanist and vegetable pathologist and the commissioner for the South-West, and at the time I asked that question these were the only papers that were there, and I say the files show no recommendations made to the Honorary Minister advising him to recommend the abolition of the office on account of the financial position of the State or for any other reason, or to warrant him recommending that the work of Dr. Stoward be taken over by the Government analyst, Mr. Mann. Another question I asked was, "Did he recommend that the work of botanist and vegetable path-

ologist be taken over by the Government analyst?" and the reply to that is—

No. He suggested that the assistant Government pathologist be transferred to the Government analyst.

I submit these answers to the questions put in this House are misleading. They do not represent the true state of affairs as shown by the files, because I have read out the words that he recommended both the abolition, and that the work of Dr. Stoward be taken over by Mr. Mann, and certainly with the expectation that Mr. Wakefield would carry on the work under the Government Analyst's supervision. Now we come to the matter of the files. After I found the files were on the Table of the House, and the information I wanted to deal with this matter on the evidence and facts was not available, I wrote to a number of Ministers and pointed out to them—

In the light of information obtained from my perusal of the files laid on the Table of the House, I suggested to Hon. Mr. Baxter, Minister for Agriculture, that the logical outcome of the recommendations of the Agricultural Chemist, Mr. A. E. Mann, dated 30/1/18 (Agric. File 1371), and also the most economical way and most efficient method of getting Botanist and Plant Pathologist, as recommended by Mr. Mann, would be by reinstating Dr. Stoward who is still in this State, rather than by following the suggestion of Mr. Mann to advertise in the Eastern States.

It is distressing and very heartrending to one interested in the industry and good methods of administration to follow the history of this matter following the recommendation that Mr. Wakefield should be transferred to the Mines Department under the supervision of the Government analyst, and it is set forth in the report by the Public Service Commissioner (File 99/13)—

I beg to advise you that His Excellency the Governor in Executive Council has approved of Cabinet's recommendation of the abolition, as from the 31st inst., of the office of Botanist and Pathologist in the Department of Agriculture now held by Dr. Stoward, the work to be taken over by the Government analyst, Mr. Mann. Dr. Stoward had Mr. Wakefield as assistant, also a junior employed in his office, and the whole of the duties were carried out in the Department of Agriculture. As the responsibility for the administration of this office will fall upon the Government analyst as from the 1st proximo, I shall be obliged if you will kindly let me have Mr. Mann's remarks as early as possible on the proposed change, together with the reasons both for and against the transfer of the laboratory from the Department of Agriculture to his own building, and as to whether he will require the junior now employed in addition to Mr. Wakefield.

That was on the 29th December, 1917. The Government Analyst reported on that on the 3rd January. On file 4922 is the minute which was missing when the papers were laid on the table of the House. The existence of this minute was shown by the query of the Secretary for Agriculture. On Mr. Wakefield's file,

No. 137, there is the following minute by the Commissioner for the Wheat Belt, Mr. Sutton—

Further to my minute re the appointment of Mr. Wakefield as economic botanist: as an alternative proposal to my recommendation that applications be called, I desire to recommend that Mr. Wakefield be given the opportunity of qualifying for the position by continuing his course in science at the local university. It seems desirable that this should be done in order to encourage our officers who desire to improve their positions.

Below that appears the minute of the Under Secretary for Agriculture to which I have referred, "Where is the minute referred to by Mr. Sutton in his opening sentence?" This is dated 25th January. Then the next minute reads, "The minute referred to has not reached the record officer." If we turn to the other file, No. 4922, we find there a minute by Mr. Sutton which I intend to read—

Re Public Service Commissioner's minute of 27th December: though I was the senior technical officer most conversant with the work of the botanical laboratory, this is the first time that the matter has in any way been referred to me. It seems strange that I was not consulted about an important technical matter like the retirement of Dr. Stoward. (2.) Since this matter was referred to me, and before I had an opportunity of setting out my views as requested on 28th December last, the report of the Government Analyst has been added to the file. My remarks now have reference also to that report. (3.) I am opposed to the Botanical Department being removed from this building in which the remainder of our department is housed. The objection is the greater because the removal is to another department and one under the control of another Minister. If moved, the officer in charge will not be as freely accessible to those of our officers who require his services as he now is, and in consequence the usefulness of his section to our department will be lessened. The Botanical Laboratory is essentially an integral part of a Department of Agriculture, but if removed from close association as recommended by the Government Analyst, it will gradually lose its identity with it. (3a.) Even if the objections stated did not obtain, surely some stronger reasons than those already advanced are necessary in these times of financial stringency to warrant the erection of new buildings in order to provide accommodation for what is already well and suitably housed. (4.) Lest anyone infer from the remarks under the heading "General" that the work previously performed in the departmental laboratory has been neither valuable nor helpful, I desire to emphatically state that it has been both valuable and helpful, for numerous settlers have received valuable and helpful advice in the past, and investigations in hand in new directions would have proved of equal if not of greater value. (5.) Under the heading of "Staff" the Government Analyst states that Mr. Wakefield has been really responsible for all the botanical identifications, and much of the work in plant path-

ology carried out in the past. This is not so. Mr. Wakefield has no doubt done much of the work referred to, as he should do, for it is the function of laboratory assistants to do the bulk of the routine work and it was to relieve Dr. Stoward of this largely mechanical work that Mr. Wakefield was engaged. To say, however, that he was responsible for the work is another matter, and is just as correct as to state that assistants in the analyst's laboratory who do the routine and mechanical work are responsible for the analytical work of the analyst's department, or to state that the dispenser at the public hospital is responsible for the effect of the doctor's prescriptions which he mechanically dispenses. (6.) The general tenor of the remarks re Mr. Wakefield is that he is quite capable of carrying out the duties previously undertaken by Dr. Stoward. I emphatically assert that this is not so and Mr. Wakefield himself must admit it, for he has not had the systematic scientific training or experience necessary. A comparison of the certificates held by Mr. Wakefield, with the degrees possessed by Dr. Stoward combined with his experience gained with research work at the Pasteur Institute and other places will confirm this. (7.) The Government Analyst recommends that Mr. Wakefield be appointed Economic Botanist. This is a peculiar recommendation in view of the decision of a few weeks ago to abolish the position of botanist. If the suggestion be adopted the action of the Government will be misleading to farmers, for it will indicate that a man of inferior qualifications is considered suitable for the position of Government Botanist in this State. Quite apart, however, from this, it is doubtful whether Mr. Wakefield has the necessary qualifications to entitle him to the position of Botanist, and still more doubtful when the position is to be that of Economic Botanist. It is true that Mr. Wakefield has been on the staff of the Birmingham University, but not in a position to entitle him to a position such as suggested, nor do I think his studies at the local university were sufficiently advanced to warrant this.

It is shown that the testimonials held by Mr. Wakefield were those of a laboratory student, and they are comparable only with those of the labourer who is attendant on the skilled man, whereas Dr. Stoward was at a university where he graduated and subsequently carried on research work at the Pasteur Institute. Mr. Sutton goes on—

The Government Analyst no doubt obtained as much information about Mr. Wakefield's qualifications as was possible with the limited time at his disposal, but in view of the great importance of this matter to our department, I would ask that the Public Service Commissioner have fuller inquiries made regarding Mr. Wakefield's suitability for the position. Because of the prestige which attaches to scientific positions in our department, it is essential that officers appointed to them should be properly qualified. Most of our settlers are prepared, as they should be, to accept the recommendations of our officers at their face value. Because of this,

irreparable injury may be done to some of our settlers by the appointment of an unqualified man. Even if such an officer does not give bad advice he may equivocate about a matter with which a qualified man would be conversant, but of which he is doubtful, and thus the farmer does not receive the benefit of sound advice to which he is entitled. If the position of botanist is to be revived as suggested by the Government Analyst, with a somewhat lower salary than that previously paid, I would recommend that the position be advertised, so as to secure the best qualified man offering. With regard to the herbarium, a large portion of this collection is not required by our officers regularly and is at all only rarely. All that is required to be kept in our herbarium is a good working collection of specimens. The present collection is very much more extensive than this, and in consequence requires a correspondingly increased amount of care and attention which we can ill afford to spend on it.

That gives the opinion of the highest technical officer in the Agricultural Department and, as he points out, he was not consulted with regard to this matter and he was the man to whom the work of such an officer as Dr. Stoward was indispensable. Dr. Stoward was called upon to investigate such matters as rust in wheat and Irish blight. There are people in wheat areas and in the Denmark and Albany districts who realise the value to the full of the work which Dr. Stoward performed in connection with both the wheat industry and the potato industry, two of the many fields of research work on which Dr. Stoward was employed. The economic saving which was effected as the result of Dr. Stoward's work would have more than paid that officer's salary for the whole time he was engaged in the service of the State. At a public meeting of farmers held at Kununoppin on the 16th November last, in connection with the outbreak of rust, a resolution was carried unanimously as follows:—"That in view of the rapid spread of plant diseases in this State during recent years, this public meeting of farmers considers that the abolition of the position of Government Pathologist is a false and dangerous economy and strongly urges the retention of Dr. Stoward in his present capacity." That shows what the agriculturists of this State thought of the work which had been done by Dr. Stoward. The technical head of the Agricultural Department was overlooked in this matter. The minutes reached him to report upon at a later stage. That is something which it seems to me indicates that there is something very wrong with the administration of the Agricultural Department. I will read another report to the Public Service Commissioner by the Government Analyst, Mr. Mann—

As a result I beg to submit the following report with recommendations.

In connection with this matter, I asked this question before the recent adjournment of the House—

What scientific qualifications other than a superficial knowledge of pathological work are possessed by the Government Analyst

which would warrant his being called upon to report on a pathological laboratory which has been controlled by a specialist in the work, and an officer possessing much higher scientific qualifications?

And the reply of the Colonial Secretary was—

The report asked for was in regard to administrative matters.

Now we know what we are dealing with, the work of the branch. No sane university, or controller of any industry comprising a series of branches, would for a moment do what has been done in this instance, and call in a pure analyst to report on a pathological laboratory. To quote from Mr. Mann's report—

The work of the branch comprises 1) botanical identifications for (a) Forestry Department, (b) Settlers suffering losses of stock from poison plants, (c) Pastoralists requiring information on fodder values, (d) General inquiries. 2, Care and classification of herbarium. 3, Examination of diseases in plants, e.g., potato blight, rust or smut in wheat, etc. 4, Examination of quality of seeds of various kinds (germinating power, etc.). The most important from a national point of view are the identification of poisons and plant diseases. Staff: Mr. Wakefield and a junior. Mr. Wakefield is in my opinion quite capable of carrying out the scientific work of the department—a careful study of a number of files discloses the fact that he has been really responsible for all botanical identifications and much of the work on plant pathology carried out in the past. The junior has at present no technical knowledge but is intelligent and could be trained in simple work, as an attendant on Mr. Wakefield. I think his retention is necessary to enable the work to be done; later I will suggest some definite course for him (if he proves suitable) on the lines of the cadets in my own laboratory.

Mr. Sutton has already dealt with this matter, and has had a good deal to do with the position and qualifications of Mr. Wakefield. I have previously dealt with the matter. I have copies of Mr. Wakefield's references here and I say unhesitatingly that he does not possess that complete systematic scientific training which is necessary for an officer who fills the position. I say it is absolutely essential that a man in the position shall be a recognised authority. This move was made from the point of view of economy, but when we go further and investigate it we find what a paltry economy it comes down to, the abolition of a botanist and plant pathologist where there was a tiptop man at £450 a year, and that his place has been taken by a newly qualified graduate from the Eastern States to fill the position under the supervision of the Government Analyst at a salary rising to £300 a year. We have lost the accumulative experience of Dr. Stoward, and have a freshman, although he may be a brilliant man, to inaugurate, or practically begin, a new series of work and he will have to obtain all the local experience that is necessary.

Equipment: There is ample and excellent equipment of apparatus and fittings for all the real work of the branch—in addition

there is a large amount of chemical apparatus (estimated value £200 to £300) which is not required, or ever likely to be required by this branch. This could all be taken over for my chemical laboratory.

What else can one expect when the Government call in an analyst to report on a pathological department, who will find that there is a lot of apparatus there, the utility of which he does not realise or understand in the way that a bio-chemist would.

**Location of Work.**—From an administrative point of view it would be far preferable—

Although it was called administrative work, the analyst had been reporting on the scientific aspect of it prior to that.

—that the work should be transferred to my laboratory, thus enabling me to keep in closer touch with Mr. Wakefield. The chemical and biological staffs can assist each other and be made more valuable to the State by their co-operation, and only by this means can proper personal supervision be effected. An objection to this course is the inconvenience which may be caused by sending specimens or inquiries to Wellington-street; but I think this is outweighed by the advantages, and will be readily overcome in a short time. The only serious difficulty is that of accommodation. There is at present ample laboratory space at the Agricultural Department, but the herbarium, which must always be one of the most important features, has no room for necessary expansion, and is not so complete or up to date as required.

The highest technical officer of the Agricultural Department has given his view that a large portion of the herbarium can be transferred to the Museum without impairing the efficiency of the branch.

I find it impossible to arrange for such space at my laboratory as is in my opinion absolutely necessary.

**THE PRESIDENT:** The hour for motions has expired under the Standing Orders, and the hon. member cannot continue except at the will of the House.

**THE COLONIAL SECRETARY:** I move—

“That the hon. member be permitted to complete his speech.”

**Hon. W. Kingsmill:** Does that refer to the rest of the debate? I presume that other members will be allowed to speak after Mr. Stewart has finished.

**THE PRESIDENT:** It all rests with the House now.

**Hon. W. Kingsmill:** The motion of the Colonial Secretary is that Mr. Stewart be permitted to continue.

**THE PRESIDENT:** That is, of course, with in reason.

Motion put and passed.

**Hon. H. STEWART:** The report goes on to say—

Two rooms about 18 feet x 15 feet are required: 1, for library and herbarium; 2, for laboratory. I recommend that extensions at the rear of my laboratory be built

to provide this space—it will pay to do this, and lead to greater efficiency. The botanical section of the library at the Agricultural Department could then be transferred, as it is only used by this branch. Meanwhile, until this question has been decided, Mr. Wakefield will continue to work under existing conditions, and I will exercise such general supervision as is possible. I am quite satisfied from my inquiries that this can be made an extremely valuable and helpful branch—that much saving can be effected of useless work as such chemical assistance as is required can be found in co-operation with my present staff.

Dr. Stoward is as highly qualified a chemist as is the Government Analyst, for it was necessary for him to go through this in his course. There has been no imputation in the files, or on the part of the Minister, that this retrenchment and abolition of office took place on any other account than because of the financial position, and I say it was a case of false economy.

Mr. Wakefield's services have not been used to the fullest advantage:—

Fancy an officer with limited scientific qualifications, who has had to report on administration only, then dealing with the scientific aspect of the question.

nor has his work been properly recognised—he will have to take greater personal responsibility for his special technical work in the future, and I think this should be recognised by giving him improved personal status, both by an increase in salary and by giving him the title “Economic Botanist.” The system of recording and classifying the work done requires revision, to facilitate reference, the establishment of the necessary card indices, etc., can be carried out by my office staff if in close contact with Mr. Wakefield.

To summarise this matter, I would say that the abolition of the office was decided on, recommendation was made that an assistant to the pathologist should be put under the supervision of the Government Analyst. The next matter was to move that Mr. Wakefield's salary be increased to a classification of from £240 to £276, and then when Mr. Wakefield had an offer of another appointment, the Public Service Commissioner offered him up to £300 a year, whereas previously his salary was £180 to £216 and he was getting £204. The Public Service Commissioner wrote a minute—

On starting my investigations into the Department of Agriculture to-day I saw Mr. Wakefield in regard to his transfer to the Government Analyst's Department. He informed me, however, that he intended to hand in his resignation, and had then the draft copy on his table. I explained to him the position he would occupy under the Government Analyst's office, and also that his salary of £204 would be increased to £240 with a classification of £240 to £276. He was not prepared, however, to give me his promise to remain without giving the matter



further consideration. In the afternoon he saw me in the presence of Mr. Mann, and he stated that he had decided to accept the position that had been offered to him in Sydney, for the reason that he felt considerable antagonism was being shown towards him by certain officers.

Mr. Wakefield resigned, and then the Public Service Commissioner called for applications for an assistant botanist and pathologist, with a classification of £240 to £300. The position which he held in the Agricultural Department was abolished, and was established under the supervision of the Government Analyst attached to the Government Analyst's office, and consequently under the Mines Department, and away from the Agricultural Department. From a perusal of Dr. Stoward's personal file, I find that on the 28th August, 1909, Professor Lowry, then Commissioner for Agriculture, recommended that a biologist and pathologist should be appointed. He stressed the necessity for a man with a distinguished university course in natural science, especially in biology, as a *sine qua non*. On the 5th September, 1910, Professor Lowry said—

I have to recommend Dr. F. Stoward for this appointment, and will say that I think the department is fortunate in having the opportunity of securing a man so highly qualified, and who has given such good evidence of his ability in original research.

There we have two extracts from minutes on this file, from a gentleman who was then the highest technical officer in the Agricultural Department, and a man whose reputation is quite beyond question. Then we have the spectacle of the present Government, and the late Minister in charge of the department, abolishing this office and putting on a young man with qualifications not comparable to those possessed by the officer who was in charge, and this was done solely on account of the financial position of the State. The result was that the State lost a qualified and systematically trained man, and brought in a new man to take his place. The net saving appears to be about £130 a year, and the Government Analyst has recommended an additional expenditure in order to put up increased accommodation in his sub-department. I think I have stressed the main point, and as I shall have the right of reply I need not dwell on the subject. But I would ask the leader of the House not to close this debate without allowing the opinion of the House to be taken. I trust he will not move the adjournment, thereby side-tracking further discussion, but allow one or two other members the opportunity of speaking on a matter which is of prime importance and which I think the leader of the House recognises as being of prime importance. I have no doubt the hon. gentleman feels very much as I do on it. I have brought the subject up for several reasons. One is that I am quite satisfied a mistake has occurred through haste and through lack of technical knowledge. The files are incomplete and I should have liked to have additional information disclosing the grounds on which the Honorary Minister acted. I have been side-tracked on this

matter since the 1st November last year, and hon. members will sympathise with my feeling that it is most disheartening to be blocked in this fashion and to be put to so much trouble before one can fully state his case, prove that a mistake has occurred, and endeavour to get it rectified. Another respect in which an error has been made is in ignoring the technical officer who was in charge of the Agricultural Department and under whom, partly, this officer worked. It is due to the fact that these departments are controlled by clerical gentlemen without scientific and technical knowledge. That position has to a large extent been remedied in the Eastern States. For example, in New South Wales the secretary of the Mines Department is a technical man, and I think the same position obtains in connection with the Lands Department and other departments of that State. These troubles would not occur if the technical head were directly in touch with the Minister and were referred to before such questions as these are dealt with. We cannot say in this instance that it was the Public Service Commissioner who made the change, because we have before us nothing except the recommendation of the Honorary Minister. That being so, we are at a loss to know who is responsible; but in virtue of the motion for papers carried by this House hon. members are entitled to know who caused the Honorary Minister to make his recommendation. Again, while I have been following up this matter every attempt seems to have been made to burk inquiry and prevent me from obtaining information. If that is the case, I have a perfect right to protest here against the existence of such a state of affairs. That applies not only to this matter, but to other matters in which members returned to this House are interested in the same way as shareholders in or directors of companies are interested in matters appertaining to their institutions. Shareholders and directors are enabled to obtain such information, but in matters of State it cannot be secured. I might give in this connection a ludicrous instance of red tape which came under my notice recently. When booking up my sleeper return one week end, I asked the railway official—and he was a high official—if he could give me the railrage rate over certain Government lines for saw cuts and firewood. He replied that he would look the matter up. Later he telephoned me saying, "The information is available, and you can get it by applying to the Minister for Railways." However, I proceeded to Wagin and rang up the goods clerk there, and then I was able as a citizen to get over the telephone the whole of the information I needed. Another reason for bringing this matter forward is to obtain the opportunity of protesting against the delay in making available to me the information I needed to present my case to the House; and I must protest against the lack of the additional information which is needed in order to show who was responsible for the Honorary Min-

ister's initial recommendation, in order to preserve the honour of the Government in giving to my questions replies which are not in accordance with fact. My last reason is that if action is taken by a Minister that is not in the interests of the State, there ought to be some way, or we ought to set to work to find some way, by which we may be enabled to right a wrong position and to safeguard interests which are threatened or prejudicially affected.

On motion by Hon. C. F. Baxter (Honorary Minister) debate adjourned

## BILL—HEALTH ACT AMENDMENT.

### Assembly's Message.

Message received from the Assembly requesting the Council to follow the usual course by making whatever further amendment it might think proper, to the Assembly's amendment No. 5, and transmitting the same to the Assembly for its concurrence.

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## BILL—FIRE BRIGADES ACT AMENDMENT.

Received from the Legislative Assembly, and read a first time.

## BILL—GENERAL LOAN AND INSCRIBED STOCK ACT AMENDMENT.

### Assembly's Message.

Further consideration, from the 15th May, of Assembly's Message notifying that the Council's amendment had been agreed to, subject to further amendments. Hon. W. Kingsmill in the Chair: the Colonial Secretary in charge of the Bill.

No. 1—Add to the proposed amendment the following words:—"and or any loans which may be raised up to the 30th day of June, 1919." [The Colonial Secretary had moved "That the amendment of the Legislative Assembly on the Council's amendment be agreed to."]

Hon. J. J. HOLMES: I am opposed to the adoption of the Assembly's amendment. In justice to the people, and in order to be consistent, we should take up on this occasion the same attitude as we adopted when the Bill was before us. By our amendment we limited the sphere of the Treasurer's operations to this extent, that, in effect, he would have to consult this House before obtaining any further loan authorisation. The position of the State demands that the Council should know what the Government propose to do in respect of loan authorisations and expenditure, and, most important of all, we should know, when they propose to pay 6½ per cent., whether the Government can profitably invest money borrowed at that rate. Members here are elected to represent the people with a stake in the country, those who have to pay the piper; and those who pay the piper should call the tune. The Colonial Secretary some time ago admitted that the Treasurer and the present Government were unable to finance the State, that under present

conditions, as far as he could see, there was no hope of making revenue and expenditure meet. He said one of three things must be done: the first was that we should separate, the second that we should go in for unification, and the third was that we might fix up some improved financial agreement with the Commonwealth in order that the business of the State might be carried on. Now we have had the Premier's Conference, and at that conference Mr. Watt, we are told, convinced the State Premiers that it was the Commonwealth finances and not the finances of the State that were in a parlous condition. So it seems that separation, unification and a better agreement with the Commonwealth are alike impossible. We have been somewhat lax in the past in connection with finances in this State. Our troubles commenced when Lord Forrest was Treasurer, for he it was who introduced the system of spending the money first and consulting Parliament afterwards. It is that system which has landed us where we are to-day. In future I shall want to know what the money is intended for, what rate of interest the Government propose to pay and whether the proposed public expenditure can earn interest and sinking fund. In another place the Colonial Treasurer has appealed to "his 49 co-directors" to assist him in pulling the country out of its difficulties. This Chamber represents the people who have to foot the Bill, and I think the leader of this House should like wise consult his 29 co-directors on questions of difficulty. The Premier has opened up communications with the office boys throughout the public service, asking them for assistance in putting right the affairs of the State. That being so I think the Legislative Council also should be consulted on the question. In the case of a private financial institution, if the applicant for money is solvent and has the confidence of the institution he can get what money he likes without questioning. That has been the position of this State; but we have now reached the stage at which investigation and inquiry are bound to be insisted upon.

The CHAIRMAN: The Assembly's amendment is to add to the Council's amendment the following words: "and for any loans which may be raised up to the 30th day of June 1919."

Hon. J. J. HOLMES: I want the Committee to insist that any money borrowed in future shall be borrowed for reproductive work and not to popularise this or any other Government

Hon. Sir E. H. WITTENOOM: Before I make up my mind as to how I shall vote, I will listen with great care to the explanation of the Colonial Secretary. As far as I can see the Bill provides for the extension of the rate of interest from five per cent to 6½ per cent. on all moneys raised prior to the present date or on any loans that may be raised in the immediate future for the redemption of those moneys; and I think the amendment which this Committee passed made it definite when it stated "for the redemption of any loan raised prior to the commencement of this Act." I gathered that the object was to extend the rate of interest from five to 6½ per cent

Now we find the amendment sent up by the Assembly proposes to extend this rate of interest to all loans raised to the 30th June, 1919. I want to know whether the Bill simply empowers the Government to extend that rate of interest or whether it gives them power to raise loans at that rate. I maintain that every loan raised should be first submitted to the House and I am inclined to believe that the Bill is only to extend the rate of interest. Certainly this last amendment is rather misleading, because it might infer that if the Government raised a loan in a hurry they are empowered under this to pay  $6\frac{1}{2}$  per cent. I am in accord with Mr. Holmes, who declares that this Committee should have some say in connection with finances, and that loans undertaken at this enhanced rate of interest should be submitted to this House.

**THE COLONIAL SECRETARY:** This Bill does not authorise the Government to raise any money at all. Before the Government can raise a loan they have to obtain permission in the usual way, and a schedule to the Loan Bill sets out all the works to be carried out. There is a definite purpose for the introduction of the Bill at the present time. It is absolutely required for a specific purpose. The General Loan and Inscribed Stock Act of 1910 fixed the maximum rate of interest at four per cent. but did not bind the Treasurer, because if the Treasurer could not get money at four per cent. he issued debentures at a discount. In 1915 the maximum rate of interest was increased to five per cent. Now it has become necessary to redeem certain loan money at a rate of  $5\frac{1}{2}$  per cent. the balance of a certain loan amounting to £133,290, and it is required to issue  $5\frac{1}{2}$  per cent. debentures for the redemption of that loan. The State is committed to this and this Bill will enable the State to carry that out. That is all that the State is committed to, but in making this amendment it was recognised that the loans raised by the Commonwealth on behalf of the State during the coming year would necessarily be at a higher rate of interest than  $5\frac{1}{2}$  per cent., and it is not known to-day what class of security the Commonwealth may demand from the State. As to the necessity of raising the money at all, for the past four or five years, until the Wilson Government came into power, the average loan expenditure was at the rate of three millions per annum. During the last financial year the loan expenditure was three-quarters of a million and in the current year the expenditure will be still less, and less for the succeeding year. But it is impossible, unless we abandon altogether works which are approaching completion, and which will involve the country in serious loss, to carry on without some loan money for this purpose, and to finance the deficit, which members will admit must be with us for some time. It cannot be got rid of for a year or two. It is impossible for the State, during the period of the war, and the depression of all industries, to square the ledger, and it would be fatal to try and do so. Therefore, the Government must have a certain amount of loan money during the next financial year, and must get it from the Commonwealth. We cannot raise

loans without Parliament giving approval to them and the purposes for which the money is raised must be stated. The only question raised in the Bill is what rate of interest shall we be permitted to issue inscribed stock at. The amendment proposed by the Assembly, to my mind, is quite unintentional, and the objection of members of this House was that it would permanently increase the rate of interest paid on loans up to  $6\frac{1}{2}$  per cent. That was a proper objection and I entirely sympathise with the amendment. Now the Assembly asks that for the loans raised during the financial year ending the 30th June, 1919, this Bill may also apply. If, we do not pass it, the effect will be to tie the hands of the Treasurer in his negotiations with the Federal Government because he will be unable to offer the Commonwealth Treasurer any securities which will be negotiable on the London market, that is our own inscribed stock. The amount obtained from the Commonwealth will be very small. We cannot get very much money but the small amount we can get, and must have, it will be a serious thing to tie the hands of the Treasurer on. The Commonwealth Government are advancing to the State monthly sums pending the raising of a loan on the London market. The amounts advanced will be in accordance with the agreement made between the Treasurer of the States and the Commonwealth. Up to the present no security has been demanded by the Commonwealth from the States, but it is contemplated when the Commonwealth raise a loan on the London market, they will demand from the State a corresponding security negotiable on the London market. If the Commonwealth pays  $6\frac{1}{4}$  per cent., the States expect to have to issue inscribed stock at  $6\frac{1}{4}$  per cent. in return. The last loan was raised by the Commonwealth at 6½ per cent., and if the next loan is raised at the same rate we shall have to issue inscribed stock bearing that rate of interest. So far as new expenditure is concerned, it will be cut down to anything between one-sixth or one-tenth of what has previously been spent. I am strongly of opinion that many years will elapse when the war is over before this State will be able to raise money on the London market at five per cent. We shall have to pay what from time to time is the ruling rate of interest.

**Hon. Sir E. H. Wittenoom:** No one is objecting to the rate of interest so long as the loans are authorised.

**THE COLONIAL SECRETARY:** This Bill has nothing to do with the raising of loans. If the Federal Treasurer demands inscribed stock negotiable in London, the Treasurer must be able to give that inscribed stock bearing the rate of interest that the Commonwealth have to pay.

**Hon. A. SANDERSON:** We are asked at the end of this session to give this power to the Government to continue in force till the 30th September, 1919. The particular point I want the Committee to bear in mind is that

within a couple of months we shall be in session again, and if we give this power to the Government now they will have it and, I unhesitatingly say, will not scruple to take the fullest possible advantage of it. Is it sound to reverse what we have already done and hand this power over to the Treasurer? We are told every time a money Bill comes up that this is not the proper time to discuss the financial position of the country, but unless we know what the financial position of the country is, and how things are being managed, are we prepared to hand over to the Government more power than is necessary? The Government will have the power to meet this £130,000, but we say that the Bill shall go no further. I hope the Committee will not give to the Government this dangerous power.

Hon. J. J. HOLMES: The admission by the Colonial Secretary that past Treasurers have got behind the Loan Bill by issuing loans at a discount is serious and it is this pernicious system of the past which we ought to avoid. Why are we asked now to fix the maximum rate of  $6\frac{1}{2}$  per cent.? It is the thin end of the wedge. The Government having fixed the interest can come along later with the loan authorisation and say, "You have fixed the rate, why cannot we have the money?" Why cannot the rate be fixed when the loan is being asked for? Then the House might consider the proposal to give power to fix the rate of interest at a maximum of  $6\frac{1}{2}$  per cent. to September, 1919. That advances the position of the Treasurer one step further. He has the rate of interest fixed, and he will later on fix the amount. If I could see anything to be gained by fixing the interest now I would accede to the wish of the leader of the House, but I am not convinced that there is any necessity for fixing the rate at the present time.

Hon. J. W. KIRWAN: I hope the Committee will adhere to the decision which was given after fully considering the whole matter some weeks ago. On that occasion the amendment of this Chamber was agreed to by 14 votes to 10. Nothing whatever has been advanced as to why that decision should be altered, and I also wish to emphasise the extraordinary nature of the addition which has been made to our amendment by another place. If another place had definitely decided not to agree to our amendment there would have been less misunderstanding about it, but as the amendment now stands it says "Certainly we agree to the amendment of the Legislative Council," and then in the next clause it says, "But let us borrow this money at  $6\frac{1}{2}$  per cent. for the next 12 months." Then it further goes on that three months after that the Bill shall cease to operate altogether. I think the severest condemnation that was made regarding the amendment proposed by the Legislative Council was when the Chairman read out the whole clause as it would appear if we agreed to the amendment made by the Legislative Assembly. The reading of the clause showed that it was long, involved, and contradictory. If we adhere to our amendment the effect on the Government

will not be serious. It may place some slight check on reckless borrowing, borrowing at an exorbitant rate of interest. At the present time they have power to borrow considerably and at an unlimited rate of interest, by means of Treasury bills with a five years' currency. Another means is under the Treasury Bonds Deficiency Act, and under that money can be borrowed at six per cent. with a currency of 30 years. Then, under the Inscribed Stock Act, the Government can borrow money at five per cent. The last-named Act was passed in 1915. Now the Government come along and ask us to raise the rate of interest by  $1\frac{1}{2}$  per cent. If they asked us to raise it one per cent. there might possibly be some reason in the request, but the extraordinary jump shows to what a reckless extent the Government are prepared to go in the borrowing of money. Does any hon. member know of any work which could be constructed with money borrowed at  $6\frac{1}{2}$  per cent. which would be reproductive? If we are going on increasing the proportion of interest and sinking fund we shall be in even a worse plight than we are at the present time. I would suggest that this slight check be given to what we cannot but regard as reckless borrowing.

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

Ayes .. .. .	9
Noes .. .. .	16

Majority against .. .. 9

#### AYES.

Hon. C. F. Baxter	Hon. J. A. Greig
Hon. H. Carson	Hon. V. Hamersley
Hon. H. P. Colebatch	Hon. C. McKenzie
Hon. J. E. Dodd	Hon. J. Ewing
Hon. J. Duffell	(Teller.)

#### NOES.

Hon. J. F. Allen	Hon. J. Nicholson
Hon. R. G. Ardagh	Hon. E. Rose
Hon. E. M. Clarke	Hon. A. Sanderson
Hon. J. Cunningham	Hon. H. J. Saunders
Hon. J. J. Holmes	Hon. H. Stewart
Hon. J. W. Kirwan	Hon. Sir E. H. Wittenoom
Hon. R. J. Lynn	Hon. J. W. Hickey
Hon. G. W. Miles	(Teller.)
Hon. H. Millington	

Question thus negatived; the Assembly's amendment not agreed to.

No. 2. Consequent on the above amendment, insert a new clause, as follows:—"This Act shall continue in force until the 30th day of September, 1919, and no longer":

The CHAIRMAN: A further amendment has been made by the Legislative Assembly which the Legislative Assembly declares to be consequential on the first amendment. It is to insert a new clause as follows:—

"This Act shall continue in force until the 30th day of September, 1919, and no longer."

The COLONIAL SECRETARY: I confess I am unable to see why this proposed new clause

should be described as consequential, as the addition made by the Legislative Council has nothing to do with the addition of the Legislative Assembly. If it were consequential I should take it that the Bill would expire on the 30th June, but so far from being consequential it seems to me that had this Chamber agreed to the previous amendment the Bill would have given permission during one year to borrow money at 6½ per cent. and permanent permission to borrow money for the reduction of existing loans at that rate. In view of the Committee having rejected the original amendment, I do not propose to ask members to accept this one. I move—

“That the amendment be not agreed to.”

Question put and passed; the Assembly's amendment not agreed to.

Resolutions reported, and the report adopted.

On motion by the Colonial Secretary, Hon. Sir E. H. Wittenoom, Hon. A. Sanderson, and the Colonial Secretary were appointed a committee to draw up reasons for disagreeing with the amendment made by the Legislative Assembly.

Reasons reported, the report adopted, and a Message accordingly returned to the Legislative Assembly.

#### MOTION — HARVEY IRRIGATION SCHEME, TO INQUIRE BY ROYAL COMMISSION.

Debate resumed from the 27th February on the motion by the Hon. J. Ewing—“(i.) That, in the opinion of this House, the Government should appoint a Royal Commission to inquire into, and report on, the Harvey irrigation scheme, particularly with regard to the inception, construction, and working of the same up to the present time. (ii.) That, in the event of the Government agreeing to this motion, the following be nominated as the Commissioners:—The Hons. E. M. Clarke, and J. Ewing, Messrs. G. C. Money, M.L.A., W. Nairn, M.L.A., S. Munsie, M.L.A. (iii.) That all members of the Commission should act without remuneration.”

The COLONIAL SECRETARY (Hon. H. P. Colebatch—East) [5.40]: This is a motion submitted some time ago by Mr. Ewing for the appointment of a Royal Commission, acting in an honorary capacity and consisting of members of the two Houses of Parliament, to report on the Harvey irrigation scheme. Before submitting his motion, the hon. member approached me; and I told him the Government would have no objection whatever to an investigation by a Royal Commission, but I suggested to him that the finalising of his motion might be delayed for a time as the Engineer-in-Chief was then making an exhaustive inquiry into, and reporting on, the Harvey irrigation scheme.

Hon. W. Kingsmill: There is no contingent expenditure?

The COLONIAL SECRETARY: Necessarily there would be. I know that the hon. member will acquit me of any breach of faith when I now ask him to withdraw his motion for the present, failing which I shall be bound to oppose it. The assurance I gave him was that the Government would have no objection whatever to an investigation of this matter by a Royal Commission. What has happened since then is that the Agricultural Royal Commission, who have now entirely completed their labours and whose final report is at present in the hands of His Excellency the Governor, started an investigation into this Harvey irrigation scheme within a few days after the hon. member submitted his motion. At the request of that Royal Commission, the report compiled by the Engineer-in-Chief was handed over to them and the whole of the officers of the department were placed at their disposal. The investigation by the Royal Commission was, I believe, a very exhaustive one. They have submitted certain recommendations, and I think it will be agreed that to appoint another Royal Commission on top of that would be waste of time. Although members, I have no doubt, would be willing to act without remuneration, there would necessarily be some considerable incidental expenditure connected with the Commission. I was prepared to admit that that expenditure might be incurred, because I knew that the conditions in connection with the Harvey irrigation scheme were such as to make an exhaustive inquiry imperative. But now that one Royal Commission has made exhaustive inquiry and submitted its recommendations, I think the hon. member would be well advised if he withdrew his motion for the time being. Parliament will be assembling again—not, I hope, as Mr. Sanderson has suggested—in the first week of July, but probably, as is usual, towards the end of July. That will mean only a small interval, about a couple of months. On Parliament re-assembling, if Mr. Ewing is not satisfied that the Agricultural Royal Commission have thoroughly probed the matter, it will be competent for the hon. member to move again. In the meantime, on behalf of the Minister for Works I assure Mr. Ewing that nothing will be done to prejudice the interests of the settlers or to force them in connection with the dispute now pending between them and the Government as regards the rates which are to be paid. For those reasons I trust the hon. member will see his way clear to withdraw the motion at all events until he has an opportunity of seeing whether the exhaustive inquiry and report and recommendations of the Agricultural Royal Commission meet his case or not.

Hon. E. M. Clarke: When will that report be available to members of Parliament and to the public?

The COLONIAL SECRETARY: His Excellency the Governor has received the report to-day, and it should be available in the course of a few days.

Hon. J. Ewing: Unless any other member wishes to speak, I want to say at once that I have no intention whatever of withdrawing my motion. I do not wish to place any hon. member in a false position by replying at this juncture.

Hon. A. Sanderson: I do not know whether I should be in order in speaking on this. I seconded the motion.

The PRESIDENT: The hon. member cannot speak twice.

Hon. J. EWING (South-West—in reply) [3.45]: Perhaps it is necessary for me to give some real reasons for not agreeing to the suggestion made by the leader of the House. It is now three months since I moved the motion. On that occasion I did not go into details, relying rather on the word of the Minister that when the Engineer-in-Chief's report should be available he would submit it to the House for their decision as to whether the Royal Commission was necessary. The fact that the Royal Commission on Agriculture has made exhaustive inquiries into the Harvey scheme is now given as a reason for the leader of the House neglecting to carry out his word to me.

The Colonial Secretary: On a point of order, I object to that statement. My word was that the Government had no objection to the appointment of a Royal Commission; and, the Royal Commission having made the inquiry, I did not commit myself to supporting a succession of Royal Commissions.

Hon. J. EWING: I did not intend what I said in the way the leader of the House has taken it. What I meant was that I have been somewhat misled, because this matter has been before the House for so long and I am not satisfied that the Royal Commission on Agriculture has gone into every phase of the question which I think should be gone into. As a matter of fact, I have to thank the leader of the House for his kindness in regard to this matter, for he has done all that he could do, and I had no intention of saying anything to which he could take exception. But if the House does not agree to my motion much time will be lost. The people of Harvey are not at all satisfied with the investigations of the Royal Commission on Agriculture. Some very important phases of the question have not been touched. There are many phases which require investigation, and I think it would be only right to carry this motion to-night. I desire that the Government shall appoint the Commission I have named and enable us to go farther into the question. Four months ago I was requested by the Citrus Society of Harvey to bring this matter before the House. I did so, and the society has since been dissatisfied with the manner in which the question has been delayed. Having gone so far, I do not feel justified in withdrawing the motion in order to wait until Parliament again meets and we have an opportunity of going through the report of the Royal Commission on Agriculture. What harm can there be in appointing a Commission, which may never sit if it is found that the investigations of the Agricul-

tural Commission have been sufficiently exhaustive?

Hon. J. J. Holmes: Is not that an argument in favour of waiting for the report of the Royal Commission on Agriculture?

Hon. J. EWING: No. I do not believe in these long delays. If it is advisable to appoint this Commission, the sooner it is appointed the better. I hope the House will vote for the motion, so that we can go right into detail and find out what is wrong at Harvey. I know exactly the time spent at Harvey by the Royal Commission on Agriculture. They took evidence during one morning and inspected the district during the afternoon. I am satisfied that the Commissioners have not probed this matter to the bottom. Grave dissatisfaction has been created by the attitude of the predecessors of the present Government in regard to the question of rates, the question of the weir, and the question of the cutting down of areas subject to irrigation. All these points and many others require the closest investigation. Even if they have been so investigated, there can be no harm in appointing this proposed Commission. None of the members of the proposed Commission will expect any payment whatever. For my part, and I can say the same for certain others, there would be no charge against the Government, not even in respect of expenses; but of course it might be that other members of the Commission would require their bare expenses to be paid. Therefore, I am not asking much of the House.

Hon. J. Duffell: Are they qualified to give expert opinion?

Hon. J. EWING: I think the expert opinion is that given by the Engineer-in-Chief and other experts. I do not know that I and those to be associated with me in the proposed Commission are competent to give expert opinion, but all could decide whether a seepage is serious and how it can be coped with, and whether the Government have done a fair thing by the settlers of Harvey.

Hon. J. Duffell: Has Mr. Munsie any experience of these matters?

Hon. J. EWING: I am much obliged to Mr. Munsie for agreeing to go on this Commission without pay, and I have very great regard for his acumen and sense of justice. I particularly wanted to have on the Commission some members of the Lower House of a different shade of politics from myself. I am convinced that the Commission, if appointed, will do good work. I do not intend to take up more time, but I do intend to divide the House on the question, and I think the reasons I have given should be justification for that course. The expenses of the Commission will be practically nil. Even the report could be typewritten instead of printed. We have not had an opportunity of perusing the report of the Royal Commission on Agriculture, nor will we have such opportunity this session. Next session, of course, there will be very important matters before the House and in all probability I shall not have so good an opportunity as the present.

Hon. Sir E. H. Wittenoom: Are these Commissioners all willing to act?

Hon. J. EWING: Yes, with the exception of Mr Sanderson, who desires to have his name withdrawn, all are willing to act without pay.

Hon. A. Sanderson: Why not wait for the report of the Royal Commission on Agriculture?

Hon. J. EWING: Because there will be no opportunity for discussing it in the House this session. If in the opinion of the Government the Royal Commission on Agriculture have not arrived at a proper solution of the questions at Harvey, the Government should be only too pleased to think that the House has agreed to the appointment of a Royal Commission to further investigate this matter. There is no danger in appointing the Commission.

Hon. J. J. Holmes: The Government can appoint the Commission if they wish to.

Hon. J. EWING: But I prefer that the House should take the responsibility. The Government are satisfied with things as they are, and at present they have no intention of appointing this Commission. I want the House to do it. The leader of the House says that investigations have been made. I now ask the Government to appoint a Royal Commission to make further investigations. I am convinced that the report of this proposed Commission will be complete and exhaustive in every detail. I hope members will agree to the motion.

The PRESIDENT: The hon. member wishes to have the name of Mr. Sanderson struck out from the list of the members of the proposed Commission?

Hon. J. EWING: Yes, with very great regret, at Mr. Sanderson's request.

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

Ayes .. .. .	12
Noes .. .. .	11

Majority for .. .. 1

#### AYES.

Hon. H. Carson	Hon. R. J. Lynn
Hon. J. Cunningham	Hon. H. Millington
Hon. J. Ewing	Hon. E. Rose
Hon. J. A. Greig	Hon. A. Sanderson
Hon. V. Hamersley	Hon. Sir E. H. Wittenoom
Hon. J. W. Hickey	Hon. C. McKenzie

(Teller.)

#### NOES.

Hon. J. F. Allen	Hon. J. W. Kirwan
Hon. C. F. Baxter	Hon. G. W. Miles
Hon. H. P. Colebatch	Hon. J. Nicholson
Hon. J. E. Dodd	Hon. H. J. Saunders
Hon. J. J. Holmes	Hon. J. Duffell
Hon. W. Kingsmill	

(Teller.)

Question thus passed.

### BILL—INSURANCE COMPANIES.

#### Recommittal.

On motion by Hon. J. Nicholson, Bill re-committed for the further consideration of Clause 3, and the consideration of two new clauses; Hon. W. Kingsmill in the Chair, the Colonial Secretary in charge of the Bill.

Clause 3—Companies to deposit £5,000 with the Colonial Treasurer:

Hon. J. NICHOLSON: I move an amendment—

“That in line 4 of Subclause 2 the words ‘30th day of June, 1918,’ be struck out, and ‘31st day of December, 1918,’ inserted in lieu.”

It is unfair that this disposit should be paid so early; it will be a hardship on insurance companies. The amendment extends the time for the payment of the first moiety.

The COLONIAL SECRETARY: I hardly think the hon. member is serious in saying that it will be a hardship on companies to pay £2,500 by the 30th June. If the statement is correct that would justify the Government, for the protection of people insuring with the companies, in asking that the deposit be made. But I cannot imagine for a moment that the hon. member is serious. It must be merely another attempt to defeat the purpose of the Bill, which twice has been approved by substantial majorities.

Hon. J. J. HOLMES: I cannot support the amendment. I object to the principle of a forced loan, but I have no fear of inflicting hardship on the companies, but we may inflict hardship on the Treasurer who wants the money now. If we delay giving the Treasurer the money he may not require it.

Hon. A. SANDERSON: On this occasion I entirely agree with the Colonial Secretary. If there is any hardship on the companies they have themselves to blame, because they have made no protest as far as we know.

Amendment put and negatived.

Hon. Sir E. H. WITTENOOM: Clause 6 points out that the investment and redemption of Treasury bills shall be at par. A company may be in existence for 30 years and not take over the Treasury bills. I take it that these bills will be renewed automatically, and at the end of 20 or 30 years if the company then ceases business the bills would be redeemed at par.

The COLONIAL SECRETARY: That is so. Bills cannot have a currency of more than five years. If a company went out of business at the end of one period of five years the Treasury bills could not show any considerable discount, because they have to be renewed at par.

Hon. J. NICHOLSON: I move an amendment—

“That Subclauses 3 and 4 of Clause 3 be struck out and the following inserted in lieu to stand as Subclause 3:—‘All sums deposited shall be invested by the Colonial Treasurer in such securities usually accepted by the court for the investment of funds placed under its administration as the company may select, and the interest accruing due on any such securities shall be paid to the company.’”

I am only following what is being done in the Old Country under similar conditions where a deposit is required. We know that such investments or deposits are regarded as sacred there and we have a high standard to go by, a standard which we might well copy. The funds which are invested and which are under the control of the court, are safeguarded, and they are only invested in cer-

tain classes of security, so that there would be every hope when the security is terminated and the need for the deposit ceases, of the depositor receiving back his money intact, instead of as provided here, receiving Treasury bonds with a certain currency. Hon. members who have been enlightened as I have been as to the proposed ultimate destination of these funds, will weigh the matter fully, and whilst I appreciate the fact that the leader of the House is bound to see it will destroy what the Government have in view, yet if the proposal is going to safeguard the credit of the State, the Colonial Secretary will admit that this committee will be doing something which will be of benefit and advantage to the Government if it passes the amendment.

The COLONIAL SECRETARY: I admire the persistency of the hon. member. This is the fourth attempt he has made to try and induce the House to stultify itself by reversing a previous decision arrived at. We have had two divisions already on this point, and the hon. member put up a third proposal. Now he puts up a fourth which he himself admits will have the effect of defeating one of the objects of the Bill. I cannot for a moment accept the amendment.

Hon. A. SANDERSON: When the hon. member who moved the amendment has had more experience of this Chamber, he will realise how impossible it is under certain conditions to get members to alter their opinions. Hon. members last night had the fullest opportunity of considering this matter and they deliberately, with their eyes open, decided in one direction. After that deliberate verdict which was given I do not wish the Government to be relieved of their responsibilities. Let us accept defeat. My friend and I who are in the right will in the future be able to prove it, although we cannot prove it to this Committee. I hope the hon. member will not press his amendment to a division.

Amendment put and negatived.

Clause put and passed.

New clause:

Hon. J. NICHOLSON: I move—

“That the following be added to stand as Clause 7:—‘Nothing herein contained with regard to any deposit to be made hereunder shall apply to companies which have complied with the provisions of Sections 4 and 6 of the Life Assurance Companies Act, 1839.’”

Under Section 4 of the Life Assurance Companies Act any company which proposes to carry on the business of life insurance in this State must deposit the sum of £10,000, and by Section 6 that amount has to be increased later to £20,000. That I think is a very solid guarantee on the part of any company doing business here, and compares more than favourably with the deposit which is required by companies in the United Kingdom. Under the Act in force in the United Kingdom the amount to be deposited in the case of companies which carry on any class of insurance business is £20,000. It will be admitted that the volume of business done in the Old Country far exceeds that done in this comparatively small State; and if it is considered that a guarantee or deposit of

£20,000 is sufficient in England for a company carrying on every class of business of insurance, surely it is not too much to urge that where a company has in this State deposited with the Government security for £20,000, that security should be considered as full and ample, and the company should be exempt from this further deposit of £5,000.

Hon. A. SANDERSON: The Government need the cash.

Hon. J. NICHOLSON: There is no need for the cash when a company has already deposited the amount. It is not fair and reasonable for the Government to suggest that we should try to establish something, which is not established in places where the volume of business is so much greater.

Hon. A. SANDERSON: Mr. Nicholson's argument is unanswerable, but we must recognise that the object of the Government is to get this £5,000 in cash from any company they can pick it up from.

Hon. J. NICHOLSON: Probably only one company would be affected by this.

Hon. A. SANDERSON: Then we are going to make a distinction with regard to this one company. Why has there not been an appeal to the Government with regard to this matter? This is a blackmailing Bill in which the Government require cash, but we are not allowed to discuss the question. It is not worth while crossing the floor of the House for a division in this matter. I am afraid the hon. member would not have any chance of getting his amendment through, and I trust he will withdraw it so that the Government may take the whole responsibility of this business.

Hon. Sir E. H. WITTENOOM: I know some very good arguments against the Bill. We find, in connection with life insurance, that an exemption is made on the first page of the Bill. If life insurance companies have, as it is stated, taken on other business, I think they had no right to do so. It is a gross breach on their part to utilise the premiums of their clients for the purpose of speculating and gambling in other forms of insurance instead of protecting the policies of their clients. I must vote against the amendment.

The COLONIAL SECRETARY: It was certainly the opinion of the Government that the words used in Clause 2 and Clause 5 would completely protect life assurance companies. They will do so unless life assurance companies are going out into this other class of business. If they are, then I entirely agree with Sir Edward Wittenoom that they should do it wholly apart from their life assurance business and should stand in respect of that business in exactly the same position as any fire insurance company.

New clause put and negatived.

New clause:

Hon. J. NICHOLSON: Even at the risk of suffering the reproaches of the leader of the House, I have another new clause to move. It is not on the Notice Paper because it was brought to my attention only late to-day. It refers to marine insurance companies. I am informed that there are in this State two or three companies carrying on solely the business of marine insurance. The volume of busi-



ness done by them is very small. I believe that in not one of the cases does the amount of premiums received equal £5,000 annually. But under this Bill such companies will be compelled to deposit a sum of £5,000, which is altogether disproportionate having regard to the volume of business done in connection with, say, fire insurance. Some of the marine insurance companies may collect only £2,000 or £3,000 of premiums annually. In order to meet the anomaly thus created I move an amendment—

“That the following be added to the Bill to stand as Clause 7:—‘Any company carrying on marine insurance business solely, whose gross annual premium shall not exceed the sum of £5,000, shall deposit in lieu of said sum of £5,000 a sum of £2,000, to be paid in the case of companies now carrying on business in equal moieties on the dates hereinbefore provided, and, on the gross annual premiums of such companies exceeding £5,000, then such companies shall pay to the Colonial Treasurer the difference between the said two sums. Every such company shall, until its total deposits shall amount to £5,000, furnish such returns from time to time to the Colonial Treasurer in respect of the premiums received by such company as may be required.’”

The COLONIAL SECRETARY: I certainly cannot accept this new clause. From the point of view of the Treasurer it would not matter two straws, I suppose; but I can see no reason for departing from the uniform deposit of £5,000, which is little enough as a guarantee of bona fides.

Hon. A. SANDERSON: Let us suppose that there are two companies, “A” and “B.” The names need not be supplied, but they can be supplied if necessary. Company “A” has bought and owns company “B.” In Sydney or Melbourne they are worked as one company, but here in Western Australia they are worked as two companies—a marine insurance company and a fire insurance company. Each company is carried on separately here, one agent attending to marine business and another to fire insurance. Then take companies “X” and “Y.” Although in this State they are two companies, their work is done in one office and under one directorate. The present Bill will compel companies “X” and “Y” to deposit £5,000 and £5,000 only; but companies “A” and “B” working here as two separate companies, will be compelled to put up two deposits of £5,000 each. The Government possibly have overlooked this incidental affair, and they might be prepared to consider the question of allowing companies “A” and “B,” which are in reality one company, to put up £5,000 only.

Hon. J. Nicholson: There is a provision with regard to that in the Bill already—Clause 4. That is hardly the point to which my amendment refers.

Hon. A. SANDERSON: I do not think that Clause has anything to do with this. If it is too much to ask the leader of the House to give a considered opinion on the matter, I shall be prepared to accept his offhand opinion, because I have no desire to delay or

stonewall the Bill. The matter is worthy of consideration, however, and a postponement to enable the Colonial Secretary to look into it would not delay the Bill for more than 24 hours.

The COLONIAL SECRETARY: It seems to me that the remarks of the last speaker apply only indirectly to the proposed new clause. The Bill already provides for the matter he has raised. Two companies have to pay two deposits, while one company has to pay only one deposit.

The CHAIRMAN: The new clause deals with companies carrying on marine business solely, and I ask hon. members to confine their remarks to that.

Hon. A. SANDERSON: The company I referred to deals with marine insurance only.

The Colonial Secretary: But is it one company?

Hon. A. SANDERSON: It is one company in Sydney, and two companies here. The matter would not require 10 minutes’ consideration.

Hon. J. J. HOLMES: Some marine insurance companies carrying on with perhaps a head office in Sydney have a branch office in Western Australia with a chair or two and a brass plate. It is under those conditions that they compete for the insurance business of Western Australia. All the assets they have in this State is a brass plate and a couple of chairs, and if a proposition comes in to them they have to appeal to the head office for directions. If £5,000 is to be put up by one company, every other company ought to be treated in the same way.

New clause put and negatived.

New clause:

Hon. J. W. KIRWAN: The hon. Mr. Nicholson proposed a new clause and withdrew it. I would like to hear his reasons for withdrawing it, and to put myself in order perhaps I had better move the proposed new clause myself. I move—

“That the following be added to stand as Clause 7:—‘Deposits not required from certain parties acting as self insurers. (7.) Such of the provisions of this Act as relate to deposits to be made under this Act shall not apply where the company is an association of owners or occupiers of buildings, chattels, or other property which satisfies the Colonial Treasurer that it is carrying on, or is about to carry on, business wholly or mainly for the purpose of the mutual insurance of its members against damage by or incidental to fire caused to the houses, chattels, or other property owned or occupied by them.’”

I am curious to know whether mutual insurance can be carried on under the Bill without the deposit being made, and I would like to hear Mr. Nicholson’s reasons for having withdrawn the new clause.

The COLONIAL SECRETARY: The Government see no objection to the clause, but at the same time see no necessity for it.

Hon. Sir E. H. WITTENOOM: If the clause were agreed to, could not a number of people form themselves together as a mutual company and so evade the deposit?

Hon. J. Nicholson: They would, yes; that is the reason why I withdrew the proposed new clause.

Hon. J. W. Kirwan: Thank you.

New clause put and negatived.

[The President resumed the Chair.]

Bill again reported without further amendment.

On motion by Hon. A. Sanderson Bill again recommitted for the purpose of further considering Clause 4.

Clause 4—Where share capital of a company is acquired by some other company one deposit may suffice:

Hon. A. SANDERSON: I move an amendment—

“That after ‘management’ in line 4 the words ‘in Australia’ be inserted.”

The case I have already submitted is a bona fide one. The company, having a head office in Sydney and two branches here under one common management, should have the protection of the clause.

Hon. J. NICHOLSON: I think the amendment should appeal to hon. members. I take it Mr. Sanderson has moved it for the purpose of removing any doubt in connection with the particular case he has cited. If the management is a common one in Australia and not merely in Western Australia, the one deposit in Western Australia should be sufficient. The fire branch in Western Australia of the company referred to is under one agent, while the marine branch is under another agent, and the common management of the two branches is in another State. I support the amendment.

The COLONIAL SECRETARY: I do not see any necessity for the amendment, nor any particular objection to it. The first portion of the clause provides that the company must have acquired the share capital of some other company, and that both companies shall be under one management, and so I take it the clause as it stands would meet the case.

Hon. J. Nicholson: There is a doubt about that.

Amendment put and passed.

[The President resumed the Chair.]

Bill again reported with a further amendment.

## BILL—GRAIN ELEVATORS AGREEMENT.

### Second Reading.

Debate resumed from the previous day.

Hon. G. J. G. W. MILES (North) [8.28]: I moved the adjournment last night because I had not had opportunity of hearing the arguments used by hon. members. Even now I have had no opportunity of reading the debate on the Bill. Whilst I am in sympathy with the farmers, and whilst I agree to an extent with the principles adopted by the Government in obtaining outside experts to advise them in the construction of these works, seeing that they have not the necessary knowledge in their

departments, I think it would have been better to appoint an expert in this particular line of business than to have made an agreement with a company. It appears to me the company will receive from the Government certain commission on plans and specifications, and at the present time, when the cost of the works will mean probably twice as much as in normal times, I think the rate of commission proposed to be paid is higher than it should be. And after the Colonial Secretary's explanation a month ago of what happened in connection with the contract made by Mr. Scaddan's Government with Messrs. Merz and McLellan, in respect of the power house, I think we should be very careful to see that we do not fall into the same trap again. My idea is that we should get a competent engineer ourselves, pay him a salary of £1,000, £2,000, £3,000, or £4,000 a year to advise us on the works, and tenders should be called for the construction of the works. Unless the Minister can satisfy me that the State is protected in every way and we are not liable as we were in connection with the Power House agreement, to pay commission on a large amount of money, I am against it. We are told that the works are to be carried out for £280,000, probably it will run into £300,000 or £400,000 and we may be called on to pay commission as we were in connection with the Power House agreement. That appears to be one of the arguments against it and unless the Minister can satisfy me on these points I shall not support the measure. I would support the measure if an engineer was appointed and tenders are called for the construction of the works, as I realise that the silo is the most economical way of handling the wheat harvests. I saw along the Great Southern line the silos erected by Piesse Bros. and I am sure there can be no two ideas as to the most economical way of handling the wheat harvest. I reserve to myself the right to vote either for or against the Bill after hearing the Honorary Minister in reply.

Hon. J. A. GREIG (South-East) [8.33]: As this question has been so thoroughly debated in this Chamber it is not my intention to take up much time this evening. This is a Bill for an Act to ratify an agreement between the Minister and Metcalf & Co. for silos and it is also for plans for elevators and silos. It is really an integral part of a complete bulk handling system. I do not intend to-night to deal with the question of bulk handling, that has been discussed in this Chamber and from various platforms, and on various occasions throughout the State for years past, and there can be no two opinions about bulk handling being the right method for a wheat growing State to adopt. I was rather disappointed at the pessimistic opinions expressed by some members as to this State being a wheat-producing State. One might almost think that Western Australia was no good for wheat growing and never would be from the opinions expressed. But my opinion is that this State has a great future before it. During the year 1916-17 our wheat crop was valued at about £5,000,000. That year the value of the wheat far exceeded the gold yield, and

although under present conditions we cannot grow wheat successfully the time will come when Western Australia will be a large wheat producing State indeed. Professor Lowrie in 1910 made these remarks about Western Australia as a wheat growing State. He said—

The belt of country suitable for wheat growing in conjunction with sheep farming extends over an area approximately 500 miles long, by an average of 90 miles wide, equals, say, to 23,800,000 acres. Of this area, probably 25 per cent. may be reckoned as practicable for profitable wheat growing, equalling 7,200,000 acres.

If members for a moment think of the future of Western Australia and that we have 7,000,000 acres of land producing 10 bushels to the acre, they will see what the value of the wheat crop would be. If we were only producing half that amount the yield would be considerable. I also realise when these remarks were made by Professor Lowrie the production of wheat at that time was about 6,000,000 bushels, and in seven years it had increased to 18 million bushels so we have made rapid progress in the way of wheat production. One member stated that this State is low down in the list in wheat producing States, but I would remind that member that this State stands at the top of the list as a wheat producer in Australia. We grow more wheat per head of the population than any other State. The actual figures are—Western Australia, 41 bushels per head of population, South Australia 38 bushels, Victoria 33 bushels, and New South Wales 20 bushels. I believe these figures were computed on the last figures available. It was a good season throughout Australia when the figures were taken. This State is more dependant on wheat growing than the other States, for the reason that we have a large mileage of railways. That point has also been referred to. We have about one mile of railway for every 96 people in the State. To-day there is a big loss on our railways, about half a million pounds sterling. Members must realise that we have no secondary industries to support the railways and if we do anything that will retard wheat growing, we are running the risk of having a big loss on the railways. It has been said that wheat growing does not pay unless it is mixed with sheep. That is quite correct and I doubt whether the time will not shortly come when wheat growing will not pay if it is mixed with sheep. We shall practically have to give up wheat growing under existing conditions, but we are living in abnormal times, our young men having gone to the war. Far seeing men have realised that this State will only be lifted out of its financial difficulty by further production.

Hon. J. J. Holmes: With a profit.

Hon. J. A. GREIG: It must be production with a profit. We must realise that after the war every country in the world will require wheat and the State that is in the position to produce the fastest is the State, or the country, that will recover the quickest. We have to take those matters into consideration in the Bill to-night.

Hon. Sir E. H. Wittenoom: Every country will grow wheat then.

Hon. J. A. GREIG: So much for Western Australia and wheat growing. I may state I do not like the Bill before the House for several reasons. I am in favour of bulk handling as I have already stated, but I am not in favour of bulk handling at any price and under any conditions and under any control. Personally, I favour co-operative bulk handling, and I hope to see the time arrive in Western Australia when the wheat growers are in such a position through organisation and co-operation that they will be able to borrow the money and build their own silos amongst themselves. I have stated that I do not like this agreement. It has been well discussed and it is not my intention to further discuss the agreement, but I wish to draw the attention of members to the terms and conditions under which we accept this agreement if we pass this Bill. The Federal Government passed a Wheat Storage Bill that was assented to on the 27th July, 1917. If we accept the money from the Federal Government to carry out the works contained or specified in the agreement, we accept the money under the terms and conditions in this Federal Act, and I wish to read Section 3 of the Federal Act to hon. members. It says:—

(1) There shall be a Wheat Storage Commission, in this Act referred to as "the Commission." (2) The Commission shall consist of one representative of the Commonwealth and one representative of each of the States in which silos are to be erected. (3) The representative of the Commonwealth shall be appointed by the Governor-General, and the representative of each State may be appointed by, or in such manner as is determined by, the Governor in Council of that State.

That is all right, but now I wish to refer members to Section 6 of this same Act which reads—

(1) At all meeting of the Commission each of the members present (including the chairman) shall have one vote.

That is all right. But Subsection 2 reads—

(2) If the representative of the Commonwealth certifies that, in his opinion, it is undesirable that a proposal, resolution, or determination of the Commission should be proceeded with, carried into effect, or acted upon, the proposal shall not be proceeded with, or the resolution or determination shall thereupon be deemed to be rescinded, as the case may be.

I want members to grapple with what that means. It means we are to accept this money from the Federal Government under these terms and conditions. That is why they appoint the Commission—a Commission composed of one representative of the Federal Government and one from each of the four wheat-growing States, but the Federal Government representative will have the power to veto the other representatives. I did not bring this matter up before seeing the terms and conditions under which we accept the Bill. Further on in Section 7, Subsection(b), this commission has power to determine the number of silos to be erected, the place at which they

shall be erected, the cost of each silo and the cost per bushel to be charged for storing wheat therein. If this State is borrowing the money from the Federal Government surely the Federal Government can trust the State to manage their own affairs. We shall have a wheat commission with one big "poobah" elected by the Federal Government to veto anything he desires. Further on in Section 7, Subsection (a), the Federal Government have the power to—

Determine the design of silo to be adopted generally, or the particular design to be adopted in any particular place.

By whom? The Wheat Commissioner I presume, and one man has the power to say absolutely what temporary structures this State shall erect. I presume "other temporary structures" will mean the structures which we have to-day, which this State has built and which the farmers are responsible for through the wheat in the pool.

Hon. J. Ewing: They are no credit to them.

Hon. J. A. GREIG: Further on Section 9 of the Act says—

(b) Determine the number of silos to be erected, the places at which they are to be erected, the cost of each silo to be erected, and the cost per bushel to be charged to storing wheat therein; (c) Arrange with the Governments of the respective States for the construction and erection of silos by, or under the supervision of, the proper authorities of those States; (d) Arrange with the Governments of the respective States for the erection of such other temporary structures as may be found necessary.

We are told by the Honorary Minister the rate of interest we are paying for the money which we are borrowing to construct the silos is £5 3s. per cent., but under the Federal Act the Federal Government claim the power to strike, such rate of interest as they think fit and in such manner and on such terms as they desire, and cannot they alter the rate of interest any year they like. Is this a fixed rate? I would like the Honorary Minister to answer that question. Is there any possibility of the Federal Government charging us more than five per cent.? The leader of the House when speaking to-night referred to the fact that the last loan of the Federal Government was raised at  $6\frac{1}{8}$  per cent. If the Federal Government have to borrow money at that rate of interest, will they be so good natured as to lend it out again at five per cent.? These are questions I should like to have some information about.

Hon. Sir E. H. Wittenoom: They recognise our financial position.

Hon. J. A. GREIG: They must also recognise that we are not capable of handling our own finances; but let me ask whether the Federal finances look any better than ours. Are hon. members prepared to do away with local control and hand it over to the Federal Government? The Federal Government will have the power to appoint their own men. Suppose they appoint William Morris Hughes as the man on that commission. Have hon. members in this House confidence in Mr. Hughes after knowing the treatment he has meted out to the farmers of this State? I tried to explain to

hon. members the other night when I was speaking on the Wheat Marketing Bill the treatment which our farmers had received and I would ask hon. members to keep that in memory. I would ask the representatives of the wheat-growing areas whether, if Mr. Darling were selected for a position on the commission the growers would be prepared to trust him to say where the silos were to be built and how they were to be built; would they be prepared to put the whole of their confidence in the several men who to-day are holding prominent positions in connection with the wheat pool of this State? The whole of the wheat which will go into the silos will be under the control of the Federal wheat board. Hon. members will remember the facts which I pointed out the other night with regard to the Federal wheat board. We have several things to take into consideration in that connection. We cannot keep our wheat as we have been doing; we must have some better system of protecting it but I do not like this agreement, and I do not like the thought of building silos under the terms and conditions we will be compelled to adopt. It is an old saying that of the two evils choose the lesser. The question we have to decide to-night is whether these silos will increase wheat production, whether the farmers will be encouraged to increase the production of wheat. If they are not encouraged, we can expect a loss on our railways through the non-production of wheat. There will also be a loss sustained by the Agricultural Bank and also a loss sustained by the Lands Department because rents will not be paid. The question we have to decide is whether we are going to expend this £285,000 in erecting elevators or whether we are going to chance things as we have done in the past.

Hon. W. Kingsmill: Is it not Metcalf & Co that we have to consider?

Hon. J. A. GREIG: I am considering the men who will have to pay and those men represent one section of the community only. In connection with most of the big undertakings such as the Wyndham Freezing Works and the electric power house at East Perth, if a loss is sustained, it is borne by the general taxpayer, but in this case if there is a loss it will be one section of the community only who will have to carry the load.

Hon. A. Sanderson: They have not the money.

Hon. J. A. GREIG: If the farmers put their wheat into the pool the Federal Government will take their pound of flesh. Under the terms of the agreement the wheat growers are asked to pay for the erection of these silos in 10 years. To whom will the silos belong at the end of 10 years? I maintain that if things were fair and honest they would belong to the people who paid for them. The Government then should hand them over to the wheat growers at a nominal rental for the ground on which they stand.

Hon. J. J. Holmes: The Federal Government will lend the money to the State Government and they will look to the State Government for repayment.

Hon. J. A. GREIG: Then why should they insist upon a commission coming here to do

the work? Is Western Australia not good enough security for £285,000? It is in this Federal Wheat Storage Act that I can see the nigger on the fence. If it was not for the Federal Wheat Storage Act I would say put this through, but I cannot advise any hon. member to vote for the Bill. I would say to hon. members, "Do as you think best." It seems to me that the Federal Wheat Storage Act is simply another attempt on the part of the Federal Government at unification.

Hon. H. Stewart: It is coming all right.

Hon. J. A. GREIG: It is much closer than we really think. Almost every Bill brings home that fact. The British Government lent money at the beginning of the war to the Federal Government but they did not insist upon appointing a commission to see exactly how the Federal Government spent that money. Then why should the Federal Government insist upon the appointment of this commission to see just how we shall spend the money? If hon. members read that Grain Elevators Bill carefully, they will see it will run into an enormous amount of expense and that expense will have to be paid for out of the wheat grown in this State. If we ratify this agreement we sign a blank cheque to the Federal Government to treat us as they like. I know the majority of the wheat growers of this State are anxious for bulk handling of wheat. I also feel that if full particulars were put before them the farmers would turn down the proposal. The time is late and as we are desirous of finishing our work this week, I shall not disclose how I intend to vote until after I have heard the Honorary Minister in reply.

Hon. Sir E. H. WITTENOOM: When the Honorary Minister replies will he tell the House if the expenditure will be limited to £285,000 and whether he can give an assurance that further expenditure will not be necessary?

Hon. H. MILLINGTON (North-East) [8.54]: I have little to say with reference to this Bill. I presume that those who vote against it will be opposed to the principle of bulk handling. As a matter of fact I am in favour of bulk handling. I have discussed the question with many farmers throughout the State. They say in a general way that they favour bulk handling, but we must not make any mistake about it, it is a question which has been closely considered by them, and they agree that so far as Australia is concerned it is still a problem. What we are considering now is whether it is advisable to ratify this agreement to engage a firm at a cost presumably of £9,000 for a start, to prepare plans and so forth. With Sir Edward Wittenoom I am very doubtful as to whether the estimate will cover the cost of the work. Previous estimates have been made, and I know that they are considerably higher than the estimates of the Commonwealth. I am very nervous with regard to estimates which may be prepared by our departmental officers. Had we been told that the Wyndham freezing works would cost over half a million pounds, there would have been considerably more discussion than actually took place, and probably the works would never have been

started. The same thing has been the case with regard to other big works. Estimates have been prepared by our departmental officers and considerably exceeded. Those officers are not qualified to make estimates in regard to these special matters. There was a good deal of dissatisfaction in regard to the erection of the power house at East Perth and the employment of a firm on somewhat similar lines to those proposed now. In addition to the probability of the cost exceeding the estimate by a considerable sum of money, there is also another fact to be taken into consideration, and that is as regards the farmers themselves, as it will mean a considerable outlay on their part. I have not had an opportunity of hearing many of the speeches on this Bill, but the fact remains that what I have said is correct, and although it may be said that this is a matter for the individual, it does not require much imagination to lead one to assume that it is not a matter for the individual at all because this is going to be a liability which the State will have to carry to a very great extent. A good many of the farmers in Western Australia are on the Industries Assistance Board and when they want anything they simply write a letter and ask for it. Presumably if this scheme is installed there will have to be erected a new plant to fit in with the new scheme, and farmers will demand from the Industries Assistance Board the assistance to get that additional plant or to alter the plant which they may have. This will involve an expenditure of a considerable sum of money. Let us know what we are doing. I, with others, consider that something is justly due to the farmers of this State, but it should be done on right lines. At the same time we want to know exactly the liability which we are taking on. We have heard a good deal about the farming industry languishing. On the other hand we have breezy optimists who say that the industry is not languishing at all. My experience so far as wheat growing is concerned is that instead of embarking on schemes like this to enable farmers to handle their wheat more cheaply, something will have to be done to encourage farmers to go in for mixed farming to a greater extent. There are many districts in this State where a man could not possibly be advised to go in for wheat growing only, and we cannot get over the difficulty by merely assisting a man to handle his wheat at a penny per bushel cheaper. A good deal more than that will have to be done if we are going to encourage the industry. I presume that the money which will be advanced for this will be advanced for one specific purpose only. If it was not advanced for the purpose of installing grain elevators and silos, then the Federal Government would not advance it at all. If arrangements could be made to assist the farmers to carry sheep and go in for mixed farming in many districts, we should be doing something which would probably enable them to make a success of their callings, whereas I do not think anyone can say, having experience of many farming districts, that this particular system is going to solve the problem. The industry will require more assistance than that of merely installing a bulk handling system

to ensure success. I do not think for a moment that this is going to get over the real difficulty, and assist the farming industry as much as some people think. With other hon. members, I have had considerable difficulty in arriving at a decision so far as this matter is concerned. I am in favour of the bulk handling of wheat, but when I find that a man so closely in touch with the farming industry and its operations, and a recognised representative of the farming community, such as Mr. Greig, saying, after stating the case, that we can please ourselves, it does not look as if he was a violent advocate of it. I think the objection he raises is rather a valid one. We have had experience of that in other matters. In this case the Federal Government find the money. They also retain considerable control, and yet at the same time we have to foot the Bill. They are going to boss the show, and we have to accept the responsibility. This is another instance of the dual control which we have so far as Federal and State matters are concerned. I presume in ordinary circumstances the State would control this, but as the Federal Government are advancing the money they are also going to retain some control over the scheme. This has proved most unsatisfactory in the past. The Labour Government at one time were trying to carry on the affairs of the State, but this Chamber dictated the policy they were to pursue. The Government had the responsibility all right, but this Chamber ran the show. So it will be in connection with this scheme. The State can take the responsibility, but the Federal Government are going to run the show and dictate the terms. I suppose someone will say that the farmers are going to foot the Bill, but my experience is that the State, when all is said and done, will have to foot the Bill. There has been a motion moved in another place this evening, which shows the trend of thought so far as farmers are concerned, in reference to their responsibilities and liabilities. I do not know the terms of the motion, but I understand the idea is that they are justified in repudiating some of their responsibilities with regard to interest and so forth. The fact remains that there is going to be trouble so far as advances by the Industries Assistance Board are concerned. Bad debts have been made, and I believe the whole matter is one which should be closely inquired into so far as the people of the State are concerned, and they should know that, instead of the farmers accepting the responsibility, it is the State which will have to accept it. It will not be long before the Country party will come along, and coolly suggest that we should write off half a million, or a million of the liabilities in regard to this vote. That will surely come unless we have a remarkable run of good seasons, and it is just as well that we should be prepared for it. I am in favour of the bulk handling of wheat, but I am very nervous about an agreement such as this. I should say that, considering the financial position in which Western Australia is placed to-day, we would not be taking a mean advantage of the Eastern States if we allowed them to do a little of the experimenting. A good many public men have lost their reputations over these experiments, and I do not think we need rush into this at

this particular juncture. The Eastern States are prepared to take this on, and I am willing to guarantee that when the system is installed in any State the estimates will be found to be considerably exceeded by the cost, and it will be so in reference to this State. As a matter of fact, the estimate shows practically nothing. That is our experience in the past. Before rushing into this I think we are justified in going slow, because it is not a matter of such vital importance as people would have us believe. It has been spoken of for years past, and the responsible men who are anxious to have it installed on good sound business lines are the very men that are chary about entering into this sort of business. Those who simply want bulk handling are prepared to place the responsibility on someone else, and make a great noise, and also have it made a part of the Country party's platform, but my experience is that the men who have made a study in various countries of the world of this question, and recognise the difference in bulk handling in Western Australia and the manner in which the wheat is garnered here as compared with what is done in Canada and the United States, recommend caution. This matter has been rushed into, and I do not see that there is any need for Western Australia to do the pioneering work. When the Eastern States have experimented we shall have an opportunity of knowing whether it is a commercial proposition such as is claimed by its advocates. I am prepared to hear the Honorary Minister in reply, and am anxious to get some fuller information in regard to the matter. At present I do not approve of the agreement, which is here for our ratification.

Hon. C. F. BAXTER (Honorary Minister—East—in reply) [9.7]: As hon. members have rightly said, this is one of the most important measures we have had before the Chamber this session. It is a matter of urgency, but it has not been hurried forward. It has been engaging the attention of the Government during the past nine months. I hope you will pardon me, Sir, for having occasionally interjected whilst hon. members have been speaking. Whilst my interjections may have seemed to be unruly they were not meant to be so, but meant either for the purpose of conveying information or by way of seeking information. There are several members of the Chamber who, had they received occasional hints as they proceeded with their speeches, would have held a different opinion from that which they did hold. Whenever I have interjected in this Chamber it has been to correct hon. members, and several of them while speaking have looked to me in a pointed way as if to ask a question which I dare not answer, because you, Sir, would not allow me to interject. Most of the speeches have been directed towards bulk handling, but I would point out that this is a matter which does not concern bulk handling at all, as I will plainly show during the course of my reply. The whole matter is relative to the bulk storage of wheat. The Government have been accused of going in for a huge expenditure which is not needed, that is in engaging Messrs. Metcalf & Co., for, after all, it is merely to ratify the agreement between that firm and the Government, and not for the ex-

penditure of three millions of money, that the Bill is introduced.

Hon. Sir E. H. Wittenoom: It is a proposed agreement.

Hon. C. F. BAXTER (Honorary Minister): Certainly, and we are asking the House to ratify this proposed agreement.

Hon. Sir E. H. Wittenoom: I thought you said "to ratify."

Hon. C. F. BAXTER (Honorary Minister): If this Bill passes it does not commit the House to the bulk handling system in any sense of the word. That will be the subject matter of an entirely new Bill, when all members of the Chamber and of another place will have the right of saying whether they intend to agree to it or not. The main objections which have been raised would have been more suitable against the bulk handling system than against the bulk storage system, as provided for in this Bill. So far as bulk handling is concerned, I do not hesitate to say that the Government are hopeful that when the storage system is gone on with it will ultimately become part and parcel of the bulk handling system. That, however, remains for Parliament to decide. When, however, I as Minister in charge of the Bill am accused of not using any business ability when I look forward in the direction of making provision for any work which may be done in the future in connection with the bulk handling system in this country, I say that those remarks are entirely uncalled for. I do not propose dealing with the objections in the speeches raised except insofar as the question of the bulk storage of wheat is concerned. So far as I can gather, the only real objections, which have been raised against the bulk storage of wheat in the present agreement, are in the incapability of the present Honorary Minister, the inadvisability of appointing expert advisers, and particularly Messrs. Metcalf & Co., and the cost of such storage. Before dealing with these main objections in detail I should like to say that the real point of the objections raised in the Chamber has been with regard to the payment to Messrs. Metcalf & Co. of the sum of £9,000 for the preparation of plans and designs. In view of the fact that plans of an ordinary system would cost nearly as much if prepared by our own engineers as they would if prepared by Metcalf & Co., I am of the opinion that we would be effecting a saving if we employed experts and looked at the business side of the matter, than if we employed engineers without any knowledge of the bulk handling system, especially when we have the opportunity of employing such experts as those I have named, although it be at a cost of a few thousand pounds more. Hon. members talk about the different troubles in the past with regard to different works. The procedure which will be followed in this matter did not apply to those other matters. There is not one of those proposals which can be pointed to as an absolute failure and cost the country thousands of pounds, which has had the consideration that this agreement has had, or is as sound as this agreement is. Bulk handling must come when we are back in normal

times. No country can possibly do without it. The small difference that exists between the departmental estimates and the cost as set out by Metcalf & Co. is not worth the consideration that hon. members would give to it. Mr. Ewing stressed the point—and I noticed that he was ridiculed by some members of the Chamber—whether it was wise to proceed with the provision of wheat storage, whether this State was one that could grow wheat on a commercial basis. I do wish hon. members would look into the position closely, and examine it, and find out where the State which they represent in this Chamber stands as regards wheat production in the Commonwealth. Then they would hold quite a different opinion. What is the use of expressing at this stage doubts whether Western Australia can produce wheat as a commercial proposition? Let us give the farmers an opportunity of reducing their costs. But where, in point of fact, do we stand relatively to the other States of the Commonwealth? Let us take the last 12 years, and we shall find that the average wheat production of New South Wales was 11.10 bushels per acre, that of Western Australia 10.83 bushels, running second; that of Victoria 10.51, and that of South Australia 9.11. Our production thus is only .27 bushels per acre behind that of New South Wales, a State which has the most experienced farmers, and the land of which has been cultivated for years and years. Here, on the other hand, we have virgin country and men who are pioneer farmers. The figures I have quoted should be an object lesson to hon. members to induce them to go into the question before they become so pessimistic as they have shown themselves regarding wheat growing in this State. Although I propose dealing in detail with the objections to the appointment of Metcalf & Co., I wish to stress the fact that the only member of this Chamber who spoke in real opposition to Metcalf & Co.'s employment as experts—all the other opposition referred to the amount to be paid to the firm—was Mr. Allen; and I do not hesitate to say that his arguments fall to the ground when it is recognised that he represents one of the opposition firms mentioned in this House as competing for this work.

Hon. J. F. Allen: I rise to make a personal explanation. I do not represent any firm that is associated with such work, and I have not done so for three years past.

Hon. C. F. BAXTER (Honorary Minister): It is only a few months ago that Mr. Allen told me he was the representative of Messrs. Simon, Ltd.

Hon. J. F. Allen: No; that I was the correspondent.

Hon. C. F. BAXTER (Honorary Minister): I do not know that there is a great deal of difference. The firms of Spencer & Co. and Simon are machinery manufacturers, and not designers of elevators. The firm whom the Government propose to employ, Metcalf & Co., are, as Mr. Allen has said, designers of elevators and elevator machinery alone.

Hon. J. F. Allen: So are the others.

Hon. C. F. BAXTER (Honorary Minister): Metcalf & Co. are not contractors. Mr. Allen stressed the points that if Metcalf & Co. design elevators they design them suitable to a certain type of machinery, and that, unless the Government instruct Metcalf & Co. to design the elevators to suit certain machinery, Metcalf & Co. will construct them to suit the machinery which they themselves manufacture. Has Mr. Allen read the proposed agreement? If he had done so, he would have seen that ample provision has been made on that point. Further, Mr. Porter, who represents Spencer & Co. and Simon Ltd., the two firms mentioned by Mr. Allen, is quite satisfied with the provision I have made in the agreement to ensure the use of British machinery or of any other machinery desired. I have here a report of an interview which Mr. Pearse, of our Public Works Department, had with Mr. Porter. The report is addressed to myself, and it reads as follows:—

I had an interview with Mr. S. W. Porter, director of Spencer & Co., Ltd., and in addition representing Henry Simon Ltd., both firms being large flour milling and elevator machinery manufacturers in England. The meeting was at the request of Messrs. Strachan, Murray & Shannon, where Mr. Porter had an office (vide copy of letter attached dated 28/2/18); and on the 7th March I called and had a long talk with Mr. Porter, who was most anxious to know what was proposed, and at the outset explained that he had come out to Australia to represent both the firms previously mentioned, with a view of obtaining some of the bulk handling machinery business, which it was understood was about to be introduced into Australia. I then outlined the emergency storage scheme contemplated in our State, and the employment of Messrs. Metcalf & Co. as engineers to the Western Australian Government. In the course of conversation I asked Mr. Porter if it was true that he had offered to design the various schemes in Australia for nothing, and he said yes. The writer remarked that, as the preparation of plans would be costly, how would the firms recoup themselves; and he replied, on their machinery, and added that his firms were not prepared to undertake the design unless they were allowed to put in their machinery.

The very thing Mr. Allen said should not occur; and yet these are the very people whom Mr. Allen recommends to the Government for designing the elevators. They were going to bind us down to the use of their machinery. Let me ask hon. members, where would we stand if we followed that out? Hon. members would rightly turn on the Government, and would have a good case against the Government. Mr. Pearse's report proceeds—

I ventured to say that so far as the Western Australian Bulk Handling Advisory Board were concerned, we could not recommend the employment of engineers who were also machinery manu-

facturers. Mr. Porter was glad to receive the news that you had inserted in Metcalf's agreement a clause to the effect that plans and specifications were to be so drawn that British manufacturers were in no way to be placed at any disadvantage of tendering.

The very argument Mr. Allen himself used comes back on him. Provision is already made for that matter. Yet he rises in this Chamber to make a speech on which almost every member has complimented him, in spite of this clause in the agreement, No. 6. Mr. Allen has not studied the agreement. Clause 6 provides—

the said plans, drawings, specifications, and estimates shall be prepared to the satisfaction and subject to the approval of the Minister or the Engineer-in-Chief, and shall be of such a nature as will enable any British firm to tender for the construction and or equipment of the work on equal footing as far as may be possible with firms of any other nationality.

I ask hon. members what better provision could be made for the use of British machinery? In fact, this is one of the very points I had in my mind at the commencement of the business. Metcalf & Co. being an American firm, I thought might have an inclination to draw their plans to suit American machinery. I personally am a strong advocate of the use of British machinery wherever it is available. Other objections raised by hon. members referred to the capability of the Honorary Minister. When members rise in this Chamber or in any other place to speak about the want of ability of any person, they should be prepared to substantiate their statements, and to show where want of capacity has been exhibited. Hon. members in this instance should have shown where the Honorary Minister has failed to carry out his duty. In what respect has Mr. Allen proved that I have shown want of ability? Was it in the introduction of the measure? If so, it is a curious thing to find, on looking up "Hansard" that my speech follows on the same lines, almost word for word, as that of the Minister who introduced the measure in another Chamber, and who was complimented on his introduction of it.

Hon. J. F. Allen: You read your speech, as a matter of fact.

Hon. C. F. BAXTER (Honorary Minister): The next point is as to the administration of the wheat scheme, or the drawing up of the agreement with Metcalf & Co. As regards the administration of the wheat scheme, where has Mr. Allen shown me to be remiss? He said, referring to the administration of the wheat scheme, "It is causing dissatisfaction in some quarters." Where is it causing dissatisfaction? Among the agents who cut themselves out of the business. That is so, notwithstanding the assertions of various members here and in another place, assertions made when I was not in a position to protect myself. The agents themselves, by their own tactics, cut themselves clean out of



the business. Mr. Allen himself told me that, under the conditions, I had every right to give the business to the Westralian Farmers Limited. I do not think he disagrees with that now. Then, where does the trouble arise in that connection?

Hon. Sir E. H. Wittenoom: You, have broken Mr. Hughes' promise.

Hon. C. F. BAXTER (Honorary Minister): Mr. Hughes gave a promise when it was thought that the wheat scheme would exist only for 12 months. Are we to be bound indefinitely by a promise like that, given only to cover a short period? Mr. Hughes could not foresee that the conditions would prevail for years and years. The agents, moreover, put me in an impossible position. I would ask hon. members who prate so much about this subject to go through all the papers on the files and see whether they could do better than I have done. I guarantee that every one of them, after going right through the files, would say to me "You have done just what we would have been forced to do." The farmers as a whole are well satisfied with the position, and I think they are the people.

Hon. W. Kingsmill: Yes; they are the people.

Hon. C. F. BAXTER (Honorary Minister): I do think the farmers have a right to some consideration for that which they have grown, and for which they receive very little recompense. Mr. Allen went on to say—

Not that I have to find any fault with Mr. Baxter as an individual—the Honorary Minister is a personal friend of mine—but I do not consider that he has the necessary knowledge or training to fit him for the control of the department of which he is in charge.

Why does not Mr. Allen or some other member show that I have made mistakes and that I am not fit to have charge of the department? After that has been done, it will be time enough to make statements of that description. I can quite understand Sir Edward Wittenoom feeling sore over this business. He, no doubt, is looking well after the interests of Dalgety & Co. I want to tell him right here that with regard to that firm I was for a fortnight considering, before any arrangement was entered into with the agents at all, whether, in view of the bad attention Dalgety's gave to the wheat under their own control during previous years, they ought to be re-appointed. Mr. Allen advocated the employment of young engineers. I do not know that there is not something in that under some conditions, but here we want expert knowledge.

Hon. J. Nicholson: Do you know that Metcalf & Co. are old engineers?

Hon. C. F. BAXTER (Honorary Minister): I know that they have one of the most capable engineers on bulk handling work in the world, and that is supported by Dr. Duvel, who said that there was no firm in America in whom the people had more confidence for design of bulk handling facilities than they had in Metcalf & Co., and that we have in Australia one of the most capable engineers of that firm, Mr. Carter.

Hon. J. Nicholson: He is a salaried man, I take it?

Hon. C. F. BAXTER (Honorary Minister): All I have inquired into is the qualifications of the engineer. I have not inquired into his financial standing. Mr. Allen further said—

I can, if the Minister wishes it, enter into particulars.

When a person makes a statement like that, he certainly must enter into particulars. And this is the way Mr. Allen enters into particulars—

There is, for instance, the agreement entered into, rightly or wrongly, with the Westralian Farmers Limited for the handling of our wheat this year.

Mr. Allen says "rightly or wrongly." What is the use of Mr. Allen's putting a case before the Chamber when he does not know whether it is right or whether it is wrong? Where is the sound argument in that? He proceeded, "I am not going to say whether that is a good thing or a bad thing." Apparently he cannot substantiate his charge. Then he goes on, "There was a good deal of dissatisfaction both amongst the public and amongst those interested in the business prior to the Honorary Minister's taking office." There he exonerates me altogether. The dissatisfaction was prior to my taking office. These are the charges he levels against me. Then he says, "Another question I have already mentioned personally to the Honorary Minister is the covering in of the present wheat stacks." I cannot say what advice Mr. Allen gave me. Probably it was good advice. But every second man at all interested has given me advice, and I cannot remember it all. As regards the covering in of the wheat stacks, he touches upon a matter I have every reason to be proud of. The covering in of those stacks represents the only action in which I was in opposition to my advisory board. I had trouble with the late manager of the board. The late manager wanted authority to purchase thousands of rolls of malthoid. This I would not agree to. I got galvanised iron for the purpose. In the Eastern States, where they have covered their stacks with malthoid, they have had to turn round and purchase galvanised iron to put over it. That, I suppose, shows my want of business ability, in that I avoided waste of money involved in covering the stacks with round and purchase galvanised iron to put Sanderson states that the principal reason why he intended to vote against the Bill was that it was in the hands of the Honorary Minister. I would remind Mr. Sanderson that he is sent here to consider measures and not men. From the experience I have had of him in this Chamber during the last 12 months I say that Mr. Sanderson is incapable of considering either. His severe remarks on my personality were directed at me in respect of the wheat marketing scheme, and I will answer them when we come to the Bill dealing with wheat marketing. The third objection is to Metcalf & Co. This agreement is a vast improvement on others. It is the seventh drawn up between Metcalf & Co. and the Government of Western Australia. There are seven copies of agreements, and if hon. members would like to view them they

can see them at my office. The other agreements were passed between the company and the Labour and the Liberal Governments. Three Governments agreed to them.

Hon. J. F. Allen: They all deny it.

Hon. C. F. BAXTER (Honorary Minister): I do not care whether they do or not. It is true. This agreement is admitted in the Eastern States to be the best of the lot. The objections to me were made on personal grounds. I ask hon. members not to consider my personality but to consider their duty and vote for measures rather than men. A lot of the objections made were in respect to bulk handling. I am not going to deal with them, because they do not concern the Bill, which is for an agreement.

Hon. G. J. G. W. Miles: Then the Title of the Bill is wrong.

Hon. C. F. BAXTER (Honorary Minister): The first objection is that the time is not opportune; secondly the State will be committed to vast expenditure; thirdly, changing of trucks and various facilities would be necessary; fourth, South Australia objects; fifth, the State's finances at the present time are very much involved; sixth, Western Australia should profit by the experience of New South Wales; seventh, wheat-growing is not a commercial proposition in Western Australia. These, as I say, refer to bulk handling instead of to bulk storage. Let us get back to bulk storage. Taking my administration, there is strong objection by Mr. Allen and Mr. Sanderson. But whilst I am the Minister administering it, this has to be carried out by the wheat marketing and the bulk handling board. After all, a Minister does not take everything in his hands. He is advised by the technical officers under him.

Hon. J. W. Kirwan: How can there be bulk storage without bulk handling?

Hon. C. F. BAXTER (Honorary Minister): This system, to cost £225,000, is an emergency storage system complete in itself with temporary machinery for handling, either in bag or in bulk.

Hon. J. W. Kirwan: But if handled in bags it is not bulk storage.

Hon. C. F. BAXTER (Honorary Minister): It applies to either bag or bulk. It is not a complete system of bulk handling, which cleans and grades the wheat and weighs it. This is merely a bulk storage system to store the wheat without cleaning or grading it.

Hon. J. J. Holmes: Is there a guarantee that the work is to be done for £285,000?

Hon. C. F. BAXTER (Honorary Minister): I will deal with that later on. I welcome these questions, because there is nothing to keep back.

Hon. J. Nicholson: May I ask the Honorary Minister—

The PRESIDENT: No, these questions must cease.

Hon. C. F. BAXTER (Honorary Minister): I am sorry, because I am anxious to give all information. However, I have taken a note of all the objections, and I do not think I am likely to overlook any. Mr. Nicholson, Sir Edward Wittenoom, and Mr. Sanderson urged further delay. The position is that we have wheat that we must protect. What does this further delay mean? It means that there will

be no hope of getting one bushel into the bulk storage this year. Whilst I regret indeed that I was in the position of trying to force this measure through before the last adjournment, it is most important that I should have it through to get as much storage as possible for the coming season's wheat. It has been said that this is being hurried through. It might interest hon. members to know that this agreement was complete last November; but to make doubly sure that we were not going to have another Wyndham Freezing Works affair, after the Crown Law dealt with the agreement, we referred it to an outside firm of solicitors; and from last November until signed it was between the solicitors and the Crown Law and the engineering staff of the bulk handling advisory board. In consequence we have the best agreement in Australia to-day. Unfortunately there has been a long delay, and whilst New South Wales has a fair number of silos almost completed, we have not yet so much as called tenders. Another point: hon. members say, "let it wait until we see how the experiments go." I say that if we do not take advantage of the money offering by the Commonwealth at the low rate of interest it will be apportioned to other States, and we shall lose the opportunity. What is the opposition to this measure, and from whom does it come? With the exception of one member, all those representing farming districts are strongly in favour of it. The opposition comes from metropolitan members. On this point I am astonished to find that I should receive opposition from my colleague, Mr. Greig. I do not know whether Mr. Greig has in mind the fact, but the farmers of this State for the last ten years have been urging the introduction of bulk handling. The very party of which the hon. member is a member has that for the most important plank in its platform.

Hon. W. Kingsmill: This is not bulk handling.

Hon. C. F. BAXTER (Honorary Minister): I do not think any member has done more injury to the movement than has Mr. Greig, because he spoke in strong language and he represents a farming district. Why are we getting the opposition from the metropolitan members when we recognise the fact that they are not interested in any financial degree? This money is being advanced by the Federal Government at a low rate of interest. The wheat put into the bulk storage will be charged with interest and sinking fund, and it can never become a burden on the State. Why, then, the strong opposition to it? Is it that those members are championing the cause of the bag merchants, who are strongly opposed to the business, or probably they are once again on the side of the disgruntled shipping agents, who also are against the proposition?

Hon. J. Nicholson: On a point of order, I must protest against the remarks of the hon. Minister. I made it clear that I was anxious to support the farming industry in every way, and although a metropolitan member I am prepared to support the farming industry. But I protest strongly against the Minister making such allegations against metropolitan members, and imputing motives. I am in favour of a proper system being adopted, but

what I oppose is this pernicious agreement, and I say the House would be wrong in consenting to the agreement. I also allege that the Minister is misleading hon. members in making statements such as he has done, and in alleging that this bulk storage—

The PRESIDENT: I think the hon. member might confine himself to that.

Hon. C. F. BAXTER (Honorary Minister): Well, I would like your ruling, Sir, as to whether I am going the right way.

The PRESIDENT: The hon. member will be quite right in addressing the Chair, and confining himself to the subject.

Hon. W. Kingsmill: Is the Honorary Minister in order in imputing motives to hon. members?

The PRESIDENT: No.

Hon. W. Kingsmill: The Minister said that metropolitan members were opposing this measure because they were acting on behalf of the bag merchants.

The PRESIDENT: The hon. member should have taken notice of it at the time.

Hon. W. Kingsmill: I am taking the first opportunity.

The PRESIDENT: It seems a perfect tirade of invective. It would be far better to discuss the Bill quietly and not interrupt the Minister at all.

Hon. C. F. BAXTER (Honorary Minister): I am replying to criticism; I do not know if I have over-stepped the mark. There has been a very severe criticism of this measure and particularly of myself. I do not desire to say anything against Mr. Kingsmill or Mr. Nicholson, and if they desire me to withdraw what I have said, I will do so. Further arguments have been used in regard to the price of material, that it is costing too much at the present time. Do members realise the price of bags? The cost of protecting the wheat is a serious matter and overshadows any cost of erecting the silos which as a matter of fact does not go much higher than the price at normal times. The cement bought for this work is little more than at normal times. Of course, steel is higher in price. But we have to face the question of protecting our wheat, and from a national standpoint we have to look at it, because the States and the Commonwealth are interested in the wheat question. Outside of that this House should be sympathetic enough to protect the farmers, because the prosperity of the State depends on the farmers. When these storage bins are erected they will last. They are not to be put up for a week or a month, but the flimsy jutes which we are buying will not last more than a year or two and it is estimated that the cost of the silos at the outside will be 1s. 4d. a bushel. As a matter of fact it will not reach that amount. Another point is that labour is very expensive. The cost of labour may be high at the present time, but that is no reason why labour should not be employed. We must give employment to labour and a large amount of this money will be spent in employing labour, both skilled and unskilled. Mr. Kirwan said that this would be the be-

ginning of a huge expenditure. That is not so. We are not going to spend the amount of money that has been stated. The system will be complete for the amount which has been mentioned. There is no reason to suppose that we shall go outside that amount. Then again it is stated that there is no certainty of wheat growing in Western Australia, and Mr. Kirwan stressed that point and stated that we should have to go in for sheep. All I have to say is that we have to grow wheat to enable us to grow sheep. The land which is used for growing wheat will not carry sheep at all. So after all that argument falls to the ground. There has been a fourth reason given that New South Wales is committed to a scheme involving the expenditure of over one million pounds, and why should not Western Australia wait to see the result of that scheme before embarking on bulk storage, when it is known that bulk storage is a new principle? As a matter of fact there is nothing new about bulk storage. There has been bulk storage in this State for years. Mr. Allen told the House that some 30 years ago he as a young engineer designed a silo which is standing to-day and it is 30 years old. Where is the experiment? Beyond that I have illustrations here which every member can see who chooses. Even in this State there has been a trial in regard to carting wheat by Mr. MacManus of Northam. One year this gentleman made a box dray and succeeded in saving a large amount by carting his wheat to the mill at Northam in this way.

Hon. Sir E. H. Wittenoom: How did he use the harvester?

Hon. C. F. BAXTER (Honorary Minister): He only used a small number of bags in the field and he carted the wheat to the mill by placing a box on the wagon. Still another reason has been given. It has been said that according to the statement of the Minister this storage scheme cannot be completed by the time for the incoming harvest. I know that cannot be. Had we started earlier in the year, probably the storage capacity would have been complete and ready, but if the Bill is passed now, a good percentage of the storage bins will be ready. We can go ahead now and possibly one-half of the storage with a two million bushel capacity will be ready for the harvest for the next season. I have already said in regard to the interest, it is only a small matter; after all, the money has been loaned at £5 3s. per centum, and not for 12 months as Mr. Greig suggested might be the case, but it is for the term of the loan.

Hon. J. J. Holmes: For what time?

Hon. C. F. BAXTER (Honorary Minister): It expires in 1927. Mr. Greig stated that South Australia objects to the bulk handling system. I may point out that already South Australia has an agreement with Metcalf & Co., and during my recent trip to the Eastern States I learned that in South Australia they say they will have to go in for a bulk storage system notwithstanding the fact that South Australia is differently placed from this State.

South Australia has something like 13 ports, which makes it a different proposition, yet they intend going on with it. Both New South Wales and Victoria are going on with the bulk storage system. New South Wales has already started, and last week tenders were closed in Victoria for the erection of storage bins there. The hon. member further combats going on with this scheme from the fact that Japanese ships will be engaged by America. I have been told that an American firm has purchased these ships which would lift the whole of the wheat in 12 months. I do not think the Japanese have enough cargo boats to lift the harvest, but even if that were so, we should rely on something authentic and not on Press statements, which are of little value. The Press have a message through from America as to the Japanese boats coming, but if it were possible to carry the wheat from Australia, I do not think we should find the Federal Government willing to advance two millions of money to the States for storage. They know that there is a very poor opportunity for shipping the wheat. Mr. Kirwan went on to refer to the fact and disputed that the Labour Government agreed that Metcalf & Co. would carry on this work. And this is what he said—

In order to be quite fair, I think, those hon. gentlemen might have informed the House of this fact, and it is a very important fact, that when that statement was made in another place there were three ex-members of the Scaddan Government who, one after the other, said that they had no knowledge of this agreement and that it had never come before Cabinet, and that is was purely a matter of one man being concerned.

That is really saying in effect that the Colonial Secretary and myself were misleading this Chamber. There is nothing further from our minds. Everything has been open and above-board. We have invited every criticism on the Bill. We want sound legislation; we hide nothing. As a matter of fact, it does not affect our position. I do not know if the Colonial Secretary stated it but I have said it. Mr. Kirwan stated that three members of the Labour Cabinet were not agreed on this scheme. I have here a record of a Cabinet meeting held on 24th July, 1916. There were present, Mr. Scaddan, Mr. Collier, Mr. Walker, Mr. Johnson, Mr. Drew, Mr. Dodd, Mr. Angwin, and Mr. Underwood. I want to draw members' attention to the fact that the three members who said they did not know anything about it were Mr. Collier, Mr. Walker, and Mr. Angwin. At that Cabinet meeting held on the 24th July, 1916, the only thing before them was the bulk handling of wheat, the completion of the agreement, and here is the result: "Cabinet approves that owing to the political situation the matter should be left until political affairs are more settled." Where is the statement that we are misleading the House? It is said these three gentlemen knew nothing about it when they had a Cabinet meeting about it, and the only thing that was discussed was this agreement, and it was approved by Cabinet. It is convenient not to remember at times. There is

another statement I want to refer to. Mr. Kirwan said—

It is suggested that if the bulk storage and handling scheme be fully completed the cost will be at least £1,000,000, and some people even go so far as to estimate a cost of £3,000,000.

Where does Mr. Kirwan get those figures from?

Hon. J. W. Kirwan: Mr. Dodd told me.

Hon. C. F. BAXTER (Honorary Minister): Mr. Dodd must have told you it was for a larger system. If you should finish off this system, and it would not exceed 1s. per bushel, it would make it 2s. 6d. per bushel. It would therefore not be double the present figures. The total cost would only exceed half a million. Mr. Allen questions that. I am speaking of normal times and no Government would go on now with a complete system with everything so costly. In reference to the Commonwealth Government, the only interest the Commonwealth Government have is a financial one. They have no other interest at all. The Commonwealth Government desire to assist the wheat growing States and are doing it. They wish to protect the wheat until such time as it can be shipped and it will be protected to the best advantage. Naturally enough that Government desires and wants to see the money spent on a sound bulk storage system. That is the whole position. Some members have said that the bond of £1,000 is too small. The bond of £1,000 is the bond in reference to the plans and we cannot insist upon a higher one than that. In any case it is unusual in agreements like this to insist upon a bond, although we have done so. Metcalf & Co. are not contractors. Their bond has been put up for plans and specifications alone and I consider that it is quite sufficient to meet the case. Were they tendering for the work it would be a different thing, but they are not doing that.

Hon. J. Nicholson: Are they not agents for some machinery firms?

Hon. C. F. BAXTER (Honorary Minister): Not that I am aware of, but that is not the point. The whole of the works will be carried out by public tender and we have already called tenders for the cement. It is very interesting, while on this matter, to recognise our position here as regards the cost of these plans. We are paying £9,000 for five sets of plans and in addition to that we have the necessary plans for bulk storage which we are using at the present time. Contrast that with what has been done in the other States. South Australia is paying £20,000 and New South Wales is paying £20,000 for the bulk handling plans, with not nearly as sound an agreement as we have, and an additional £6,000 for emergency plans. I think our figures compare very favourably with those of New South Wales. It might be argued that New South Wales is paying 1½ per cent. for supervision. That may be so, but New South Wales is spending over two millions of money and here we are only spending £285,000. The ordinary rate is 3 per cent. for designs and 2 per cent. for supervision.

Hon. G. J. G. W. Miles: In war time?

Hon. C. F. BAXTER (Honorary Minister): At any time; they are the schedule rates. In both of the States I mentioned, Metcalf & Co. have the right of supervision.

Hon. G. J. G. W. Miles: I understood that South Australia had turned it down.

Hon. C. F. BAXTER (Honorary Minister): They did; then a new Government came in and they turned it down also, but, notwithstanding that, they are now going into the matter and they will be compelled to tackle it. I was told that only nine or ten days ago when I was there. Mr. Duffell spoke about bags. As a matter of fact, the price of bags is almost ruinous. They are a nightmare to the wheatgrowers. Mr. Duffell considered that in 1915 the Government should have bought up three million bags which he said could have been secured, but that number of bags would only have been sufficient for half the harvest at that time. He spoke as if the Federal Government should have purchased bags sufficient for a period of years. That, however, is impossible. Bags can only be bought from year to year. He went on to say that it would be far better to put the money into ships than into bulk stores. Let us take our own ship, the "Kangaroo." That steamer makes two trips per year, and is capable of carrying on each trip 221,000 bushels. It would take 10 steamers of the size of the "Kangaroo" to ship  $4\frac{1}{2}$  million bushels, which we propose to store at a cost of £285,000, and that sum of money would not buy the "Kangaroo," which to-day is worth £400,000.

Hon. J. J. Holmes: Do you mean to say that the "Kangaroo" will only do two trips a year?

Hon. C. F. BAXTER (Honorary Minister): That is so.

Hon. J. J. Holmes: Nonsense!

[The Deputy President took the Chair.]

Hon. C. F. BAXTER (Honorary Minister): I would like the hon. member to show how the "Kangaroo" could do more than that. The "Kangaroo" would not load up with wheat straight away and return immediately, and, moreover, she is only an eight-knot boat. With regard to the question of trucks. I can illustrate the fact that there is no need whatever to make any alteration in the trucks we are using. An experiment was carried out here by loading a truck to within  $2\frac{1}{2}$  in. of the top with eight tons of wheat, as compared with 10 tons of bagged wheat. This experiment was carried out in the Fremantle yard, and though the truck was bumped about and shunted, no wheat was lost. In Victoria a 15-ton truck was put to a very severe test. The wheat was put in to within 6 in. of the top, and this truck was travelled over a distance of 200 miles, and not a grain was spilt. That shows that we can carry wheat in trucks which we have at the present time. Another experiment was made in New South Wales; a truck of wheat being sent from Temora to Sydney, a distance of 301 miles. It was fully loaded and covered with a tarpaulin. I have a photograph here which shows that it suc-

cessfully arrived in Sydney. Therefore, we need not worry about trucks.

Hon. J. J. Holmes: What about getting the wheat into the trucks?

Hon. C. F. BAXTER (Honorary Minister): The wheat can be got into the trucks from the bulk storage. This storage system will be complete in itself. There will be machinery attached so that the wheat may be handled in bulk or in bags. The £285,000 will cover the whole thing.

Hon. J. J. Holmes: But how do you propose to get the wheat into the trucks?

Hon. C. F. BAXTER (Honorary Minister): By elevating machinery attached to the bulk storage. It is not proposed to build silos of a capacity to store the whole of our harvest. It would be overloading the wheat-growers of this State. The proposal is not to go beyond a third of the harvest of a normal season. May I explain that during my recent visit to Victoria I got the Federal Government to agree to increase the amount of £285,000 by £100,000. With the expenditure of that sum of money we can construct silos to hold a full third of a normal harvest of 18 million bushels. The matter is entirely in the hands of this Chamber. If they say, "We will agree to your going on with this proposal to spend £285,000," I will be satisfied, but personally I would like to see the larger amount spent. Mr. Allen made comparisons between the estimated cost of the scheme, as recommended by the advisory board in 1913 and the cost of the present scheme. These two matters are not comparable. In the first instance, the advisory board were dealing with a complete scheme of bulk handling, a scheme capable of handling five million bushels but with a storage capacity of only 1,300,000 bushels. The intention was that the wheat would go through the bulk handling system three times in one year. The hon. member was not quite right in the figures he quoted. According to Mr. Allen also the rate per bushel storage capacity of the 1913 scheme, that was prior to the war, was 2s. 6d. The present rate of storage is less than half that amount, and found by dividing £285,000 by five million bushels. Mr. Nicholson and other members referred to the policy of Government control, and urged that we should not have Government control. The policy of this Government is one of economy. Economy no more means saving money than it means spending money. In the political sense it means administration on sound lines. It means this mainly in three senses: firstly, by applying labour rationally; secondly, preserving produce carefully, and thirdly distributing the produce economically, and I maintain the Government are doing their best in that direction. The Government are doing their best through the wheat commissioner, and in other directions, to put the farmer into a position to get the best possible results in the way of produce from the land. If a person is on a farm and is sowing oats where he should be sowing wheat, we do our best to put him on the right track. The second way in which the Government are helping is in regard to careful production, and after the production to see that the produce is

cared for and protected. That is what we are doing in this very measure. Thirdly, we are endeavouring to see that the produce is distributed seasonably. This is another direction in which the Government are working, assisted by the Federal Government. Can we take advantage of the market, when it is offered, unless we protect the produce of the State, and have it kept in good order? After all, where is the argument of the hon. member that our policy is wrong?

Hon. J. Nicholson: Does it not lie in the fact that this is not a sound and wise agreement? It is the agreement we are considering.

Hon. C. F. BAXTER (Honorary Minister): I do not know where the agreement is at fault. I am just combating the different arguments as they come to me. Regarding the employment of Metcalf & Co., who are experts in this particular business—and we want experts in this State—are the objections worth the risk, when, after all, it is only a matter of £2,000 difference; even if we employed the Public Works Department, that is, if the Public Works Department engineers could carry out what it is said they could at the price? Mr. Allen said that one elevator, through bad designing had collapsed in New South Wales, and that a sum of £3,000 was involved. This amount represents the expert fee to be paid to Metcalf & Co., providing for engineers to do the work suitably. Our engineers say they cannot do it, and urge us to employ Metcalf & Co., who are experts. They say "We will assist their experts."

Hon. J. Nicholson: That is, their servants are experts.

Hon. C. F. BAXTER (Honorary Minister): The directors of a company may not have any technical knowledge of the business, and of course it is the servants of the company who have the knowledge.

Hon. J. J. Holmes: Your engineers have to supervise.

Hon. C. F. BAXTER (Honorary Minister): That is so.

Hon. J. Nicholson: Why should we not have servants equally well qualified?

Hon. C. F. BAXTER (Honorary Minister): What Government would be justified in expending £300,000 on the advice of an engineer who obtained the whole of his information from a text book which cost 20s., as suggested by Mr. Allen? The position is this: that the State wants the best expert available, and the Commonwealth are advancing the money on the best expert available. On top of that, the farmers want the best expert that is procurable.

Hon. G. J. G. W. Miles: And the public do too.

Hon. C. F. BAXTER (Honorary Minister): The designs can only be made by a specialist, a man who has a particular knowledge of this business. I have no hesitation in saying that the firm of Metcalf & Co. and their engineers have this knowledge.

Hon. J. Nicholson: Why should we not have our own experts?

Hon. C. F. BAXTER (Honorary Minister): Where are any experts available? They are not available. We have paid salaries before for experts, and the result has been that the State has been run into thousands of pounds without any good result.

Hon. J. Nicholson: If Metcalf & Co. can get them the Government can.

Hon. C. F. BAXTER (Honorary Minister): This firm has trained men in its employ, and those men probably have a monetary interest in the firm, and at all events are bound in such a way that no Government can get hold of them. The experts are not available. It would be a risk indeed to do without an expert for the saving of a few thousand pounds, when we know that we can get a firm which has been tried and proved.

Hon. J. Nicholson: Are they not available in Great Britain?

Hon. H. Stewart: A man would not go for the salary.

Hon. C. F. BAXTER (Honorary Minister): Engineers from Great Britain would not suit the position that we want to be filled out here. With regard to Great Britain, we have an object lesson in the Manchester Ship Canal. The people connected with that 15 years ago had an elevator constructed and the designing engineers and supervisors were Metcalf & Co. They had a competent staff of engineers in charge, and eight years after, notwithstanding the fact that they were going to erect further additions, they again employed Messrs. Metcalf & Co. as designing and supervising engineers. What more proof is wanted of the qualifications of this firm? If there were English experts available I do not hesitate to say that the Manchester Ship Canal people would have obtained them.

Hon. J. J. Holmes: What is Victoria doing? You have mentioned New South Wales and South Australia.

Hon. C. F. BAXTER (Honorary Minister): I will deal with that later on. We wanted an engineer here who can design a plant which could be operated with the greatest economy and with the greatest efficiency. We have only to make one mistake with machinery alone and the handling costs are increased. That would be an increase in the cost until such time as we installed the bulk handling system later on. With regard to the qualifications of Metcalf & Co., I inquired whilst in New South Wales, and on the previous trip last December, of the Minister for Agriculture. I said, "Before employing Metcalf & Co. did you go into the matter of employing your own engineers?" The Minister replied, "Yes. I brought the three chief men in separately and put the question to them, if they would be prepared to carry this out. Two refused point-blank and said they were not competent, and the third said, 'If you instruct me I will carry out the works, but why instruct me? Even though I have been through Canada and had a wide experience there, I am not a specialist and you have an opportunity of getting a specialist here. It is a far better proposition for your Government to employ experts who are available.'" The Minister went on further, and said that the chief railway man, Mr. Fraser, when on tour through America had made inquiries in reference to the ability of Mr. Carter, the engineer in Canada for this company, and the man who is handling this business. Mr. Fraser held the opinion that Mr. Carter knows more about silos than any other man he met throughout the whole of his travels in the United States and

Canada. He was there making inquiries into the question of bulk handling and engineering generally. Everyone admits that Metcalf & Co. are a competent firm. The Canadian Government, the Victorian Government, the New South Wales, and South Australian Government, and our own Engineer-in-Chief here admit it. I do not hesitate to say that we do not need any further recommendation, in addition to the inquiries which have been made in this State for years past.

Hon. Sir E. H. Wittenoom: Could I get one little piece of information from the Honorary Minister?

The DEPUTY PRESIDENT: The hon. member cannot interrupt unless he is rising to a point of order.

Hon. C. F. BAXTER (Honorary Minister): The position in Victoria is that Metcalf & Co. were not employed. The Government are doing the work with their own engineers, and tenders closed the week I left, the cost working out at 1s. 10d. per bushel. That will afford some idea as to what it means to employ engineers who have not the necessary technical knowledge, and are not experts. In New South Wales, where Metcalf & Co. are advising, tenders were let, and a lot of the work is being done at 10¼d. per bushel, which is not half the price it is costing in Victoria. Look at the enormous increase in the latter State. Whether the Government of Victoria will proceed on those lines or not is another question, but the contract that has just been received is for 1s. 4½d. per bushel for silos, exclusive of machinery, and when the machinery is added the cost goes up to 1s. 10d. per bushel.

Hon. H. Stewart: Is that temporary machinery?

Hon. C. F. BAXTER (Honorary Minister): Yes, whereas in New South Wales, complete with machinery, the cost is 10¼d. per bushel. That is a sound enough case for the employment of Metcalf & Co. by this Government.

Hon. J. Ewing: Who are the Victorian engineers?

Hon. C. F. BAXTER (Honorary Minister): Mr. Box, the railway engineer, is in charge. He is a very capable engineer, and I am told that he has done wonderfully well. Although he is a capable engineer he has failed in the one point, and the most important point of all.

Hon. Sir E. H. Wittenoom: How can the Engineer-in-Chief supervise if he knows nothing about bulk handling?

Hon. C. F. BAXTER (Honorary Minister): The Engineer-in-Chief is not an expert, but we must have some check on Messrs. Metcalf & Co. There is no chance of our getting expert engineers of our own. The Engineer-in-Chief has travelled through Canada, and has had some experience although not enough to design such works and run them. Mr. Pearse, who has made a study of the matter, has been in Melbourne for the last two months in connection with this question, visiting the works in Sydney where the bins are being erected, and will therefore have received a fair experience. This is the best we can do in the circumstances. If we pos-

essed an expert we would not employ Metcalf & Co. Touching on the comparative costs of Metcalf & Co. as against those of the department, the complete scheme which was gone into some time ago was to cost £700,000, and the estimated cost of the preparation of the plans and supervision, as arranged by the Public Works Department, was £18,250. The cost put up by Messrs. Metcalf & Co. is £23,000, or £4,750 more. When it is a matter of spending £700,000, is it wise to be niggardly and cut out the experts for the sake of £4,750? Is it not better to employ these experts, and save possibly £30,000 or £40,000?

Hon. G. J. G. Miles: Does that include commission and everything?

Hon. C. F. BAXTER (Honorary Minister): Yes, on the £700,000. As we are in the position to employ these experts I do not think it is wise to run the risk of adopting the other method.

Hon. J. Nicholson: Then we are giving £9,000 as a sort of solatium.

Hon. C. F. BAXTER (Honorary Minister): We are paying the usual three per cent. for the drawing of the plans. Some members have a wrong impression with regard to this agreement. It says in one part that this firm is to be paid three per cent. for additional plans. They are to be paid three per cent., but not on top of the three per cent. already paid. This is the price for plans if Metcalf & Co. are instructed to draw new plans for Albany, Bunbury, and Geraldton. Metcalf & Co. will not make very much out of the supervising at two per cent. They will have to keep men here.

Hon. J. Nicholson: They will make nothing at two per cent. on a job of a million and a quarter sterling?

Hon. C. F. BAXTER (Honorary Minister): That may come later, but that is not proposed now. Another point which has been raised refers to the Government having to pay an additional amount for alteration of plans. But that will occur only when Metcalf & Co. are instructed by the Minister to alter the plans. If alterations for which the Minister gives instructions involve the preparation of a new plan, we have to pay for that plan. This will refer to alterations which arise not from any fault whatever of Metcalf & Co.

Hon. J. Nicholson: But should you be blamed for alterations when you have Metcalf & Co. as expert advisers?

Hon. C. F. BAXTER (Honorary Minister): It is for the local board to say where elevators are to be erected, and if the board subsequently change the position of an elevator it might probably involve an alteration of the whole of the plans. In such circumstances we have to bear the cost of the alteration of the plans. Regarding the machinery, it is clearly provided that British or other manufacturers can put in their machinery. The plans are to be drawn so as to allow of that. On the other hand Spence & Co. and Simon, Ltd., would not take the work on unless they could put in their own machinery. Reference has been made to outside advice being unsatisfactory, and in this connection one hon. member instanced the Fremantle dock. But what occurred in connection

with that dock was that a special engineer for it was appointed and attached to the Public Works Department. In that instance there was no outside advice at all, but there was inside advice. While the design was correct, the site was defective.

Hon. G. J. G. W. Miles: That was not the fault of the engineer. That was politics.

Hon. C. F. BAXTER (Honorary Minister): That is the very point I was about to explain. It was a political move that caused the whole of the trouble in connection with the Fremantle dock. Again, the Wyndham Freezing Works have been referred to. In that connection I have ascertained that Mr. Nevanas was not qualified to advise on the work, and that all the knowledge he had gained of the subject was acquired when he was running a small factory which cost about £3,000. Were proper inquiries made regarding his qualifications? No; or he would not have been employed. The cost of the Wyndham Freezing Works—goodness knows where it is going to end—will prove that Mr. Nevanas was not fit to advise on that scheme.

Hon. J. Nicholson: How do you know that Mr. Nevanas was not a qualified man?

Hon. C. F. BAXTER (Honorary Minister): I have made extensive inquiries from qualified persons, and I am sure of the matter of which I speak.

Hon. J. Nicholson: I shall be able to refute you.

Hon. C. F. BAXTER (Honorary Minister): Mr. Allen also adduced the East Perth power house agreement. But in that instance the engineers were not called in at all. No advice was taken. In fact, the engineers reported against the agreement. Here, however, our engineers are in favour of the agreement, and so are the Crown Law authorities. I will now summarise the objections which have been raised and the replies which I have made. Firstly, we are told that this Bill will commit the country to bulk handling. I think I have exploded that proposition, but I assure hon. members again that the amount of £391,000 under this Bill, or £285,000 if it is cut down, will not be exceeded without Parliamentary authority. I give that definite assurance.

Hon. J. J. Holmes: But I take it that if the amount is exceeded Metcalf & Co. must do all the work for the next five years.

Hon. C. F. BAXTER (Honorary Minister): The next objection is to myself personally. But let me explain that nothing is taken on without the concurrence of Cabinet. In addition, I have technical officers under me, and I am certainly not going to put aside their advice. Despite all the assertions of various hon. members, not in one particular has it been proved that I have shown myself incapable. A further objection to the Bill is that departmental officers should be employed for this work. I feel sure that after the explanation of the position I gave to-night, and in view of the fact that the departmental officers say, "Employ specialists, employ Metcalf & Co.," that objection has been removed. Again, hon. members urge that the provision of bulk storage can advantageously be delayed because (a) the present prices of material and labour

are high, (b) interest on money is high, (c) we ought to profit by the experience of New South Wales, (d) shipping tonnage will be available before the storage bins can be completed; or, alternatively, ships could be built. As regards the present prices of material and labour it cannot be said that material is much above normal rates; and the argument as to cost of labour is no argument at all, because we must find employment for our people. As regards profiting by the experience of New South Wales, that is exactly what we want to do; and the object lesson furnished by that State should impel us to instal the bulk handling system as soon as ever we can, in order to protect our wheat. The bulk handling system passed the experimental stage years and years ago. With regard to shipping tonnage, I feel I have exploded that idea. Shipping tonnage cannot possibly be available in time to remove the wheat. Let hon. members bear in mind the quantity of wheat we have on hand already. I do not think I have missed any objection.

Hon. Sir E. H. Wittenoom: No; I think that is the lot.

Hon. C. F. BAXTER (Honorary Minister): In conclusion I would ask hon. members to support this measure and to recognise the following facts: First, the importance of protecting part of the assets of the State by making a safe storage for wheat; secondly, that the necessary money is available at a low rate of interest without drawing on the resources of the State at all; thirdly, that the system is complete in itself for handling wheat in bag or in bulk; fourthly, that this measure does not commit the State to bulk handling; fifthly, that there will be a large saving in bags through the provision of part bulk storage; sixthly, that Metcalf & Co. are the best engineers for drawing the necessary designs; seventhly, that the fees paid are the usual engineering fees; eighthly, that the plans will be so drawn as to allow either English or American machinery to be installed; ninthly, that the agreement is the soundest that has been secured by any of the Australian States and that the interests of Western Australia are well protected under it; and, tenthly, that the amount of expenditure to be authorised under this Bill will not be exceeded without Parliamentary authority. Certainly, it would be unwise to delay this measure with the idea of getting money from the Federal Government at a lower rate of interest. If the present opportunity of obtaining the money passes from us, we shall not have another opportunity, because the money will go to the other States which intend increasing their storage facilities. I ask hon. members not to consider the personality of the Minister, as some of them are inclined to do. If, before I made my speech to-night, hon. members were not sure on some points, it is not too late for them now to do that which is right, and support this measure, which is urgently needed. Hon. members who vote against it cannot be seized of the importance of the measure; otherwise they would support it. I trust the House will realise the position and carry this Bill for the protection of a great asset of the State.



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

Ayes .. .. .	10
Noes .. .. .	11
Majority against ..	1

#### AYES.

Hon. C. F. Baxter	Hon. C. McKenzie
Hon. H. Carson	Hon. G. W. Miles
Hon. H. P. Colebatch	Hon. E. Rose
Hon. J. Ewing	Hon. Sir E. H. Wittenoom
Hon. V. Hamersley	Hon. H. Stewart
	(Teller.)

#### NOES.

Hon. J. F. Allen	Hon. R. J. Lynn
Hon. E. M. Clarke	Hon. J. Nicholson
Hon. J. Cunningham	Hon. A. Sanderson
Hon. J. Duffell	Hon. H. J. Saunders
Hon. J. J. Holmes	Hon. H. Millington
Hon. J. W. Kirwan	(Teller.)

Question thus negatived; Bill defeated.

House adjourned at 10.47 p.m.

## Legislative Assembly,

Wednesday, 22nd May, 1918.

The SPEAKER took the Chair at 3 p.m., and read prayers.

[For "Questions on Notices" and "Papers Presented" see "Votes and Proceedings."]

### RETURN—INDUSTRIES ASSISTANCE BOARD PAYMENTS.

Mr. JOHNSTON (Williams-Narrogin) [3-0]: I move—

"That a return be laid on the Table of the House showing the total amount paid by the Industries Assistance Board for each year since its inception for—(a) land rents; (b) Agricultural Bank interest and instalments; (c) water rates and charges; (d) payments to State Implement Works; (e) other Government Departments, and (f) Road Boards rates."

The work of the Industries Assistance Board has resulted in very large sums of money being transferred to revenue. Almost at the inception of the board, instructions were given that where a selector was assisted one of the first things to do should be to pay arrears owing to the Government Departments, and in many instances these arrears amounted to very large sums. Individual settlers owed more than £100 each for land rents, and in some cases these amounts were paid by the Government although no other assistance beyond the paying of the overdue land rents and Agricultural Bank interest was sought by the settler. I would

like to say also that before the Industries Assistance Board was formed, when from the time we had a bad year, or when any particular settler suffered from adverse climatic conditions, it was always the policy of the Lands Department, on application, to hold over the settlers' rents. One effect that the establishment of the Industries Assistance Board had was that settlers no longer were permitted to obtain temporary exemption from the payment of their rents. The settlers were sent to the Industries Assistance Board to get them paid, and I am sure hon. members will see that if this board had not been in existence, a great deal of this money would not have been paid, but would have been held over by the Lands Department. It is to the credit of the successive gentlemen who have occupied positions of control in the Lands Department of this State, that ever since our land settlement policy began in real earnest on the establishment of responsible Government in this State in 1890, from that time to the present I believe there is not an instance of any settler having been put off his land when that settler was anxious to remain on it and improve it, merely because his rents were in arrears. There is a feeling in the country districts that the Industries Assistance Board, while it has assisted many settlers, has also assisted the revenue of this State to a considerable extent, because as I said before, if that board had not been established, great aggregate sums of land rents could not have been paid.

Mr. O'Loughlen: The money went out of one pocket and was put into another.

Mr. JOHNSTON: The money came out of loan and it went into revenue, and the settler was charged six per cent. Now the interest is seven per cent. In the old days the Minister for Lands always had power to waive interest or fines in cases of hardship, so that at the present time the settlers pay six or seven per cent. for temporary accommodation, whereas in the old days they had the prospect of getting off by merely paying the principle when they could do so. It is to the credit of Mr. Bath when he was Minister for Lands that he said that those settlers who suffered from drought and subsequently paid their rents should not have fines inflicted as well. I am not bringing forward this motion in any captious spirit, particularly as I believe it is acceptable to the Minister for Industries, but I think it is fair that the people of the country should have an opportunity of knowing what proportion of the total amount advanced to the Industries Assistance Board has been utilised by that board in paying off indebtedness to the several Government departments. When these figures are laid on the Table we will have one more proof that the farmers of the community are not spoon-fed as has been stated from time to time, but on the contrary will prove that they through the assistance board are meeting heavy obligations by paying the debts which have accrued over a series of bad seasons. Whilst the farmers have been given valuable and highly appreciated assistance by the Government through the operation of the board, at the same time those farmers are doing a fair thing in repaying their indebtedness, and in paying interest at the rate of seven per cent. per annum, until they are able to meet their obligations to the Government in full.

The ATTORNEY GENERAL (Hon. R. T. Robinson—Canning) [3-15]: The return asked for by the member for Williams-Narrogin (Mr. Johnston) will entail a good deal of work, but I