

viat the line and thus serve the Noombling estate. Various Governments have promised that this line should be built; no Government has ever gone back on that promise. Why, then, should these people be denied what they consider to be their right by virtue of the promises made to them? We have been practically holding out an inducement to people to settle in the district, and great improvements have been carried out there. Mr. Baxter said the land was inferior poison country. Cleared of the poison, the land has been proved to be good. From my recollection of it, I should say it is fair average country from Dwarda into Narrogin.

Hon. J. A. Greig: It is already served.

The MINISTER FOR EDUCATION: Looking at the map I cannot agree with the hon. member there. I ask members to study the map and judge for themselves what the deviation means. If the line is taken to the north, it certainly will not serve the people to the south. If the people north of Dwarda towards Brookton look for a connection with Armadale in years to come, that will give them all they require. I appeal to members to support the Bill and thus permit this long-standing promise to the settlers of the district to be fulfilled. To do otherwise than fulfil this promise would not be honourable. I move—

*That the Bill be now read a second time.*

On motion by Hon. J. A. Greig, debate adjourned.

*House adjourned at 7.59 p.m.*

## Legislative Assembly,

*Wednesday, 12th September, 1923.*

	Page
Questions: Tramway Extensions and Municipal Rating ... ..	667
Sandalwood, and Forests Act ... ..	667
Leave of Absence ... ..	667
Bills: Electric Light and Power Agreement Amendment, 3R. ... ..	667
Industries Assistance Act Continuance, 3R. ... ..	667
Motions: Mining Industry, to inquire by Royal Commission ... ..	668
Sandalwood-getting, to disallow Regulations Gosnells Estate, to inquire by Royal Commission ... ..	678
Forestry Royal Commission, to adopt Recommendations ... ..	681
Wooroloo Sanatorium, reduced railway fares ... ..	685
Guard Searle, dismissal ... ..	692
Peel Estate ... ..	693
Railways, Pension rights of J. B. Connolly ... ..	693

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

### QUESTION—TRAMWAY EXTENSION AND MUNICIPAL RATING.

Hon. W. C. ANGWIN asked the Minister for Railways: Is it his intention to introduce during this session legislation giving power to local authorities to levy a rate for the purpose of paying a subsidy towards the financial loss, if any, on the extension of any tramway, such as from Como to Canning Bridge?

The MINISTER FOR RAILWAYS replied: The matter is under consideration in conjunction with tramway extensions generally.

### QUESTION—SANDALWOOD, AND FORESTS ACT.

Hon. W. C. ANGWIN asked the Minister for Railways: 1, Have any regulations been made under the Forests Act, 1919, to compel sandalwood getters under permit to sell or dispose of the sandalwood obtained under such permit to any particular company, firm, or persons? 2, If so, have the regulations been gazetted? 3, If gazetted, when were they placed on the Table of the House? 4, If not placed before Parliament, when will that be done, in accordance with the Forests Act?

The MINISTER FOR RAILWAYS replied: 1, No; but Regulation 51a was gazetted on the 16th March, 1923, prohibiting the cutting, pulling, or removal of sandalwood from Crown land within the State north of the 20th parallel of south latitude, except for distillation purposes within the State; and on the same date Regulation 52a was gazetted restricting the issue of licenses to those persons who could produce an order for sandalwood for oil distillation purposes within the State. These regulations were laid upon the Table of the House on the 31st July, 1923. 2, 3, and 4, Answered by No. 1.

### LEAVE OF ABSENCE.

On motion by Mr. Willcock, leave of absence for four weeks granted to Mr. O'Loughlen (Forrest) on the ground of ill-health.

### BILL—ELECTRIC LIGHT AND POWER AGREEMENT AMENDMENT (No. 2).

Read a third time, and transmitted to the Council.

### BILL—INDUSTRIES ASSISTANCE ACT CONTINUANCE.

*Third Reading.*

The PREMIER (Hon. Sir James Mitchell --Northam) [4.36]: I move—

*That the Bill be now read a third time.*

Mr. A. THOMSON (Katanning) [4.37]: I would like a statement from the Premier as to whether it is the intention of the Government to introduce a further amending Bill during this session. The matter is of vital importance to numerous residents in the agricultural districts who find themselves in the unfortunate position of owing considerable sums of money to the Government while the Industries Assistance Board are not giving them any further assistance. Thus their situation is very invidious. Storekeepers and business people will not render them any aid, owing to their properties being mortgaged up to the hilt. This legislation should be amended as suggested during the second reading debate.

The PREMIER (Hon. Sir James Mitchell—Northam—in reply) [4.38]: There is no intention of introducing another Bill during this session. I do not know that the hon. member has suggested why another Bill should be introduced.

Mr. A. Thomson: To afford these unfortunate people a reasonable opportunity to obtain assistance.

The PREMIER: When the time comes for taking steps in the direction suggested by the hon. member, I shall be prepared to do so; but that time is not yet. If settlers have not been able to make good with the assistance rendered them, I am extremely sorry.

Mr. A. Thomson: Are you going to tell them to get out?

The PREMIER: I cannot allow the hon. member to speak for me either now or on any other occasion, and he knows it full well. What I have to say I will say for myself, and will not ask the hon. member to say it for me. I have never told anyone to "get out," and have no intention of doing so. The Industries Assistance Board Act is administered by a board, and a very good board too. I do not know what the hon. member refers to; but when the time comes for specially helping a certain number of people, I shall come to the House and say so.

Mr. STUBBS (Wagin) [4.39]: The Industries Assistance Act was introduced originally as a war emergency measure.

Mr. SPEAKER: Order! I do not think I can allow on this measure a debate dealing with the parent Act, or references to the reasons why amending Bills were brought in. The present Bill is a continuance Bill to operate the principal Act for another year.

Mr. STUBBS: I am compelled to oppose the Bill on the third reading unless the Premier gives the House an assurance that the Government do not intend to introduce another Bill in the same form next session.

Hon. T. Walker: The Premier cannot speak for next session. There might be a new Government then.

The Premier: I cannot give any such assurance.

Question put and passed.

Bill read a third time, and transmitted to the Council.

## MOTION—MINING INDUSTRY.

To inquire by Royal Commission.

Hon. M. F. TROY (Mt. Magnet) [4.42]: I move—

*That in the opinion of this House it is in the interests of the State in general, and of the mining industry in particular, that a Royal Commission be appointed to investigate the affairs of the Empire Gold Mining Syndicate with a view to ascertaining (1) who were the original members of the syndicate; (2) the manner in which assays were made, and who was responsible for declaring the assayed samples, alleged to have been taken from the syndicate's leases at Hancock's, Sandstone, to be worth from two to seven ounces per ton, when in reality the stone from which they were taken proved to be worth only so many pennyweights; and (3) who was responsible for the publication in the newspapers of frequent reports of the discovery of high values in the leases held by the Empire Gold Mining Syndicate, values which it was afterwards shown never existed; and that the Commission have power to examine persons and papers, and also the banking accounts of all the people responsible for the formation of the syndicate.*

Since my remarks on this subject during the debate on the Address-in-reply, remarks condemning the methods employed in the mining industry by this syndicate, I have been subjected to some criticism in the Press by Mr. D. L. Doolette and others. Mr. Doolette has taken exception to my remarks on that occasion, and I now repeat them from notes I made at the time.

Our mining to-day has the worst reputation that it has ever had in its history. Men who at one time could be induced to invest in mining, will not now put a penny into it; and they will not put a penny into it because of ramps like the Bullfinch, Hampton Plains, Sandstone, and another one recently at Laverton. If one approaches an honest man with a proposal to invest in mining, he immediately looks upon one as a spieler. And, indeed, he is justified in doing so. There are certain men now in the mining industry who take down their own friends. They have not the ethics of a pickpocket. A pickpocket will take a chance by robbing a person, but these men will come and tell their victim to his face that the proposition is a good one, induce him to invest his every cent. in it, and so calmly take him down.

I made those remarks, and another gentleman who criticised them is Mr. Francis, the attorney for the Hampton Properties Ltd. I made

no charge against the Hampton Properties Ltd. I did speak of a ramp on the Hampton Plains, but that had no connection with the Hampton Properties Ltd., who are an entirely different company. They merely own the land on which the ramp took place, and the ramp did not necessarily occur through them. I did not make and do not now make a charge against the Hampton Properties Ltd. I did make particular reference to the case of leases at Hancock's, Sandstone; and that is a subject into which I desire that the House should order an inquiry. Under this motion I propose to deal with Mr. Doolette and his association with what are known as the Empire Gold Mining Syndicate's operations at Sandstone. Mr. Doolette, from his letter to the Press, is greatly agitated at the possibility of the appointment of a Royal Commission. Why he should be so agitated passes my understanding; because no doubt, whether he knows it or not, in public there is a great deal of criticism regarding him. One would imagine that, jealous of his reputation, he would invite this inquiry. If of any business man it were said that he had been guilty of a ramp, that man would immediately welcome inquiry. It is to Mr. Doolette's advantage that this inquiry should be held. He ought to be doing his best to get Parliament to order it, so that his reputation might be cleared from the imputations levelled against it. I do not suggest that Mr. Doolette made any money out of the operations of the Empire Syndicate. I do not know whether he did or not, but I know that the most doleful stories are current regarding the manner in which he was taken down by others who have not Mr. Doolette's high code of honour. If those stories be true, then in Mr. Doolette's interests and in the interests of the mining industry generally, the Government should co-operate in furthering the inquiry. We know that there was a mining boom at Sandstone, and we also know that the alleged recent developments on the Empire leases were responsible for that boom. From time to time reports of rich values on those leases appeared in the Press, and consequently shares went to a high figure. Mr. Doolette explained in the Press that the syndicate was misled by rich surface indications. He said the leases were practically high grade surface deposits. But it ought not to take a man six months to discover the nature of such deposits. What Mr. Doolette forgot to explain was that mining operations were carried on for six months, and that during the whole of that time there were published in the Press reports of high values being obtained over a width of 10ft. Let me state the facts. The agreement between the prospectors and the Empire Gold Syndicate was signed on the 16th October, 1923. Mr. Doolette claims that the prospectors benefited by the operations of the syndicate at Sandstone, because of the large deposit they received. The Prendergast and Bounty leases were the leases on which the greater part of

the operations were carried on, and Mr. Doolette's deposit amounted to the magnificent sum of one shilling! I have here a copy of the agreement between Mr. Doolette and Prendergast Bros. and Mr. Morris. The price to be paid for the property when the purchasers took it over was £3,500, but the deposit was only 1s.

Mr. Richardson: What was the term of the option?

Hon. M. F. TROY: Nine months. In the event of the purchaser exercising his option the amount to be paid was £3,500. The syndicate started operations in October, and the publication of reports of the syndicate's operations began to appear in November. On the 10th November the following report was published in the "West Australian"—

Good values still being met with in the Empire Gold Prospecting Syndicate's leases at Sandstone. For the week ended November 4th, the manager reports as follows:—Bounty and Prendergast's option: No. 2 shaft sunk 10ft. for the week. Sinking is in lode material. Assay value for full width of shaft, 3oz. 14dwt. per long ton. Prospecting: Costeen 150ft. north of No. 2 shaft. Value of ore broken from costeen, 2oz. 6dwt. per long ton.

Another report appeared on the 25th November as follows—

Progress report, week ended November 18th:—No. 1 shaft sunk to 16ft. Borings show gold; expect to cut lode to 25ft. No. 2 shaft sunk to 25ft.; in country. Prospecting 250ft. north of No. 2 shaft, uncovered lode to depth of 4ft. and length of 10ft. There is a strong lode of iron ore giving prospects of from 1 to 4 oz. per ton over a width of 4ft. with good values on both sides, also in south face of trench.

On the 7th December another report was published as follows—

Have started sinking in the south end of the prospectors' open cut, ore 6ft. wide, value 2oz. per ton. Bounty Lode: have stripped lode of surface for a distance of 150ft. south-west from prospectors' workings. Average width 8ft., average value 30dwt. per ton.

On 2nd January of this year the following report was published—

Bounty open cut: breaking ore for treatment over width of 5ft. Average sample of ore broken 2oz. per ton. West face assays 1oz. 5dwt. 14gr. per ton. Prendergast's open cut: Shaft sunk to 20ft. all in ore. Average assay of samples 5oz. per ton.

I must give these reports because it was on them that the shares rose as they did. The reports were so consistent that, in my opinion, it was utterly impossible for the syndicate to get the results they did but for those reports. On the 19th January this report was published—

Prendergast's lode: drive from south open cut extended 3ft. in ore; average assay value 4oz. 2dwt. Bounty Lode:

open cutting lode for a width of 7ft.; bulk sample of ore broken, 2oz. 16dwt. Face assays 1oz. 6dwt. Prospecting: one mile north of leases a new lease has been taken up on the syndicate's account as a result of a discovery by the syndicate's prospector, C. Jones. A trench across the lode for a width of 6ft. gave the following results: S.E. side of trench, width 6ft., 2oz.; N.W. side of trench, width 6ft., 19dwt. 9gr.; face of trench, west end, 16dwt. 5gr.; bulk samples from ore raised 19dwt. 13gr. Ore continues in the face of trench. From surface indications the probable width of ore is 20ft.

A pretty good proposition! But the reports got better as the operations continued. On the 26th January we had this report—

Bounty lease: breaking ore in open cut. Face samples 1oz. 2dwt. The Bid lease: trenching across the outcrop has been continued for a width of 10ft. and depth of 5ft. Samples from the bottom of trench assay as follows:—0ft. to 3ft., 1oz. 15dwt. 14gr.; 3ft. to 6ft., 1oz. 8dwt.; 6ft. to 9ft., 2oz. 6dwt. 14gr. Grand Slam lease: adjoining the Bid lease on the north, another 24 acres has been taken up on the syndicate's behalf. In a pot-hole below the cement capping at a depth of 5ft. quartz and ironstone has been exposed. A sample broken over a width of 2ft. 6in. assayed 2oz. 7dwt. 15gr.

On the 31st January this report appeared—

Bounty lease: breaking ore in open cut over width of 4ft. average value 1oz. 10dwt. per ton. Prendergast's lease: cutting dray road to open cut. The Bid lease: open cutting in trench over width of 10ft. Two men broke 40 tons during week: average value 1oz. 10dwt. per ton.

From the 6th February onwards there was almost a daily report in the Press regarding the value of the leases and their developments. On the 6th February the following report was published—

A special general meeting of the Empire Gold Prospecting Syndicate was held at the Builders' Exchange yesterday afternoon. Mr. D. L. Doolette presided over a good attendance of shareholders, who decided that the capital of the syndicate be increased to £2,000 by the creation of 1,300 shares of £1 each; and that the directors be authorised to dispose of 200 shares of the new issue to such persons and upon such terms as the directors think fit. The chairman stated that the new issue of shares was for the purpose of financing the development of two new leases which the syndicate had acquired, known as The Bid and the Grand Slam, three quarters of a mile north of the options held by the syndicate over the Bounty, and Prendergast's properties. On these leases new lodes had been discovered, containing ore worth from 1oz. to 2½oz. over widths of from 4ft. to 10ft.

A remarkable proposition! They were finding gold everywhere, even on those leases

three-quarters of a mile to the north! On the 9th February there appeared this report in the Press—

Prendergast's lode: In cutting roadway to open cut have intersected ore; average assay value for a depth of 8ft. 2oz. 5dwt. per ton. The Bid lease: Have sunk to a depth of 10ft. in the south-east section of open cut. The lode is continuing in size and value. Assays of ore broken for the week and the faces average 1oz. 5dwt. per ton. Grand Slam lease: Opened up new lode to a depth of 6ft.; trench all in ore; no walls. Assay of face 2oz. 18dwt. per ton.

From that time onwards reports were published almost daily. Because of the rich developments on these leases and others which the company took up, another flotation was made about this time. At the same time also some interest was taken in Perth in the leases, because of the published assays, and the shares began to be quoted. A Perth share-broker issued the following report—

Dear Sir.—Re Empire Gold Mining Syndicate. This company was floated, a short time ago, to acquire options over two leases of 24 acres at Hancock's, in the Black Range district. The company is constituted in 2,000 shares of £1 each, of which 900 are issued, and sold by the company at par and at various premiums from £2 to £4. The district has been prospected for years and many shallow shafts have been sunk by prospectors on quartz reefs and leaders without result, and the ironstone lodes, which run parallel, have been left severely alone, and this stone carries the gold which is not visible through the nature of the rock. On the Empire Syndicate's main area Prendergast lease, there has been a shaft sunk to a depth of 50ft. on the lode, and the values continue to live down. From this lease a crushing of 2,000 tons is to be treated, starting on the 20th, and will go the full ounce, and this will pay the vendor's purchase price of £3,000, and still leave a very satisfactory margin. The company in their wisdom pegged two other leases about a mile north, the Bid and Gram Slam, and these are opening up splendidly by costeeing and open cutting. An old shaft on the last-named lease has been cleared out on a buck reef to a depth of 50 feet, about 100 feet north of the open cut, and on crosscutting from this point, they proved the lode to be 8 feet wide, with an average assay of 2 ozs.

Eight feet wide and 2 ozs. to the ton! And this on an abandoned property.

The geology of the country will point to permanency and great depth. No conditions for many years have been so favourable as this Empire Syndicate venture, and I consider it one of the best mining propositions that has come before me for a considerable time. The district is a proved producer in mines like the Black Range and Oroya Black Range, both pay-

ing very good dividends and return of capital. In writing you on this matter I do so after careful consideration of facts. The stock at the moment is only listed on the local market but the directors are making preparations for it to be quoted in Adelaide, which will place it in a better position from the market point of view.

That is the sharebroker's report to people whom he wished to induce to invest their money in the syndicate's property. I wish now to go on reading some of the reports which appeared in the Press regarding the syndicate's leases. It is a remarkable thing that in some instances they did not appear as reports coming from the manager of the leases; in others they did. In a number of cases, however, the reports, it would appear, just fell into the newspaper office and found their way into the mining column. Here is a report dated 12th February. It reads—

Grand Slam lease: North-West drive 50ft. level, cut 2 oz. values over a width of 8 feet.

The secretary added—

An old shaft in the vicinity of the new lode recently discovered on this lease has been cleaned out and prospecting started from it. The ore now intersected is apparently the downward continuation of the new lode.

On the 15th February this report appeared—

Grand Slam lease: Erected windlass and put ladders in the old shaft; prospecting at 50ft. level for downward continuation of new lode.

Then the secretary adds—

Since this report was received ore has been cut in the Grand Slam workings, the value being 2 oz. over a width of 8 feet.

Two ounces over a width of 8 feet again! On the 22nd February this report was published—

Prendergast's open cut going south; breaking ore over width of 23 feet; 2oz. values. Grand Slam lode at 50ft. is 10 ft. wide; ore continues in face; values 2 ozs. The 23 ft. mentioned here may be a misprint. Still, it was what was published in the newspaper. There never was anything more remarkable found in the State; at any rate not since the discovery of the Golden Mile. On the 26th February this report appears—

Grand Slam lease: Very rich ore showing gold freely for full width of the drive at the 50ft. level. Forwarding specimens of ore.

Two days later this appeared regarding Prendergast lease—

Stripping overburden in open cut, preparatory to breaking of ore. Average assay of faces  $2\frac{1}{2}$  ozs. per ton. Bounty Lease: Cleaning out and timbering prospectors' shaft, which is 52 ft. deep. Hematite seams in the bottom of shaft showing free gold. Grand Slam lease No. 1 shaft sunk to 9 ft. in cement and rubble carrying gold. No. 2 shaft (75 ft. east of No. 1 shaft), 50 ft. level, picking up and

repairing drive in old workings. In breaking into lode have discovered very rich ore with gold showing freely over the full width of drive.

Every report disclosed remarkably high values, and in this instance we are told that gold was showing freely in the face. Thus we learn that not only did the assays disclose very high values, but that the gold was actually visible. On the 6th March this report appeared—

Grand Slam, No. 1 shaft, 30ft. level:

The values previously reported continue for the full width of the drive.

Then three days later this appears about the same lease—

N. 2 shaft 50ft. level west drive improving in value. Gold is showing freely in the face in the stope. 400 ft. south of this shaft several samples taken from gossan and formation on the surface gave an average value of 15 dwts. per prospect. Prendergast lease: Started No. 2 open cut 40 ft. north of Prendergast No. 1 open cut. Breaking ore 10 ft. wide, average value 2 ozs.

These reports, disclosing such wonderful values, did not appear occasionally; they appeared consistently—all revealing big reefs or big lodes and high values. On the 10th March the annual meeting was held, and at that all the good developments that had taken place were reported. The newspaper report of the meeting states that it was held in the Builders' Exchange and that Mr. D. L. Doolittle, chairman of directors, presided over an attendance of 50 shareholders. Then it goes on—

The chairman in moving the adoption of the report and balance sheet outlined the developments on the lodes on Prendergast's, the Bounty, the Bid, and the Grand Slam leases, and stated that ore was being broken on these four lodes to make up the parcel of 2,000 tons to be treated at the Sandstone public battery. On the Grand Slam in particular developments had been highly satisfactory, the lode, where intersected at the 50ft. level, being of high grade. As soon as the crushing was completed, sinking on the lodes would be resumed. The following special resolution was carried unanimously: "That the directors be authorised to dispose of any unissued shares in the company to such persons at such premium and upon such terms as the directors may think fit, and that Messrs. Doolittle and Davidson be appointed trustees to dispose of such shares by direction of the directors.

It will be seen that they had a few shares to dispose of, and the values at all the leases were so high that the directors were instructed to dispose of the surplus shares at a price that they thought was reasonable, bearing in mind the richness of the syndicate's properties. On the 2nd March there appeared in the "West Australian" a long report of the syndicate's operations, and this report, like

all the others, set out the remarkable developments that were taking place. Allow me to read these short extracts from that report—

Prendergast's ore body is a mass of gossan and hematite, which has been proved to exist on the surface for a width of 370 feet, and probably extends much further, as it is dipping under cement and rubble at both ends and is difficult to trace for this reason. It has an average width of 20 feet and is being open cut to a depth of 25 feet. It has not yet been determined whether it is a lode or a lateritic deposit of unusual nature, but it is estimated to contain to the depth already proved, 5,000 tons of ore to every 100 feet in length and the average value of it is  $1\frac{1}{2}$  ozs. per ton.

Mark well, 5,000 tons to every 100 feet! The values also had been proved for a length of 370 feet, the average being  $1\frac{1}{2}$  oz. to the ton. What a remarkable proposition! No wonder there was a rush for shares! How could it have been otherwise, remembering the consistent nature of the developments—20 feet of ore estimated to be worth  $1\frac{1}{2}$  oz. to the ton! Yet we found a little later that this ore went 3 dwts. over the plates. We are told that the values were proved, that there were assayers on the leases, that those assayers took samples every day and assayed them as all assayers employed by different mining companies do. Let me point out that those who were connected with this syndicate were not new chums. Mr. Doolette was not by any means a new chum. He knows the game from A to Z. Here is another report—

On the Bid, a lode of quartz hematite has been opened for a width of 10 feet to a depth of 10 feet and for a length of 20 feet. 100 tons of ore of an average assay value of 24 dwts. has been raised from this open cut.

That was an absolutely untrue statement; the battery proved it to be untrue—

The lode outcrops for 800 feet through the lease, but has not been opened up in any other part. On the Grand Slam is an occurrence somewhat similar to the rich deposits at Sandstone in the Oroya Black Range and Hack's mines.

Another strange thing in connection with the published reports is that we frequently find that the names of the Oroya Black Range mine and Hack's mine are brought in. These two mines were operated years ago and both proved to be very rich. The two mines paid thousands in dividends.

Mr. SPEAKER: I do not wish to interrupt the hon. member, but do I understand that all the reports he is quoting refer to the leases controlled by the Empire Syndicate?

Hon. M. F. TROY: Yes, all. Listen to this report—

A belt of felspathic granite containing a quartz reef of an average value of 2 oz. strikes north across the east and west

quartz hematite lodes. At a depth of 50 feet one of these lodes has been crosscut for a width of 10 feet and high grade ore carrying specimen gold exposed for that width.

Mr. Munsie: They had a veritable jeweller's shop there.

Hon. M. F. TROY: I cannot understand why, with all this rich stone, no attempt was made to sweeten the crushing. There appeared from the reports to be specimen stone in many places, and yet none of it was crushed. The report goes on—

Beneath the cement capping, which has a thickness of 10 feet, similar ore assaying 2 ozs. per ton has been opened up on the same lode at a point 75 feet further west.

In fact, Mr. Speaker, there was gold everywhere, a mile north, a mile south, a mile east, and a mile west; the syndicate did not sink a foot anywhere without encountering a rich development.

The Empire Gold Prospecting Syndicate is in 2,000 shares, of which 1,244 have been issued.

What was the object of drawing attention in this report to the fact that the syndicate was made up of 2,000 shares, of which 1,244 only had been issued? Evidently to show people that there were very few shares, and so indicate that the property must be of immense value. It was not as if it was a company of 100,000 shares or even of a quarter of a million shares. Calculating the shares on the values, these 2,000 shares would be worth a great deal of money. The investing public could come to no other conclusion. On the 12th March there appeared a further report as follows:—

The secretary of the Empire Gold Prospecting Syndicate, N.L., reports that section samples from the 50ft. level, No. 2 shaft, Grand Slam lease, gave the following results:—East end of drive, width 5ft., value 1oz. 5dwt. 5 gr. West end of drive, width 5ft., value 1oz. 17dwt. The average assay of samples taken from the slope over this drive over a width of 9ft. is 5oz. 6dwt. per ton.

This is not from the Prendergast or the Bounty lease. The Grand Slam is another lease altogether. It is wonderful that as a result of this there were no casualties in the rush for shares. There never was a proposition like it in Western Australia, or, at all events, there had not been one like it for 20 years. As a result of all these reports the share market was naturally influenced. On the 13th March we find the publication of these values reflected in the market. The following is reported in the "West Australian":—

Eastern Stock Exchanges, Adelaide, Monday. The gold market was moderately active to-day, and the chief exchanges were in Empire Syndicates, Mararoas, and Mutoorooa. Empire Syndicate, £26, £26 15s., b. £25, s. £26 10s.

On the 14th March, a day later, the following report appears—

The following telegram has been received from the manager of the Empire Gold Prospecting Syndicate:—"Pumping station at Sandstone battery destroyed by fire; probably hung up fortnight." Office note:—"This will delay commencement of the treatment of the Empire Syndicate's ore until about the end of the month."

I cannot help thinking that the fire was providential. It gave a respite until the battery was ready for crushing. The reports would still appear, and the market influenced in consequence. On the 16th March, two days later, the following report was published:—

Empire Gold Syndicate—Manager's report for week ended March 10:—Prendergast's lease: Stripping overburden from the western side and southern extension of No. 1 open cut. No ore has been broken during the week, as the cut is full of broken ore awaiting carting. No. 2 open cut: Breaking ore on north and south faces over a width of 10ft. Value of ore broken 2oz. Grand Slam lease: No. 2 shaft 50ft. level: West drive extended 3ft. in ore value 2oz. 5dwt. for the full width of drive, 5ft. Breaking ore in leading stope over drive—average value over a width of 10ft., 5oz. Mr. Willecock: That is a good one!

Mr. Underwood: They had a good publicity agent.

Hon. M. F. TROY: They are still on high values. In fact, they are getting higher. By this time the open cut was full of stone, and no more could be broken.

The Minister for Mines: There would not appear to have been much room for the stone.

Hon. M. F. TROY: There must have been awaiting treatment 1,000 tons of stone carrying an average of 2 oz. of gold to the ton. But why should they crush 2oz. stuff when they had 5oz. ore? It was not to be expected. The latest report was 5-oz. stuff over a width of 10ft. The market again became active. On the 17th March in Adelaide, the shares were quoted at, buyers £29, sellers £30. The reports were so remarkably consistent. We do not find a proposition like this every day in the week.

Mr. Heron: That is just as well.

Mr. C. C. Maley: What did the shares reach after the publication of that report?

Hon. M. F. TROY: They went from £25 to £30.

Mr. C. C. Maley: Did they not go up to £32?

Hon. M. F. TROY: I think so. The time had not yet arrived for the crushing. The field was beginning to attract a great amount of attention, but not quite enough. The boom was beginning to grow. Other companies, with or without cash, were taking options all over the place, but all these developments assisted the Empire Syndicate. There then appeared the following report about the Sandstone district—

The Sandstone district. Activity at Hancock's. Rich values in Comedy King. More

options secured. Another important discovery has been made at Hancock's, near Sandstone, in the vicinity of the Empire Gold Prospecting Syndicate's leases. On the Comedy King lease, which has been a consistent producer and has already treated 2,357 tons for a return of 4,734 fine oz., a sandstone reef, similar to those worked at Hack's and Oroya Black Range has been discovered.

You will note that reference is often made to the Oroya Black Range and Hack's Companies.

Mr. Chesson: There were some consistent gold producers there.

Hon. M. F. TROY: Yes. The reference is always made to them to prove the value of the ores in the district. The report continues—

The values on the surface are stated to be from 1 to 6 oz. per ton. An option on this lease has been secured by Mr. D. L. Doolette on behalf of the Pioneer Gold Prospecting Syndicate Ltd., of Perth, and an issue of this syndicate's reserve shares will be made during the week. A number of Adelaide company's have also taken options at Hancock's. Mr. Mathers has paid deposits on several leases, including the Bull-oak and the Kohinoor, on behalf of the Mararoa and other companies, and options have been secured by the Hansel Munday, the Golden Butterfly and Ive's Proprietary. Mr. H. V. Rowe, recently of the Bullfinch Proprietary, is sampling the Kohinoor North on behalf of Mr. D. L. Doolette and other Perth investors.

On the 21st the values in the Empire Syndicate were still good. All this publicity as to high values created a new Bullfinch in Perth. The bait was thrown out and the public took it. A syndicate of 4,000 shares was over-subscribed in two hours in the city. The investing public was naturally influenced by the reports which appeared, and apparently deemed them legitimate reports, because they were published in the "West Australian." The following appears in that paper—

Sandstone district. A Perth flotation. Over-subscribed in two hours. The issue of 4,000 10s. reserve shares by the Pioneer Gold Prospecting Syndicate, which has secured the option over the Comedy King mine at Sandstone, was heavily over-subscribed in two hours yesterday morning. It is evident that the developments at Sandstone on the Empire and other leases have revived interest amongst Perth investors in gold-mining at that centre. According to the "Mt. Magnet Miner" reports from Sandstone are very cheering. "Quite a lot of leases" it says, "have been pegged, in fact somewhere about 300 acres have been taken up. Good values have been found on some of the blocks and further developments are awaited with interest. Again the reports from the Oroya East mine are good, where development work is proceeding, and about 100 tons of ore has been raised ready for the battery,

which is to go well. The population of the town is increasing every week, each train bringing fresh faces, coming no doubt to try their luck."

On the 22nd March the following report appeared in the "West Australian"—

Empire Gold Syndicate—Progress report for week ended 17th March.—Grand Slam lease: No. 2 shaft, face of west drive, 50ft. level, 5ft. section assays, 2oz. 10dwt. Breaking ore in stope over width of 12ft., no walls showing; average assay value 3oz. per ton. New discovery on surface, 400ft. south of No. 2 shaft. Arranging to develop this from old prospecting shaft in this vicinity. At a depth of 80ft. in this shaft lode of quartz and ironstone is exposed prospecting 15dwt. over width of 4ft. Bounty lease: East drive, 55ft. level; driven 5ft. for week. Value 1½oz. for full width of drive. Battery pumping station has been repaired; expect treatment of our ore to begin end of March.

The Sandstone district looked like having a big revival. I have here a report showing all the leases that were taken up.

Mr. Harrison: Is that written by a Press representative who visited the field?

Hon. M. F. TROY: It came from the field, either from the secretary or the manager of the property concerned. The Pioneer Gold Mining Syndicate got going about the 27th March. The following report appeared in the "West Australian"—

Pioneer Gold Syndicate. Comedy King option. Mr. H. V. Rowe has been appointed manager of the Comedy King mine at Sandstone, and sinking has been started on the new reef. In a telegram to the Pioneer Gold Prospecting Syndicate, which holds an option on the property, Mr. Rowe yesterday reported as follows:—"Recent developments Comedy King: 300ft. east of main shaft new reef strikes 15 degrees west of north and underlies to the west. It consists of sandstone formation. Sampled for a length of 50ft., the average width is 2ft.; the average value is 2oz. The new reef has not been touched in the old workings. The prospectors have crushed since June, 1922, 175 tons for 787oz. from shoots of stone 100ft. and 40ft. long respectively, at depth of from 160ft. to 200ft. At 200ft. a level has been driven 180ft. south and 15ft. north. Start sinking on new reef to-day."

The Comedy King mine has been working for about 18 years. It was first held by the Black Range Company, or Mr. Robinson, a speculator from Victoria, and was latterly worked by prospectors, who were not humbugged by the reports. The prospectors knew that the reef did not exist. We find this statement, "The new reef has not been touched in the old workings." On the 29th March the following report appeared concerning the Empire Gold Mining Syndicate—

Empire Gold Syndicate. Progress report for week ended 24th March: Prendergast's lease—No. 2 open cut: Breaking ore over a width of 10ft.; average value 20dwt. per ton. Bounty lease—No. 1 shaft 55ft. level: Driven 4ft.; total 9ft. Average value 13dwt. per ton. Stopping on western side of shaft; average value over width of 3ft. is 1oz. 8dwt. per ton. Grand Slam lease: No. 1 shaft sunk 7ft., total of 25ft., in felspathic granite, carrying traces of gold. No. 2 shaft 50ft. level: average assay of ore from driving and stopping during week, exclusive of rich veins in stope, 1oz. 13dwt. per ton.

Other people were coming in, attracted by these wonderful reports. Mr. Mathers, who represents the Mararoa, dealt with several options, and reported—

The following options have been secured on behalf of the company at Sandstone in the immediate vicinity of the Empire leases: Slam group, consisting of West Slam, 24 acres; West Slam Extended, 24 acres; Little Slam West, 14 acres; Kohinoor group, consisting of Kohinoor, 12 acres; West Kohinoor, 12 acres; South Kohinoor, 24 acres; North Kohinoor (acreage not yet supplied); Sydney, 12 acres; Blairs Hill group, 12 acres, known as Iron Monarch; Bulloak area, 18 acres; Bulloak North (area not yet supplied). Also pegged on behalf of the company the following claims, viz.: Eighteen acres, known as Iron Duke, adjoining the above-mentioned Slam group; Bulloak East, 12 acres, adjoining and protecting Bulloak on the E. Pegged further leases Slam group (acreage not yet supplied), and secured three acres, described by Mr. Mathers as a most important position between Monarch and Iron Duke. Arrangement are now being made under Mr. Mather's personal supervision to vigorously prospect the above claims, some of which are known to be gold-bearing.

On the 6th April a further report was issued under the following headings: "Sandstone Goldfield. Empire Crushing Started. Comedy King Values. New Find, near Hack's." The report read—

The Empire Syndicate at Hancock's, near Sandstone, started crushing yesterday. Two thousand tons will be treated, and the yield is expected to average about 1½ oz. In his report for the week ended March 31 the manager writes: Prendergast's Lease, No. 2 Open cut: Breaking ore over a width of 8 ft.; value 20 dwt. Bounty Lease, No. 1 shaft: East drive driven 3 ft., total 12 ft. Ore in face broken by slide; value of face 6 dwt. Now crosscutting south. Stopping on west side of shaft; ore 3ft. 6in. wide, value 1½ oz. . . . When accumulated ore is hauled, will start driving and stopping east in ore showing in these faces. Pioneer Gold Prospecting Syndicate reports for week ended March 31: Comedy King Lease: Stripping new reef over a



length of 10 ft., preparatory to shaft sinking. The average width is 2ft. 6in.; the average value is  $2\frac{1}{2}$  ozs. A new blue quartz reef has been opened up for a length of 30 ft. in a lease near Hack's. The stone is stated to be 5 ft. wide, and dish prospects are reported to go up to 5 oz. per ton.

All this advertisement assists the Empire Syndicate. These people are always making references to new values discovered. All this was obviously for the purpose of influencing the value of the company's shares on the market. About this time, after starting crushing, the market became weak and values began to fall.

Mr. Chesson: There was good reason for it too.

Hon. M. F. TROY: Yes. Newcomers to the district who had taken options, discovered in a very short time that there was little value in the properties. They investigated and found that the values were not as stated. A gentleman who was a shareholder told me that he had inspected the Empire Syndicate's lodes for himself and immediately he saw them he decided to sell his shares. The boom was bursting and we can quite understand why the shares fell. A further report was issued, dated 14th April, as follows:—

Empire Syndicate. The following telegram, dated April 12, has been received from the manager of the Empire Syndicate: Transport to date, 162 tons. Transport suspended yesterday, owing to rain; resumed to-day. Open cuts look well. Then there was a report on 19th April as follows:—

Empire Prospecting Syndicate. Progress report for week ended April 14: Total transport to mill, 253 tons. Bounty Lease: No. 1 shaft, 55ft. level; driven 10 ft. at 6 ft.; cut ironstone vein 6 in. wide, estimated value 10 oz. per ton.

The shares were falling. Something was needed to give them a flip. Here it is! 10 ozs.! But the market did not respond. Faith was disappearing and suspicion taking its place. On the 26th April the following appeared:—

Empire Syndicate. Manager's telegram, dated April 24: Transport to date, 500 tons. Will make partial clean-up on 26th of 800 tons. Cyanide plant starts on 26th inst. Bounty shaft, 55ft. level: Winzing on ore value 2 oz. per ton over a width of 2 ft.

This is the final report—after that the deluge!—

Empire Crushing. The secretary of the Empire Gold Prospecting Syndicate N.L. advises that a partial clean up of 546 tons of ore crushed at the Sandstone State battery gave a return by amalgamation of 86 oz.

Mr. Underwood: Was that per ton?

Hon. M. F. TROY: Judging from their earlier reports, it ought to have been. But

just imagine, 86 ozs. from 546 tons! This from properties which for six months had been reported as having ore going from 1 oz. to 10 ozs. per ton! The values were consistent; not assay values altogether, for they could occasionally see the gold in the face! One would have imagined, having seen all this gold, that the Empire Syndicate would have secured a much better result.

The Minister for Mines: They evidently picked the gold samples out for assay purposes.

Hon. M. F. TROY: Evidently. Here is the end of it—

The Empire Crushing. Directors' Statement. The directors of the Empire Syndicate have issued the following statement in respect to the disappointing return obtained from a parcel of 546 tons recently treated at the Sandstone public battery. The average of samples taken weekly from the different faces in the syndicate's leases and forwarded to Perth by the manager, and assayed in Perth by a public assayer, were as follows: Grand Slam lease, 4 oz. 10 dwt., 25 samples; the Bid lease, 1 oz. 7 dwt., 13 samples; the Bounty lease, 1 oz. 2 dwt., 16 samples; Prendergast's lease, 3 oz., 19 samples. As both manager and sampler were experienced men, there was no reason for doubting the authenticity of these assays, and the estimated value of the crushing was based on an average arrived at by cutting down the high samples over 50 per cent. Mr. H. V. Rowe, with a new staff, has now taken over the properties mentioned, from the previous management.

According to the directors these samples were sent down to Perth weekly. Someone must have sent them and someone must have been responsible for the whole business. In the interests of the State and of the mining industry, we should find out who was responsible. I do not suggest it was Mr. Doolette. I never made that suggestion. I was surprised at the attack he made upon me in the Press, because, although his name was mentioned, it was not mentioned by me in my speech. I said someone must have been responsible for the whole ramp, and the sooner the discovery was made as to who was responsible, the better it would be. I still say the sooner that is done, the better. There are plenty of honest investors who have put their money into mines in this State, and persons of that type are discouraged by these affairs. I was told by a mining man at Yalgoo that when information was leaking out that these leases were of little value, he was advised by a person who knew, to "buy in for your life. It is a good thing." I have also been told that people in my electorate were advised in that direction too.

The Minister for Mines: There was a time when it was a good thing to buy in.

Hon. M. F. TROY: That is so.

Mr. Underwood: There was another time when it was good to sell out.

Hon. M. F. TROY: Of course, that is true, also.

The Minister for Mines: It is all a question of knowing when to get in and when to get out.

Hon. M. F. TROY: On the 11th May, or seven days later, the high values in the Comedy King disappeared, and a report was issued that the syndicate had abandoned the option!

Mr. Underwood: I suppose the prospectors had done their bobs in.

Hon. M. F. TROY: It stated—

Pioneer Prospecting Syndicate. Option abandoned. Manager's report for week ended May 5, Comedy King option; New reef No. 1 shaft to 34ft., value 5dwt. over a width of 2ft. 6in. Main reef 100ft. level, No. 1 winze to 7ft. in country. Office note: The board has decided to abandon the option. A meeting of shareholders will be held shortly, the date of which will be advertised.

That is the end of the story!

The Minister for Mines: That was the little slam that followed the grand slam.

Hon. M. F. TROY: You are right. It was. In connection with the Pioneer Mine, which was floated in Perth in two hours, a prospectus, headed "Preliminary notice for private circulation only," was issued, which contained some remarkable assertions. It read:

Pioneer Gold Prospecting Syndicate, Ltd. Capital, £2,400 in 8,000 shares of 1s. each, and 4,000 shares of 10s. each. Directors: F. B. Trude, Claremont; D. L. Doolette, National Mutual Buildings, Perth. Secretary and offices, W. Montgomery, F.A.I.S., 17 National Mutual Buildings, Perth. This syndicate was formed in January, 1923, for the purpose of examining and testing gold mining properties with a view to their further development and purchase. The original members of the Syndicate were Messrs. F. B. Trude and D. L. Doolette, who subscribed for 8,000 shares of 1s. each, and a portion of this money has been expended in examining and testing properties at Bulla-Bulling and elsewhere, which did not develop sufficiently well to warrant flotation. The syndicate has now secured the option to purchase within three months for the sum of £3,000 the Comedy King mine at Sandstone, and is issuing the balance of its capital, 4,000 shares at 10s. each, 1d. application, 1d. allotment, and 4s. 10d., first call payable with application and allotment money; balance in fourteen days in one call of 5s. per share. The Comedy King lease is situated at Hancock's, near Sandstone, and has been a consistent producer, its record to 1922 being 2,357 tons for a yield of 4,734 fine ozs. During the last week an important discovery of high-grade ore has been made on it, on a new sandstone reef, parallel to the quartz reef previously worked. The values are stated to be from 1 to 6 ozs. per ton in a surface trench 25ft. long by 4ft. wide. This Sandstone reef is of the same type as the one

worked by the Black Range Company (Hacks), to a depth of 900ft.

Mr. Doolette in his attack upon me in the Press, to which attack I did not reply, for obvious reasons, refers to the benefits conferred on the prospectors regarding the money he put into their hands and also into the district. He also mentioned that he was responsible for Adelaide investors becoming interested in the district. In his letter he says—

A great deal of interest was taken in it there, and Adelaide speculators took steps immediately to have the leases examined by their own representatives, among whom were Messrs. Mathers and Bestwick, well known mining engineers. If the Empire Syndicate were conducting a "ramp" how was it that these men sent favourable reports to their principals, as a result of which I had offers (which I declined) from an Adelaide broker of £5 a share for the call of shares at £35? How was it that Mr. Mathers took up numerous leases adjoining ours, and paid in deposits to Mr. Troy's "ruined" prospectors a total of £800?

Mr. Mathers did pay something as deposits. Regarding Mr. Mathers' connection with the affair, I think it was he who discovered in a very short time that the values were not there. Mr. Doolette mentioned the name of Mr. Bestwick, but Mr. Bestwick, writing in the "Kalgoorlie Miner," repudiates Mr. Doolette's statements. Mr. Bestwick said—

On my arrival in Kalgoorlie last week, my attention was drawn to a letter in the "Kalgoorlie Miner" of August 15, signed by D. L. Doolette, and in which my name appeared. I do not know what remarks Mr. Troy had made relating to mining, but I resent the inference in Mr. Doolette's letter that an Adelaide broker had offered him £5 per share on the call of shares at £35 through my favourable report on the Empire group of leases. If Mr. Doolette received such an offer, it was not through any report of mine. I have never been guilty of sending information to broker, director or friend in Adelaide. My reports have always been sent direct to the secretary of the company for which I have been inspecting. I have not any of my reports with me concerning that field, but they have all been made public on the Stock Exchange in Adelaide and also in the Press there. So far as I am aware the only lease I would have prospected was the Red Skin lease. I would do this only as a prospecting venture to prove if the ironstone beds running east and west carried payable values outside the influence of the contacts with the north and south quartz and sandstone formations, and this only if Mr. Doolette reduced the deposit by half. This he would not do and, on my arrival in Adelaide, after discussing the whole proposition with the directors of the company to which this lease had been submitted, I

advised them not to proceed further as I was not impressed with the field generally. That is a reply to Mr. Doolette's statement. I am not prepared to enter into an argument with Mr. Doolette. An inquiry is essential, and I am prepared to leave the matter to an inquiry. The Prendergast brothers are two of the most honourable men in the State.

Mr. J. Thomson: Two of the oldest prospectors.

Mr. Teesdale: How do you account for them having anything to offer Doolette?

Hon. M. F. TROY: They were getting 24 dwts.

Mr. Teesdale: Fancy a nine months' option!

Hon. M. F. TROY: They put their case to me. They had a prospecting lease, and in order to give an option to Doolette, they had to pay £10 lease rent. They claim that the Empire Syndicate put in a lot of useless stuff for crushing. If they had been working the lease, they would have picked only the best stone and would have secured returns that would have paid them. The syndicate, however, threw it all in, good and bad together. These men claim that for all these months they got nothing, and have lost what they ought to have got. Under the conditions of their option, all the costs of milling and treating were to be deducted. They made application to the company to ascertain how they stood, and they received the following reply from the syndicate, dated 1st August, 1923:—

E. Prendergast, Esq., Sandstone. Dear Sir, I have to acknowledge receipt of your letter of the 25th ultimo, contents of which are noted. As requested, I enclose herewith statement showing tonnage treated, bullion won, and expenses incurred at battery from which you will see that the estimated loss is £224 17s. 6d. With reference to your request for the sum of £10 which you claim on account of lease rents, I do not consider my syndicate is responsible for this, and therefore cannot do anything in the matter.

They claim that, having taken up the lease as a prospecting lease, they should be allowed the £10 lease rent, but they were not even allowed that. The Empire Syndicate forwarded the following statement of tonnage treated, bullion won, and expenses incurred at the battery and cyanide plant:—

Battery: 879 tons treated yielding 143 oz. 0dwt., valued at £514 16s. 1d.; cyanide plant: 640 tons treated yielding 250 oz. 10dwt. valued at £675 10s., a total of £1,190 6s. 1d. Expenses: wages £339 19s. 3d.; Mines Department, stores £121 2s. 1d.; Mines Department battery charges £461 9s. 6d.; R. H. Allen, cartage £249 3s. 6d.; F. Hug, horse feed, etc., £1 7s. 3d.; Faulding & Co., chemicals, £3 7s. 10d.; Mines Department, rent of cyanide plant, £219 15s. Total expenses, £1,415 3s. 7d.; estimated loss, £224 17s. 6d.

Mr. Doolette stated in his letter that these men had been very liberally treated, and that

they had got a good deal out of the business. Their letter to me, however, shows that they got nothing except the paltry 1s. and they had to pay out £10 for the lease. They have been waiting when they might have been working their own lease. Mr. Doolette said these men had got employment. They did not want employment; they do not work for wages. They informed me it was arranged they should attend at the battery and watch the stone being crushed. Mr. Doolette wanted Tom Prendergast and Moses McElhinney to look after the crushing at the battery, but on the following Saturday the manager received a wire saying that the board of directors objected to their looking after the crushing, and imported two men of their own for this purpose. I do not know why they were put off. They are very honest men. Mr. Doolette claimed to be a benefactor to these men; they claim the contrary. Furthermore, Mr. Doolette contended that the business people of Sandstone had prospered. This is what happened: a lot of new people came into the district. The business people were impressed; they thought there might be something in the business and immediately ordered more goods. They stood to the newcomers, and in many instances were left lamenting. They were worse off after the boom than they were before it. They had saved a few pounds before the boom and their money they invested in goods to meet the increased demand, but some of them were left lamenting. Mr. Doolette charges me with being extremely bitter. I am not at all bitter. I have lost nothing over the business. I was full of suspicion from the beginning. Miners who had worked on these leases told me the venture would be a fiasco. I did not know as much as the syndicate ought to have known and I was not impressed at all. I think Mr. Doolette has no reason to be bitter. If the venture was a great mistake, the sooner that fact is made public and his character is cleared, the better. That is the way to look upon it. I do not suggest that he made a shilling out of it; on the contrary, I have heard that he was taken down badly, but I have heard also that other men were taken down. I am told that almost every responsible man was taken down. It is not as if this had been a speculation extending over only a few weeks or a month. It extended over six months. Continuous reports of high values were issued and someone must have issued them. We want to know who it was. I hope the House will order the appointment of a Royal Commission. There is a precedent for it. In New South Wales a Royal Commission was authorised by Parliament to inquire into the wheat scandals a few years ago. The Commission examined the bank books, papers, etc., of those concerned, and the charge was sheeted home. Some of those concerned admitted having had thousands of pounds banked to their credit, but they could not tell whence it was derived. Some said they had won it at the races. There was an inquiry

in Victoria into the Badak tin scandal. The results from that inquiry were good. When we realise what Western Australia owes to legitimate mining and recognise the character of mining operations during the last few years, we must admit the need for an inquiry. The members of the Empire Syndicate should welcome an inquiry. I cannot understand why Mr. Doolette should oppose it. He should welcome it. People are condemning him; they say he is responsible. I do not say he is responsible; I do not even suggest it, but it would be best for his reputation if we had an inquiry. Then we could sheet home to the guilty parties what is due to them. If there was dishonesty in this business—and apparently there was—we should have an inquiry. I hope the House will give authority for it. I hope also that the debate on this motion will not be adjourned.

The Minister for Mines: I would like time to look into and verify your statements.

Hon. M. F. TROY: The only statements I have made are statements that have appeared in the Press. If an adjournment is desired, I hope that further consideration of the motion will not be delayed indefinitely. In the interests of the mining industry of the State, of which the Minister is the administrator, this matter should be cleared up. I present the motion in the full expectation that this House will grant the inquiry asked for.

On motion by the Minister for Mines, debate adjourned.

#### MOTION—SANDALWOOD GETTING.

*To disallow Regulations.*

Mr. CUNNINGHAM (Kalgoorlie [6.1]: I move—

*That the regulations prohibiting the cutting, pulling, or removal of sandalwood from Crown lands within a certain portion of the State, made under the Forests Act, 1918, and dated the 9th March, 1923, which were published in the "Government Gazette" of the 16th March, 1923, and laid upon the Table of the House on the 31st July, 1923, be disallowed.*

If the regulations in question are allowed to stand, a number of men who to-day, I am given to understand, are engaged in pulling sandalwood for export purposes in the North will find themselves out of employment. I know that provision is made under the regulations for pulling sandalwood for oil distillation within the State. The difficulty, however, is that in the portion of the State to which the regulations mentioned in my motion apply, the pulling of sandalwood is a seasonal occupation, and is not carried on the whole year round. Numbers of workers in that portion of the State follow seasonal occupations. In the off season for station work they put in their time pulling sandalwood. The same thing applies to prospectors there. In the past

they have been engaged in pulling sandalwood and doing business with the sandalwood exporters. In the event of these regulations standing, such men will be precluded from pursuing an occupation in which they have engaged for some years past. The pulling of sandalwood for the purpose of oil distillation has been going on for a considerable time, and it is hard to know why regulations on the subject should be considered necessary at this stage. Further, there is a considerable difference in the royalty charged on sandalwood pulled for oil distillation as against the royalty on sandalwood pulled for export in that portion of the State. No doubt the Minister will give us information that will place us in a better position to judge whether the regulations should be permitted to stand or not. I shall refrain from dealing with the question at length, but I do desire to learn why the regulations have been made, how the Minister proposes they shall operate, and how he proposes to get over the difficulty as regards men who in the past have been engaged in that part of the State in pulling sandalwood for the purpose of export.

The MINISTER FOR MINES (Hon. J. Scaddan—Albany) [6.5]: I was unable at first to gather the reason for this motion. However, I now appreciate that the mover desires that a few persons who, in and out, have pulled a little sandalwood in the northern portion of the State shall be permitted to continue to do so. I shall explain what led to the framing of the regulations referred to in the motion, and I hope the mover will then agree that what the Government have done is in the best interests of the State. A fair percentage of the sandalwood exported from Western Australia is used for the purpose of extraction of oil. The hon. member probably knows that, and he will also be aware that a certain standard of quality is set up which sandalwood oil must reach before it can be marketed in the British Empire and in other parts of the world. It is not acceptable as a commercial oil unless it complies with this standard. The sandalwood grown to the north, or nearly to the north of the 26th parallel of south latitude, about 80 or 100 miles north of Peak Hill, is of a different species from the sandalwood to the south. Of course, I do not mean immediately north and immediately south, but thereabouts.

Mr. Marshall: I think the 26th parallel goes this side of Peak Hill.

The MINISTER FOR MINES: The sandalwood I refer to certainly grows north of our railway system. It is of a different type, and yields a different class of oil from that which is extracted from southern sandalwood. Indeed, the oil from southern sandalwood can only be brought up to standard by being mixed with oil distilled from the northern sandalwood. There is not a great quantity of sandalwood in the

north, nor in respect of burning in joss houses or being manufactured into Chinese ornaments is the northern sandalwood as satisfactory as that of the south; and therefore it should be used only for distillation purposes. As very few, if any, getters are occupied in taking sandalwood for export from the north, it was conceived to be in the best interests of the State that we should carry on the distillation here and export the oil, rather than allow the sandalwood to be exported and thus lose the opportunity of distilling locally from the wood an oil that can be put on the world's markets. The distillation of sandalwood has become a fairly large business in Western Australia. One firm, who are in a pretty extensive way, have advised the Government that they are extending their operations because of the market they are securing by reason of the better standard of oil resulting from distillation of northern sandalwood. The Government consider it desirable rather to encourage the development of distillation, which is an industry worth having, than to allow the northern sandalwood to be exported as raw material, with the result that the oil would be extracted elsewhere for sale in the markets of the world. That, really, is all that is in the regulations. As a fact, there has been very little in the way of sandalwood taken in the north so far. Inquiries at the Forests Department would have shown the hon. member that.

Mr. Cunningham: Have you any idea of the quantity?

The MINISTER FOR MINES: The Conservator of Forests tells me that the quantity of sandalwood coming down from the north has probably not been in excess of that which will be required for distillation purposes here. If we allow the northern sandalwood to be exported, we shall probably before long find ourselves stranded for wood that is required in order to get the oil from southern sandalwood up to standard. I am not in a position at the moment to speak as to the quantity of oil distilled in Western Australia, but it is a fair quantity, and it is growing. I know, too, that the price is satisfactory to the local distillers.

Mr. Chesson: Who are the distilling firms?

The MINISTER FOR MINES: Messrs. Plimmar and Messrs. Braddock.

Mr. Teesdale: The price paid for the northern sandalwood is £14 per ton.

The MINISTER FOR MINES: Yes. If we can develop the distillation of sandalwood in the State, we shall be helping the cutters materially, for the reason that the distillers will take the roots and other portions of the tree which for export purposes are discarded. If we can get anything up to £14 per ton for sandalwood roots and other portions of the tree hitherto discarded, we shall be rendering the cutters very material assistance. Under the permit it is proposed that a percentage of the wood pulled shall be in the form of roots available for the purpose of distillation.

Moreover, the sandalwood getter pulling under such conditions will not be required to cleanse the roots, as he is required to do in the case of wood for export purposes. From an oil distillation point of view, the best of the tree is contained in the roots and in that portion which the ordinary sandalwood getter leaves in the ground. I submit that in the circumstances it is desirable to maintain the regulations. The probabilities are that we shall shortly be taking from the north a greater quantity of sandalwood for distillation purposes than has ever previously been got there. Thus the northern sandalwood getter will be in a better position than ever before.

Mr. Cunningham: How are the regulations going to apply to those who are now engaged in the pulling industry, and have for some years been engaged in it?

The MINISTER FOR MINES: A little while ago we issued a permit to allow persons to take sandalwood in the north for distillation purposes, and the people in question actually exported the sandalwood without permission.

Mr. Angelo: Because the holder of the lease would not purchase the wood.

The MINISTER FOR MINES: The pullers obtained permission to get sandalwood for distillation purposes.

Mr. Angelo: And then the leaseholder would not buy it.

The MINISTER FOR MINES: In that case the proper course would have been for the getters to come to the Government.

Mr. Angelo: I went to the Conservator of Forests about the matter.

The MINISTER FOR MINES: In any case, the fact remains that we allowed that wood to be exported rather than held up. One of the reasons for the issue of the new regulations is that northern pullers shall, before taking sandalwood, hold a proper order for wood for distillation purposes. In the circumstances, the regulations ought to stand. Let us give them a trial, anyhow. They have been operating only a few months. If we find that they are disadvantageous to the sandalwood industry in the north, let us repeal them. I am afraid, however, that if we disallow these regulations now we shall be doing no good to the man in the north and a great injury to the sandalwood distillation industry of the south. Therefore I hope the motion will not be passed. If members from the North will in future produce evidence that these regulations are operating to the detriment of the industry there, or that what I have stated is not correct, by all means let the matter be reviewed.

*Sitting suspended from 6.15 to 7.30 p.m.*

Mr. MARSHALL (Murchison) [7.30]: The Minister was a little in error when he said that the 26th parallel was 80 miles this side of Peak Hill. As a matter of fact it is about 15 miles north of Meekatharra, and

therefore it takes in a large part of my electorate. Neither by word nor vote would I be prepared to do anything to injure a secondary industry practically in its infancy. Therefore I do not wish to do anything more than ascertain through the Minister whether, by virtue of this regulation, he is not restricting the sale of sandalwood to an extent that will rob the pullers of the advantage of open competition from beyond the Commonwealth. If the Minister restricts the quantity of wood and makes it saleable to only bodies within the Commonwealth there will be no competition, and so those enjoying a monopoly will be able to dictate the price.

The Minister for Mines: Australian competitors ought to have an advantage.

Mr. MARSHALL: Australian competitors have an advantage over the competitor beyond the Commonwealth by virtue of the freights, in addition to which we have a monopoly of the commodity.

The Minister for Mines: Anyhow, sandalwood from the North never brings the same price as that farther south.

Mr. MARSHALL: The sandalwood from the North brings a higher price.

The Minister for Mines: Not in China. However, it will under this new arrangement.

Mr. MARSHALL: Since I am assured by the Minister that there will be no prejudice to the pullers in my electorate, I will not do more than say I cannot support the motion.

Mr. TEESDALE (Roebourne) [7.34]: At first sight the motion appears to be rather unfair to a part of my electorate, but after hearing the Minister explain the position I am satisfied that the new arrangement represents a big advantage.

Mr. Marshall: The Minister has a happy knack of satisfying you chaps over there.

Mr. TEESDALE: Not a very great quantity of wood comes down from my part of the coast, and at present I know there is a merchant prepared to take a reasonable quantity of it at £14 per ton.

The Minister for Mines: That is higher than they have ever got for wood from the North-West.

Mr. Marshall: Is that f.o.b.?

Mr. TEESDALE: That is on the jetty. It is a splendid price. I feel sure the mover of the motion has had a lot of light thrown on the question, and will now be convinced that no harm has been done to the pullers. If I thought otherwise I would support the motion, but I regard the Minister's explanation as perfectly satisfactory. I hope members will realise that no injustice has been done to the pullers in my electorate. I will vote against the motion.

Mr. ANGELO (Gaseoyne) [7.36]: It was my intention to support the motion, but the Minister has given us a definite assurance that if the members for the North-West find the regulation is acting prejudicially to the interests of the pullers, he will have the position

reviewed. However, during the last two or three years some hardship has been occasioned to the pullers in my electorate through the monopoly having been granted to one distiller in the South. The hardship was caused by the Government failing to notify the pullers before they gave the monopoly. There are not many pullers in my electorate, but certain men who make a living at fencing, and odd jobs when such work is offering, augment their incomes between whiles by sandalwood cutting. When first they learned that a permit had been granted to one person for the pulling of sandalwood in the Gaseoyne district, the pullers wired me to ascertain what this monopoly meant. On going to the Forests Department I was told that Mr. Braddock had been given a permit to take the whole of the sandalwood in the Gaseoyne district. It was suggested to me by the departmental officers that I interview Mr. Braddock. I did so, and he assured me he would be prepared to take almost as much wood as the cutters could obtain. In fact, he did take a little, less than 20 tons, but unfortunately, he then ceased to buy. That occurred on two occasions. I understand it was owing to the heavy exchange between London and here operating at that time. Two or three of those cutters were left with a quantity of wood which they could not sell for local distillation, and were not allowed to sell for export. That unfortunate position continued for 12 or 15 months. Some of the wood had been put into the tramway yards, and storage was still being charged when those people eventually sold their wood for export purposes. However, the Government, recognising that the cutters had been badly treated, refunded the storage charge. I hope the Government, in granting a monopoly such as this, will see to it that the cutters are protected.

The Minister for Mines: It is not a monopoly.

Mr. ANGELO: But it was at that time. Mr. Braddock had the sole right to cut in the Gaseoyne district.

The Minister for Mines: Only over a given area.

Mr. ANGELO: I should like the Government, when granting a monopoly, to see to it that the cutter is able to dispose of his wood. If the distiller cannot buy, the cutter should have the right to sell for export. There was no complaint against Mr. Braddock on the score of the price, for he paid £12 in the jetty yard.

Mr. Teesdale: Your cutters got permission to export?

Mr. ANGELO: No, but against my advice they did export. They had to get rid of the wood, because its value was being eaten up in the storage charges.

Mr. Heron: I am glad you advised them not to break the law.

Mr. ANGELO: I am pleased that no action was taken, because the Government were wrong in the first place in not protecting the cutters. However, with the assurance of the

Minister, I hope the motion will be withdrawn.

Mr. CUNNINGHAM (Kalgoorlie—in reply) [7.40]: After hearing the explanation of the Minister, and having his assurance by way of interjection to the member for Gascoyne that no monopoly is to be granted, I desire to withdraw the motion.

Motion by leave withdrawn.

Resolved: That motions be continued.

#### MOTION—GOSNELLS ESTATE.

*To inquire by Royal Commission.*

Mr. MANN (Perth) [7.42]: I move—

*That in the opinion of this House a Royal Commission consisting of a Judge of the Supreme Court should be appointed to investigate the affairs of the Gosnell's Estate Company before and after the appointment of a receiver, and more particularly the transactions connected with the sale of the company's lands and the failure to provide a title on completion of the terms of contract by the purchaser.*

A similar motion was moved in the House on the 22nd May, 1918, by the then member for Swan (Mr. Nairn). If the Commission had been appointed at that time, a great deal of worry and probably a large amount of money, would have been saved to many people. The case I am moving in is well known to all members, almost to everybody in Western Australia. It has been taken through every court in the State in an endeavour to clear up the position. Many people, after purchasing land on which they intended to build homes, now find they have no claim on that land, that they are unable to obtain a title. The courts, for various reasons, seem helpless. As I proceed with the information I have to lay before the House, it will be seen how one incident has followed upon another and prevented those unfortunate people from obtaining their rights. The history of the case is that in 1903 a company consisting of Thomas Albert James, Henry Lissiman, George Edward Wheatley and Albert James Hicks, was formed for the purpose of purchasing a large area of land at Gosnells. The land was purchased for £14,000. The company then proceeded to cut up the land into building allotments and allotments large enough for orchards and market gardens. After the company had been formed for some time, Mr. Charles Andrews was engaged as secretary. Later he became manager and accountant, and to-day the position is that he is the company. The company went on with its business of disposing of these blocks of land and in 1909 there was formed a society under the Co-operative and Property Societies Act called the Mutual Ballot and Distribution of Gosnells Land, No. 1. This company was registered and it carried on operations

under the ballot system. There were a number of shareholders and they had the privilege of balloting occasionally for a block of land of the value of £18. Each shareholder paid in the sum of 1s. 6d. per week and when £18 was in hand a ballot took place for a particular block. The company was trading with an overdraft at the Western Australian Bank, and the bank had a mortgage over the land under certain conditions. It was stipulated by the bank that they were to receive in connection with each block balloted for, the sum of £12 8s. 9d. The secretary who is in charge of the company received £3 12s. as commission on each block disposed of. Things went on very well under this system for some time, really until 1912. In that year the bank advanced to the company sufficient money with which to pay off the original vendors, and the manager of the bank, Mr. Holmes, with the original vendor's attorney, gave a title to the Gosnells Estate Company. This company which began its operations with four members, started to change its personnel. One dropped out and another died and just about this time Mr. Andrews in some way or other, from the secretary of the company became a partner in it. He took over the interests of a Mrs. Williams whose husband had died. At this time the only two surviving members of the concern were Mr. Hicks and Mr. Andrews. Shortly afterwards Mr. Hicks called a meeting of his creditors, and immediately Mr. Andrews, through his solicitors, obtained a writ from the Supreme Court for the dissolution of his partnership with Hicks. That application was made on the 20th December, 1911, and the next day it was granted. The dissolution having been allowed, Andrews became the sole proprietor of the Gosnells Estate Company. On the 29th July in the following year an application was made to the Supreme Court by Andrews, again through his solicitors, applying for the liquidation of the company and for his appointment as receiver. Mr. Justice Rooth who heard the application in Chambers, granted it and appointed Andrews receiver with very extraordinary powers. He ordered the transfer of the land in fee simple to Andrews and gave him power to mortgage any part of the land as security for money owing to the bank, and for such other funds as Andrews might require. Judge Rooth also allowed him a salary of £5 per week and a commission of 10 per cent. on all collections made by him for the company. He was the company and he was the receiver for his own company. Two of the others who had formed the company with him had died and the third had become insolvent. Things went on merrily and Andrews disposed of land. In doing so he should have paid the money he received to the Western Australian Bank, earmarking each block as it was paid off, so that when sufficient money had been paid the title would be released. But Andrews failed to pay the

whole of the moneys into the bank. In most instances he paid in the deposit and opened an account for the person to whom he was selling the land. Very little other money was paid in. This went on for a long time. Later on Andrews formed another society and called it the No. 2. This was composed of six persons, including himself. The title he gave it was "The Mutual Ballot and Distribution of Land at Gosnells No. 2 Estate, Ltd.," although it was not a limited company, and he arranged with the bank to sell 335 blocks of that estate varying in size from three to 50 acres at the all-round price of £20 15s. per block. This was to pay off the mortgage he had given to the bank. As receiver and manager he entered into an agreement with the bank and went on selling the land. He was selling under three systems. Under the No. 2 society it was apparent on the face of it that he intended to commit fraud from the beginning. It is apparent that those persons who purchased under the No. 2 society had no hope of securing a title. So far as I can ascertain some 50 blocks were sold or balloted for and an amount of over £1,500 was received by Mr. Andrews. Besides that sum other amounts were received by him but the bank did not get the money, and Mr. Andrews justified his position by saying that he utilised the money for the payment of his salary as receiver and to meet administrative expenses. He must have seen his position from the beginning; still he went on receiving money for the blocks of land and he failed to account for that money at the bank. The result was that after all the people had paid for their land and proceeded to apply for their title, they found that little or nothing had been paid over to the bank, and the title consequently was not obtainable.

Mr. A. Thomson: Why did they not criminally prosecute him?

Mr. MANN: I will tell the hon. member. This is a letter that brought about an inquiry first by the Attorney General's Department, then the Criminal Investigation Department and finally elicited an opinion by the Solicitor General. The letter which was sent by a Mr. Jones to the Attorney General read as follows:—

Re Gosnells estate. Dear Sir. It was stated recently in Parliament that matters in connection with this estate were in the hands of the Criminal Investigation Department. I now give you definite information regarding one or two cases which can be verified by documents when necessary. E. W. Mills has paid £30; no credit against his blocks at the bank. Mr. Driscoll paid over £20; no credit at the bank. Mrs. R. W. Jones has paid £40; only 31s. 3d. credited at the bank. Mr. Basil Kelly—away on active service—has paid £56; no record of any sort at the bank. This man left a friend to deal with his blocks to sell and hand the proceeds to his father, but of course nothing

can be done until matters are adjusted. Many other cases can be cited if necessary, but this should be sufficient evidence of fraudulent practices. Even allowing for any authorised deductions in the way of salary, etc., where has the balance of the money gone?

Mr. Stubbs: Did they prosecute him?

Mr. MANN: I will tell the hon. member directly. The letter goes on:—

The Supreme Court order allowed Andrews salary and commission which should have been ample remuneration. I think if you look into his debit returns you will find he has also charged additional items for rent, etc., not covered by his authority. As there are apparently no funds to pay his salary, etc., except out of money received for the purchase of blocks, for which buyers expect full credit, is he still allowed to charge salary, etc.? If so, this should be rectified. A demand should be made to Andrews to pass over all moneys, failing which I think the position will be clear. On behalf of the committee dealing with this matter I must respectfully ask you to take steps to enforce the law without delay unless Andrews immediately rectifies matters, as people cannot deal with the property to which they are justly entitled.

That letter was sent to the Attorney General, who, in turn, passed it on to the Commissioner of Police.

Mr. Marshall: Who was the Attorney General at that time?

Mr. MANN: It does not say. The letter was sent on by Mr. Hampton in 1918.

Mr. Marshall: It was Robinson then.

Mr. MANN: It was sent to the Police Department for investigation and inquiries were conducted by Inspector Condon, a very capable officer. This is his report:—

I beg to report having made inquiries into this matter. I saw Mr. Jones, the writer of the letter and ascertained from him that he, on behalf of his wife, on the 4th April, 1913, purchased from Andrews six blocks of land in the Gosnells estate for £45, paying £6 15s. down, the balance at the rate of 12s. 9d. per month. Andrews assured Jones that he would receive a transfer of the land as soon as he had it paid for. Mrs. Jones paid up to £40 0s. 6d. and then requested Andrews to prepare her transfer and she would pay the balance £4 19s. 6d. He promised to do so on several occasions. Eventually he said he was unable to give the transfer owing to some difficulty with the bank which held a mortgage over the whole estate. The case of E. W. Mills, Mr. Driscoll and Mr. Basil Kelly are on all fours with that of Mrs. Jones. When these people purchased their blocks—the estate was mortgaged to the Western Australian Bank, but Andrews had an arrangement with the bank whereby he had to advise the manager of the sales effected by him giving the names of the purchasers and the



price agreed to be paid, etc. As a purchase was effected Andrews was to pay the deposit to the bank when an account would be opened in the books of the bank in the name of the purchaser and the amount of the deposits placed to his or her credit. All moneys received afterwards from the purchaser had to be paid into the bank by Andrews, and when the final payment was made he notified the manager who would then release the block or blocks and Andrews could issue the transfer. If Andrews carried out this arrangement there could not have been any bother or trouble with purchasers. He did not adhere to the arrangement; he sold numerous blocks of the estate, received deposits and monthly payments and, just accounted to the bank as he thought fit, with the result that now there are a number of purchasers who had finished paying for their allotments and cannot get a title—simply because Andrews pocketed their money instead of paying it into the bank. Of course the bank is only too willing to release every block as soon as the price it was sold for is paid in. I interviewed Mr. Herbert, manager of the W.A. Bank, who explained the position and allowed me to see the books dealing with the estate. I saw the account of Mrs. Jones with only £1 11s. 3d. to credit, when there should have been £40 0s. 6d. I saw the Solicitor General and the Crown Solicitor and explained the position insofar as Mrs. Jones was concerned, to them, and both gentlemen assured me that Andrews had not in the slightest degree left himself open to a criminal prosecution and that Mrs. Jones's only remedy was by civil process for breach of contract. As Mrs. Jones's case is typical of a great number of others, including those mentioned in Mrs. Jones's letter, it is clear this Department cannot be of any assistance to the victims. During my investigation of this matter I learnt from Mr. Jones that a Mrs. Matilda Fuller had purchased a block of land in the Gosnells estate on the 30th August, 1913, for £15, and that he only accounted for £10 to the Bank—that is, he told the Manager of the Bank that he sold the block for £10 and paid that amount in. The manager released this block and Andrews made out the transfer showing the price as £10 and put it through, and Mrs. Fuller got her title. Mrs. Fuller paid Andrews £1 14s. 6d. for making out the transfer and lodging same at Titles Office, but it was only quite recently she became aware that the purchase price was shown as being only £10. Mr. Jones points out that Andrews committed a fraud on the Commissioner of Titles. I saw the Acting Registrar of Titles, Mr. Glyde, and acquainted him of this and he had the transfer looked up and found the consideration shown in it was only £10. The manager of the bank examined the account of Mrs. Fuller and he stated only £10 was received from An-

draws for the block purchased by her. Andrews was appointed Receiver and Manager of the Gosnells Estate by the Supreme Court in 1911, and as such he had to render accounts from time to time to the Taxing Master, Mr. Sherard, showing his dealings with the estates particularly respecting receipts and disbursements. These accounts had to be accompanied by a sworn affidavit as to their correctness, etc. I saw the Taxing Master who produced Andrews' account supported by his sworn affidavit, in which the sale to Mrs. Fuller appeared—and the amount showing opposite it is only £10. In this particular instance, I think Andrews has left himself open to a charge of stealing £5, and also to a charge of perjury in respect of the sworn affidavit. I attach the receipts given by Andrews in connection with this transaction, viz.: (1) receipt for £15 purchase price of Lot 275; (2) receipt for £1 14s. 6d., being Title Office fees for Lot 275. Both amounts were paid to Andrews by Mr. William Charles Goodall, of Hay Street, Perth, on behalf of Mrs. Fuller to whom the receipts were given. Mr. Goodall is available should it be deemed advisable to institute a prosecution.

That went on to the Crown Solicitor who reported to this effect to Mr. Sayer:—

The position of Andrews, under the Order appointing the Receiver and the authority which he had to pay himself out of the moneys collected and account for the balance, would seem to preclude any prosecution for stealing in this case; but there appears to be, no doubt, that he did receive £15 and that in his account he only put down £10. Those accounts were verified by affidavit, copy of which is attached herewith. It would seem that he has committed perjury, but before any proceedings are taken I should be glad if you would express an opinion on the matter. I am inclined to think that the express directions of the Hon. the Attorney General should be obtained in such a case as this.

Mr. Sayer replied that he would like to know if any further evidence could be obtained. The papers were sent back to the Police Department and further inquiry was made, but no further evidence was obtainable. This was reported back to the Under Secretary for Law and the papers were then filed.

Mr. Hughes: Did the Solicitor General give any opinion as to whether Andrews was liable or not?

Hon. T. Walker: He said Andrews was liable for perjury, but that he would like further evidence.

Mr. MANN: That is so. The Solicitor General says—"I agree with Part 1, but if there is nothing more I do not think a prosecution should be entered upon." He asks if further evidence could be obtained. The inquiry ended with the minute of the Commissioner of Police to the Under Secretary for Law on 20th June, 1918.

Mr. Hughes: The legal authorities were of opinion that Andrews was guilty of perjury and could be prosecuted.

Mr. MANN: I am not going to argue that point with the hon. member. This is a case characteristic of the whole transactions in connection with the No. 2 society. Andrews was appointed receiver by the Court, and it was necessary for him to give account to the court of his transactions. In March, 1917, he brought in his accounts as receiver and manager, and swore in two affidavits that the accounts produced by him contained a true statement of all and every sum of money received by him or any other person or persons on behalf of the company. In March, 1914, he rendered an account to the court that only accounted for £161 13s. 9d. as being received for one year only, leaving unaccounted for the sum of £422. The latter amount was received by him during the following five years, but he made no account of that.

Hon. T. Walker: Did he give any explanation?

Mr. MANN: No. Apparently the judge accepted his accounts. They were not queried. There was no one to dispute them, and they were accepted. In respect of the No. 2 account he accounted only for £269 15s., whereas he actually received at least £1,182 on the sale of land, leaving unaccounted for £813. No account has been rendered to the court for the amounts of £422 received on behalf of the No. 1 society, and £813 in respect of the No. 2 society. Application was made by one of the persons interested in the society to have Andrews removed from his position as receiver, but the application was not successful. Several actions have been taken by persons who have bought blocks of land from Andrews and paid for them, but they also have been unsuccessful. The court inferred that the proceedings should be taken jointly as against the Western Australian Bank and Andrews. The court seemed to hold the view that the Bank knew Andrews was selling this land, that it had laid down the conditions under which Andrews was to sell, and that it knew that Andrews was being paid for the land. When Andrews was appointed receiver the Bank protected itself, but took no action to protect those persons who were purchasing blocks of land. No caveat was lodged by those people, because they knew nothing of the transactions. It was merely an application in Chambers of which no one had any knowledge and they continued to pay in their money. It was only after they had made their final payments and went for their titles that they discovered the position of affairs. There is still a reasonable equity in the land. If the court had given a favourable reply to the application for Andrews' removal, and another receiver had been appointed, the position would at all events, not have been made any worse. On the other hand, a good business man appointed to take hold of the estate, might be able to realise

so effectively on the balance of the blocks as to find sufficient money partly if not wholly to pay the bank, when the people would get their title. A Royal Commission will have power to go into every branch of the business, into the records of the Court and the records of the bank, and to examine Andrews; and I think the recommendation of such a Royal Commission would influence the Supreme Court.

Hon. T. Walker: We do not know that.

Mr. MANN: If a Royal Commission found that Andrews was not a fit and proper person to control the estate as receiver, a further application, backed by the further evidence obtainable through a Royal Commission, would probably enable the court—

Mr. Stubbs: If the people who have complaints to make cannot do it, how could a Royal Commission?

Mr. MANN: The people who are making the complaints are all poor working men who cannot afford to embark on costly litigation. I have here the record of one case in which the late Mr. Frank Wilson interested himself. He wrote to the then Attorney General as follows:—

It appears to me from these papers and Mrs. Gregory's statement to me this morning, that she is suffering under a grave injustice at the hands of the manager of the Gessells Estate Company, who, after receiving her payment for the land, failed to earmark same at the Western Australian Bank in order to protect her title. She is a poor woman who has been in service, and has invested her savings in this land, which she subsequently sold at a small profit. The purchaser has called upon her to give a clear title. The Western Australian Bank refuse to lift their lien under mortgage. I should be much obliged if you would kindly take such action as in your judgment appears warranted under the circumstances, in order that justice may be done.

The file was sent on to Mr. Sayer, and has gone the rounds of the departments. Similarly, file after file has gone the rounds, and the people concerned have not yet received justice.

Hon. T. Walker: Were the facts you are dealing with now before the court when an application was made for the removal of Andrews?

Mr. MANN: I think not. That application was made by a shareholder in either the No. 1 or the No. 2 society.

Hon. T. Walker: Not by one of the purchasers?

Mr. MANN: He was probably a purchaser as well, but he did not have access to all these files. I have tooth-combed the various departments to get the files and gather this information.

Hon. W. C. Angwin: Are those the files from which you are quoting?

Mr. MANN: Yes.

Hon. W. C. Angwin: Have they been laid on the Table?

Mr. MANN: No.

Hon. W. C. Angwin: Then they should go on the Table now.

Hon. T. Walker: They must go on now.

Mr. MANN: Certainly, I have nothing to hide in the matter.

Mr. SPEAKER: Are they original files?

Mr. MANN: Yes.

Mr. SPEAKER: That being so, the hon. member will have to lay them on the Table of the House.

Mr. MANN: I do not object, Mr. Speaker. This matter is certainly not a joke to the people I am battling for. I have here a petition to the Premier signed by 482 persons, asking him to do something to relieve them in the dreadful position in which they find themselves.

Mr. Stubbs: Is that a petition of recent date?

Mr. MANN: Yes; this year. I think I have advanced sufficient facts to justify the motion. I am not looking for appointment as a Royal Commissioner. I have suggested that a judge of the Supreme Court should be appointed. In my opinion, the facts warrant such an appointment. Many of these people are without a title to their homes, and all they have been able to save has been invested in this land, and they have—

Mr. Hughes: Been defrauded.

Mr. MANN: I do not think I am exceeding the limits of orderly language when I use the word "fraud" in connection with the No. 2 society.

Hon. T. Walker: Cannot criminal action still be taken? On those papers, and on the evidence you have placed before the House, I think it can.

Mr. MANN: I knew a good deal of this matter as an officer in the Government years ago. When it was brought under my notice recently by persons interested, I felt myself justified in taking this action at their request. I submit that I have made out a very strong case for the appointment of a Royal Commissioner.

On motion by the Minister for Works, debate adjourned.

## MOTION—FORESTRY ROYAL COMMISSION.

### To adopt Recommendations.

Mr. PICKERING (Sussex) [8.25]: I move—

*That in the opinion of this House effect should be given by the Government to the recommendations of the Royal Commission on Forestry.*

On the 18th January, 1922, His Excellency the Governor issued a Royal Commission to inquire into the questions of the financial position under the Forests Act of 1918 and the operation thereof, and the administration

of the Act generally. On the 8th November, 1922, that Royal Commission's report was laid upon the Table of this House. I wish to give expression to my sincere sympathy with the member for Forrest (Mr. O'Loughlen), who was very active on the Royal Commission, and rendered the greatest service by reason of his well-known exceptional knowledge of the forestry problems of this State. I am quite sure that the member for Perth (Mr. Mann), who was a joint Commissioner, also has the greatest possible sympathy with the member for Forrest in his illness, and will agree with my expressions of appreciation. In the course of their inquiry the Commissioners travelled through the major part of the karri, jarrah, and tuart forests of this State. After considerable experience in the way of evidence and personal investigation, they arrived at a decision which was almost unanimous. Indeed, I think that except as regards one recommendation the Commissioners were entirely so. It is necessary to impress on hon. members the vital importance of the question of forestry to the State of Western Australia. I consider it only right that I should bring some authorities to support me in the contention that the position of the world's supply of timber to-day is most unsatisfactory. The subject is very pertinent to the lives of the citizens of the State to-day, and to the lives of its future citizens; and in my opinion it is the bounden duty of the people of to-day to make due provision for posterity. Turning to other countries of the world, we find that in the United States, considered to be one of the largest timber-producing countries, the position is very serious indeed. In the American "Review of Reviews" for July of 1922, under the heading "Tackling the Forestry Problem in Time" appears the following:—

The chief of the forest service says that this country has 81,000,000 acres of idle, unproductive forest land. This is equal in area to the combined States of New York and Pennsylvania, or to the whole of England, Scotland and Wales—our kingdom of neglect. . . . Mill owners of the Pacific North-West assert that supplies will last from twenty to forty years—a period in the life of the nation equal to less than one year in the career of a spendthrift youth. At a recent Congressional hearing in Washington (March, 1922) attended by prominent lumbermen and foresters from every part of the United States, testimony was unanimous that we are approaching a timber shortage, and that whatever measures of relief are possible must be taken promptly. It is already too late to ward off completely the famine into whose shadow we have entered.

Considering that that is the position of so magnificent a country as the United States, a country from which we have been accustomed to draw the greater part of our soft wood supplies, I think it must come home to members of this Assembly that the forestry

question is one of the utmost seriousness. The writer then turns to Canada —

The Canadians have given us to understand distinctly that they propose to use their timber resources at home, and more wisely than their southern neighbours. Already vast inroads have been made in Canada, and for certain localities an end is clearly in sight. One of the largest forest plantations ever made is that of a paper company in Quebec to provide a supply when the original timber is gone. Mexico is practically without timber. In Central and South America the heavy tropical woods are poorly adapted to North American uses. This is true also of the woods that grow in equatorial Africa. Scandinavian and Russian supplies, while considerable in quantity, are not likely to be available beyond the heavy demands that Europe makes upon them. The supplies in Germany and France have long been less than required for local needs. These are importing states. Of Oriental timbers, France imports teak-wood from Indo-China, and teak grows in southern India—a valuable species, but limited in quantity, among heavier tropical woods. We appear to have first claim upon the surplus of the Philippine Islands, some of whose species in moderate quantities may be exported to America. But if we continue to use wood we must, for the most part, produce it at home. As for substitutes; with increased pressure of population, which has doubled within the memory of living men, from fifty millions to more than one hundred millions of people, the demand for wood with which merely to finish the construction of steel and concrete buildings is heavier than the earlier demand for wooden houses.

Those are not my words, but the words of Mr. Philip W. Ayres, Forester of the Society for Protection of New Hampshire Forests. There is another part I wish to read—

Throughout the Eastern mountains the valleys have been cut out, and timber on the highest slopes disappears as by magic. Shall we save a million a year at Washington for the sake of economy, and at the same time lose a billion a year in timber wasted, soils destroyed, vast water powers and electric powers upon which our welfare depends increasingly, lost for all time? Shall navigation in all our rivers be hindered by sand-bars, agriculture ruined by stormy overflows on valuable meadow land as in South Carolina, great cities like Pittsburg and Cincinnati menaced by floods?

Mr. Lambert: Is that a standard work you are quoting from?

Mr. PICKERING: I have already named my authority. That gentleman's view is confirmed by other authorities. Next, I wish to show that the position in India is also very serious. I will quote an extract from the "Empire Forestry Journal" dated 19th

March, 1922. In that organ one of the Indian foresters says—

The forests where the Emperor Babar hunted the rhinoceros have disappeared, and in their place is found a waterless tangle of ravines, a nightmare land, a curse to God and man. The beautiful country along the foothills, a land of streams and cornfields and pleasant mango groves, is washed away or buried under sand and gravel, like the ruined cities of Turkestan. The outer hills are hideous and naked, scored with ravines, intersected with cliffs, devoid of shade or perennial waters; and all so that man may graze his abominable goats and destroy the forests at his own sweet will. The watercourses of Kumaon are dry and choked with debris; a pleasant country of well-wooded hills is turned into a sterile waste by a race sunk in abysmal depths of ignorance.

This goes to show that by the denudation of the forests, we shall seriously impede our progress as an agricultural nation. As I have shown from the notes I have quoted, that is borne out by experience in India, Canada and the United States of America. This demonstrates that the position of forestry is a serious one at present. As to Africa, we know we have no possibility of getting timber from that country for—I refer particularly to the southern parts of South Africa—they are importing timbers from Western Australia and have been doing so for many years, instead of exporting from that country. Turning to other sources of supply, there are the Philippine Islands and Borneo, but their timbers are of mixed varieties and more or less inaccessible. We must look for timber supplies elsewhere. Scandinavia and Russia are the only countries in Europe exporting timber at present, and, as was forecasted by the authorities I have quoted from the "Review of Reviews," the time for exporting from those countries is limited, and the European market will absorb all it is possible to export from those countries. When we come to New Zealand we find that their most valuable timber, kauri, has practically disappeared and the Government are spending something like £100,000 a year for afforestation purposes. Leaving New Zealand and going to Queensland, there we find that the valuable cedar tree is almost extinct and their hoop and bunya pines have disappeared from practical utilisation. So serious is the position in Queensland that the lumber men themselves are much concerned regarding the prospects for the future. I had a reference to that matter which I have mislaid, but I can give the House my assurance that the lumber trade there is in a parlous condition. New South Wales is in a similar position regarding cedar and hoop pine. In Victoria some of their most valuable timbers have been cut out, to mention only blackwood, one of the best timbers for furniture and decorative purposes.

Mr. Mr. Woodward: How much of it was there?

Mr. PICKERING: There was a considerable quantity but, like other timbers, it has been cut out. In South Australia the position is very serious. In the Adelaide "Mail" of Saturday, 11th August last, an article appeared under the heading of "The Bald State—Treeless South Australia." In the course of the article the following appeared—

General interest has been stimulated by the attention drawn in the "Mail" last week to the direct connection between the increasing baldness of the State lands and their liability to floods and washaways through the absence of trees to hold the soil and provide a natural sponge for rain soakage and conservation. Mr. H. H. Corbin (lecturer on forestry at the University), Mr. Walter Gill (Conservator of Forests), and Sir William Sowden (President of the South Australian branch of the Australian Forest League) made important comments on the article.

This is the comment made by Mr. Corbin—

Baldness is creeping over the country. The hills from Aldinga to Sellick's Hill are now absolutely denude; they are bald as a bladder of lard. Excessive grazing and the rabbit pest are the causes of it, as well as the fact that every tree has been smashed down, and it is nobody's business to replace any of them. All over the State settlers have rooted out native timbers and are now paying the penalty. Red gum, which in the hands of London cabinetmakers would be tremendously thought of, is still being used for fencing posts. Our stringybark yields splendid furniture wood. Even the dead heart of the yate—the Oodnadatta mulga—supplies a timber beautifully decorative under polish, yet people say that South Australia is a bad timber country and can't grow the woods it needs. It is all tommyrot.

That shows that, consequent upon the denudation of timber in South Australia, much of the land that was most profitable for cultivation has become unsuitable, and its fertile surface soil swept away by storms and winds. Thus it is that much of their land which was available for cultivation has become sterile and has to be turned back to pastures. Coming to our own State, we find that originally it was thought we had very large areas throughout the country where timber of a merchantable description was to be found. After a careful examination of our resources by officers of the Lands Department and Forests Department acting together, the true position is that we have, at the outside, 2,500,000 acres of jarrah country and about 150,000 acres of karri country.

The Minister for Mines: Do you mean we have that area retained as permanent timber reserves?

Mr. PICKERING: That is the merchantable timber area. The following resolution was agreed to by the Forestry Conference, which sat at Hobart in 1920:—

That this conference endorses the figures as prepared by each State for allotment of a national forest area of 24,500,000 acres of indigenous forest for the Commonwealth of Australia; and that the delegates appointed by conference to present details of the proposed forestry school be asked to urge the consideration of this resolution at the forthcoming Premiers' conference.

Two foresters, Mr. Jolly and Mr. Jones, were deputed by the conference to wait on the Premiers' conference and explain the forestry situation. The result was that the Premiers' conference endorsed the resolution. Following upon that resolution, New South Wales made a permanent dedication of 5,254,165 acres and provided timber reserves covering 1,518,597 acres; Queensland provided a permanent dedication of 4,196,798 acres; Victoria, a permanent dedication of 3,205,163 acres, and timber reserves of 757,410 acres; Western Australia provided a permanent dedication of 45,000 acres. When we come to consider that the annual consumption of our timbers is in the neighbourhood of 800,000 loads, and that the annual increment is only 250,000 loads, it should be brought home to hon. members that our position is serious indeed. It stands to reason that if we consume 800,000 loads and our regeneration represents only 250,000 loads, the time is rapidly drawing nigh when we will exhaust our timber resources. When we come to consider the position, we realise that we have not so many varieties of timber in Western Australia. I have already referred to the position regarding jarrah and karri. In addition we have our tuart, which is a very valuable timber for such purposes as wagons, railway coaches, felloes and spokes. This timber is confined entirely to Western Australia and, after a careful selection, it has been found possible to retain for State purposes only 5,000 acres! Then we have our tingle-tingle, which is not so well known, but experiments have proved that it will be of considerable value. That timber, too, is singular to Western Australia, and I think we have at the outside only about 5,000 acres of country where it grows. A serious aspect is that a considerable area of the land where tingle-tingle grows has been, I understand, surveyed for group settlement purposes. When we have only 5,000 acres of this valuable timber, it is unwise to devote that area to purposes other than those intended by nature.

The Minister for Mines: You cannot reserve all the land on which tingle-tingle grows.

Mr. PICKERING: That is not urged.

The Minister for Mines: We are taking off the tingle-tingle before the land is made available for group settlement purposes,

and where the loadage is considerable we are making it a permanent reserve.

Mr. PICKERING: I accept the Minister's statement and I hope that effect will be given to that policy. I believe the loadage is considerable and I doubt if the land can be better utilised than as a reserve for tingle-tingle.

The Minister for Works: The trouble is that tingle-tingle grows amongst other trees.

Mr. PICKERING: I am only talking of tingle-tingle country where that particular timber gives a certain loadage. Karri timber is one of the best grown in Western Australia, so far as regeneration is concerned. It is with the utmost difficulty that an area can be retained for this valuable timber. Any hon. member who has visited the karri country will know that my statement is correct. When we have a portion of the State so eminently suited for the production of such a valuable timber, it is a wrong policy to pursue to withhold it from permanent dedication. The loadage that karri will give to the acre is astonishing, and the value of the timber, weight for weight, is equal to oregon. In a recent interview I had with Colonel Owen, when he came here from the Eastern States, he said that they were making careful inquiries regarding our karri, particularly where stress and strain were required. Since the Forests Department is asking only for a dedication of from 100,000 acres to 150,000 acres, of that valuable country, the dedication should be agreed to. That is one of the most important recommendations made by the Commission. I have the distinction of being a vice-president of the Western Australian Forests League. At a meeting of the league yesterday I was specially requested by the committee to impress upon the House the urgent necessity for the dedication. The Commission made careful inquiries into this question, and could find no reason why the permanent dedication of this area should be withheld for one moment longer. Then we have wandoo, a valuable timber. It does not grow in the same type of forest as does karri or tuart or jarrah, but there are certain areas which could be permanently dedicated to State purposes. It is one of the recommendations of the Commission that an area should be permanently dedicated, because wandoo is of considerable value in coach building. Then there is the river banksia, one of the most valuable of our decorative timbers. Hon. members are familiar with it in the new tram cars. It lends itself well to architectural work and to any work where decorative timber is required. There is very little river banksia available. In about 1917 it began to give evidence of dying out along most of the watercourses. It has been difficult to define the reason for the decay. Some attribute it to the floods of 1917, while others hold that it is the result of the depredations of the girdler, an insect that practically ringbarks the trees. In view

of the value of this timber, every effort should be made to encourage its regeneration.

The Minister for Works: It has died all along the Brunswick River.

Mr. PICKERING: Yes, and at Nanga Brook. So long as uncontrolled fires are allowed to go through the forest, it is impossible to hope for any regeneration. We have also a valuable timber in the sheoak. In the electorate of the Minister for Forests this grows under forest conditions. The Commission, when in Albany, found that fires occur in that timber every year. On carefully going through the sheoak forest, I was unable to see any signs of regeneration. It is not to be expected when, on every possible occasion, a fire-stick is put into the forest. This timber is used in the manufacture of mantelpieces and other decorative parts of house construction, and quite extensively in cooping work. Down in Albany one or two saw-millers are engaged in cutting sheoak for staves. So valuable is it for this purpose that it is exported to the Eastern States. When I assure hon. members that no protection is given to the regeneration of sheoak, it will be realised that unless something be done immediately we shall lose this valuable timber for all time. The House should insist on the Government giving effect to the recommendation of the Forestry Commission for a permanent dedication. We had a Forests Products Laboratory established by the Commonwealth. Hon. members are cognisant of the position, because the communication from the Prime Minister's Department practically refusing a continuance of that laboratory was published in the "West Australian." The State has not been treated fairly by the Commonwealth in this respect. The Minister for Forests was present with a deputation which waited on the Prime Minister in Perth. As acting president of the Forests League, I found it was my duty to follow up the matter subsequent to that deputation. Unfortunately, all the efforts put forward have resulted in no benefit to the State. One of the recommendations of the Commission was that in the event of the withdrawal of the Commonwealth Forests Products Laboratory the State should make some provision for the continuance of the good work of the laboratory. As the result of that good work we were able to demonstrate to the world that we could produce excellent pulp for the manufacture of paper. That alone should be sufficient to warrant the prosecution of the work of that valuable institution. This question of forestry may be amusing to some hon. members, but those laughing at it to-day will be held up to derision in years to come.

The Minister for Works: No, they will be forgotten.

The Minister for Mines: Get on with those of us who are listening to you.

Mr. PICKERING: Those who are fighting the battle for the conservation of our forests to-day will be given full credit in the future when it comes to be seen that this is vital to the interests of the State. When we con-

sider the enormous employment our forests have afforded, the enormous revenue that has accrued to the State from its forest wealth; when we think what their forests have meant to other countries, and what our forests mean to Western Australia, now and in the future, surely it will be realised that this is a question deserving the most serious consideration.

Hon. W. C. Angwin: We don't complain of the employment afforded; we complain that we are destroying too much of our forests.

Mr. PICKERING: Under a proper policy of forest conservation the forests would afford employment for one man to every hundred acres. And that is only for the purposes of forestry; how much more employment would be afforded through the subsidiary industries? Another important phase of the development of the Forests Products Laboratory, and more particularly perhaps through the influence of the ex-Conservator of Forests, Mr. Lane-Poole, is that of the kiln-drying process, by which our jarrah and karri have been made much more valuable for construction purposes. Through kiln-drying it is now possible to use our timbers with every certainty of their maintaining their position. Under a proper system, as worked out by the officer in charge of the Crawley kilns, it would be possible to reduce the cost of the kiln-drying process very considerably, in respect of jarrah down to .9d. Surely, then, it is worth while further investigating this important phase of forestry. Then we come to the wonderful work the chemists have done in the discovery of different tannins possessed by our timbers and shrubs. This is of great importance to the State and requires to be followed up to the fullest extent. South Africa at one time had no tannins. Yet by importation from Australia, South Africa has developed a wonderful tannin industry. Surely it behoves us to look after our own interests. To-day we are importing from South Africa tanning material that we should be producing for ourselves. That is one of the most important recommendations of the Commission, and I trust the Minister will do something to replace the Forests Products Laboratory should the Commonwealth Government finally decide to take it away. The Western Australian Forests League put up the suggestion that the laboratory could be worked in co-operation with the University. It would mean that certain funds would have to be made available, either by the Forests Department or by the Government, because the University is not in a financial position to carry out the experiments. Still it is worth while giving something from the Forests Vote or from Consolidated Revenue for the continuation of the valuable investigations which have already resulted in great benefit to the State. I wish to deal briefly with the question of the goldfields firewood and timber supplies. The Commission made an inspection of the two timber lines on the goldfields, and found that with the exception of the area to the

south, the whole of the timber supplies within the radius of profitable cutting—approximately 100 miles—had been exhausted. It is a very serious position. Nothing has been done to encourage regeneration on the goldfields. Hon. members opposite who are interested in mining know that a supply of timber and firewood is vital to the mining industry. One factor that is doing considerable injury to the development of mining is high costs. Since the amalgamation between the two firewood companies, Mr. Hedges has put up the price of firewood by 1s. per ton. It is of no use the Minister giving relief in the cost of water when, on the other hand, the price of firewood is raised.

The Minister for Mines: But the mines are not paying it.

Mr. McCallum: They have gone on strike.

Mr. PICKERING: Still, the price has been put up. The position is serious. The mining industry has been one of the greatest aids to the development of the State and every member is anxious that it should continue, but if this very vital necessity is not cared for, what will be the position of the goldfields in a few years' time? Within the space of a few years, the areas suitable for the supply of firewood and mining timber will have been denuded. Steps should be taken to ascertain whether the regeneration of these timbers cannot be effected.

The Minister for Mines: The timber is regenerating now.

Mr. PICKERING: The evidence we obtained showed that regeneration was very sparse.

The Minister for Mines: Slow, not sparse.

Mr. PICKERING: The evidence showed that it was negligible; the coppice growth is very slow. I suggest that the Conservator of Forests be instructed to report on this area. He has given very little attention to that part of the State. The Department have never had that time or money to devote proper attention to it. We inquired fully into the matter and the only thing we could suggest was that the expert officers should give attention to it.

The Minister for Mines: You want it to grow faster than it can grow naturally.

Mr. PICKERING: Second cutting has been permitted on certain areas.

The Minister for Mines: Where?

Mr. PICKERING: According to the evidence, round about Kalgoorlie.

The Minister for Mines: Only for carter's.

Mr. PICKERING: When I was in New South Wales I had an opportunity to study afforestation there and this suggests a phase to which our department might well devote attention. We have undertaken certain experiments in afforestation. At Ludlow, in my electorate, a considerable area was planted with *pinus insignis*. The experiment showed that the wrong timber had been planted. It was a very costly experiment, but it demonstrated a class of timber that could be profitably grown on the sand dunes, namely the *pinus pinaster*, the timber that

proved so valuable in France. The Government, in view of the dire necessity for providing our own soft wood requirements—I have previously referred to the seriousness of the position in America and other countries that have been supplying us—should immediately investigate the question of establishing plantations of pinus pinaster and other soft wood timbers. We have it demonstrated that the pinus pinaster can be grown, and the Government should lose no time in laying down plantations of that particular timber. In New South Wales, I was struck by the system of afforestation operating at Tuncurry. They utilise prison labour. When I furnished the report of the Forests Commission, I laid upon the Table an album of views showing certain phases of this work. The utilisation of prison labour has proved to be most successful in New South Wales. Not one man has attempted to escape from the encampment and only three per cent. of those who passed through the encampment have returned to vicious lives. This speaks well for the system.

Hon. T. Walker: That is under the Department of Agriculture.

Mr. PICKERING: The place to which I refer was under the control of the Forests Department. Each prisoner has a wooden cubicle measuring 8ft. by 12ft. The cubicles are arranged in a quadrangle, with the administrative quarters on one side. A buffalo grass lawn, opportunities for gardening and the provision of cows are some of the features of the encampment.

The Colonial Secretary: Do they have guards?

Mr. PICKERING: No, only the officer in charge. When prison labour can be used in this way, surely the matter is worthy of consideration with a view to adopting a similar system here.

The Colonial Secretary: It has also been very successful in New Zealand.

Hon. T. Walker: It is very old in Canada and some of the States of America.

The Minister for Mines: It is very young here, and I hope it will remain young for all time.

Mr. PICKERING: I had an opportunity to investigate the system and I am satisfied it might well be tried in Western Australia.

The Minister for Mines: And it might not.

Mr. PICKERING: It ought to be. Unless steps are taken to safeguard our forests against fire, we cannot hope to derive much benefit from our forest conservation work.

Mr. J. H. Smith: That is a question.

Mr. PICKERING: Schlich's "Manual of Forestry," Vol. 1, page 160, contains the following on the question of protection against fire:—

Before the author started for India in 1866, Sir Dietrich Brandis told him that the Indian forests could be divided into the following two classes: (1) Forests which

were burnt every year and (2) forests which were not burnt every year. As a matter of fact by far the greater part of the forests were annually overrun by surface fires, which burnt the undergrowth, including the seedlings of trees, and injured more or less the older trees. Thus they interfered, in the majority of cases with regeneration and caused disease in trees, though the latter may not become apparent until many years afterwards. As early as 1846 Lieutenant (afterwards General) Michael tried to stop forest fires in the Anamalai hills in Madras, but the first really successful attempt was made by Colonel Pearson in the Bori reserve in the central provinces about the year 1860. Since then the area artificially protected has risen to 49,970 square miles. Of this area 5.4 per cent. on an average were burnt annually. Fire protecting measures consist chiefly in maintaining cleared external and internal lines, organising an efficient system of patrols, enlisting the co-operation of the local population, burning inflammable grass lands early in the season and extinguishing any fires which may break out. In by far the majority of cases, the forests have greatly benefited, and there can be no doubt that in most types of forest the improvement which has taken place in the growing stock is due mainly to the effect of fire protection.

In the course of our investigations we visited Collie, where there was a great outcry about cutting in the face. I personally made an examination of hundreds of small saplings that had been cut and I did not find one that was sound. I think the experience of my fellow Commissioners was the same.

Mr. J. H. Smith: On account of what?

Mr. PICKERING: On account of fire.

Mr. J. H. Smith: Rot!

Mr. PICKERING: The hon. member may give his views later on; no doubt he has made a close study of the question. I am speaking of my conviction and I consider it my duty to advocate what was the unanimous decision of the Commission. I have endeavoured to show that there is urgent necessity for genuine effect to be given to the recommendations of the Commission. What is the good of a Commission going to the expense and trouble of collecting information unless some result is to accrue from it? The Minister told us on a previous occasion that some of the recommendations had been considered, and the Leader of the Opposition did me the honour of congratulating me on the report tabled by the Commission.

The Minister for Mines: He was merely throwing bouquets.

Mr. PICKERING: So it might have been with the Minister himself; I can now estimate the value of what he said.

The Minister for Mines: It is pretty obvious.



Mr. PICKERING: If the recommendations voted by the Minister, doubtless it would be all right. Some of the recommendations may suit him.

Mr. A. Thomson: That is the part he would object.

The Minister for Mines: Tell us in what direction we have not adopted the Commission's recommendations?

Mr. PICKERING: The Government have not given effect to the vital recommendations of permanently dedicating a sufficient area of forests for the State.

The Minister for Mines: How do you know?

Mr. PICKERING: It is about time the House demanded that this was done.

The Minister for Mines: How do you know I have not?

Mr. PICKERING: The Minister told us quite recently that he had not. I do not wish to convict him out of his own mouth, but at the foundation of the Western Australian Forest League the Minister admitted that nothing had been done. He said he had the matter under consideration. God knows it has been under consideration long enough; we require something more than that. I must not leave the subject without dealing with the important question of royalties. I understand the department are considering a new system of royalties. Even at the risk of wearying members, I shall read what the Commission had to say about royalties—

The question of whether the charge levied by the Government for permission to cut the State's timber is royalty in the proper sense of the term seems open to question. In the opinion of the Commission it is really the price at which the timber is sold to the mills. If this view be adopted, then surely the price charged is a very low one; compared with the charges in the Eastern States, it is much too low. The argument that the conditions are different inasmuch as in the Eastern States the markets are mainly local and that the export trade is the main outlet for this State's product, would appear to be an argument in favour of the increase in the amount charged, more especially in view of the fact that the export market, in consequence of our rapidly diminishing asset will not be available for more than 20 years. The stumbling block to the fixing of an equitable price is Millars' Timber and Trading Coy., Ltd., which, owing to its favourable position, makes it almost impossible to fix a really just price. Considerable evidence has been taken in this connection, more particularly from Bunning's, Whittaker's, the Kauri Timber Co., and Millars', the consensus of which goes to show that the basis of the new assessment of values is not equitable, in so far as one or two important

factors have been left out. Evidence was taken from the acting Conservator, Mr. S. L. Kessell, and his attention drawn to the points at issue. After consultation with the Commissioner, the following scheme of charges was submitted, the computation of which is based on distance from port and rail freight.

Then the figures are given. The Commission went on to say—

The factors that really enter into the question of price are—(1) The distance from railway siding to port of shipment or market. (2) Distance from siding to mill. (3) Distance from mill to bush landing. (4) Quality of bush. (5) Accessibility of the timber. From the foregoing it would appear that although the scale set out by the acting Conservator of Forests might be reasonably equitable, yet it is not one which fully meets the case; and it appears to the Commission that if an accurate assessment be desired, then all those factors above enumerated must be taken into consideration. It was, however, stated by the acting Conservator in evidence that the factors set forth above, which are in addition to those taken into consideration in his scale of suggested royalties, would not need to be considered in all cases. When occasion arose, a special assessment would have to be made.

I trust the desire of the Forests Department will always be to get a fair price for our timber. They must take into consideration all the aspects of the case as shown by the careful thought given to the matter by the Commission, of which the member for Forest (Mr. O'Loughlen) was so keen an adviser. I am not going to deal with the question of sandalwood now, for an opportunity of debating that subject will be given to us later. I believe that the recommendation of the Royal Commission has been of value to the Minister in this direction. I want to impress upon members the vital value of our forests, not only to us but to posterity. I want them to recognise our obligation to posterity, and wish them not to live in an atmosphere of utter selfishness, or to live only for the moment.

The Minister for Mines: Do you suggest that is the attitude of the Government?

Mr. PICKERING: The attitude of Ministers responsible for the forestry of the State has been one of absolute selfishness in the past. Our timber has been sacrificed for the immediate present. We have had our forests denuded; nothing can disprove that. Our position is a serious one. I hope the Minister will give some heed to the recommendations of the Royal Commission, which did not consider itself in an honest endeavour to place the position as it is before the Legislative Assembly.

On motion by Minister for Mines, debate adjourned.

# MOTION—WOOROLOO SANATORIUM, REDUCED RAILWAY FARES.

Mr. CUNNINGHAM (Kalgoorlie) [9.17]:  
I move—

*That in the opinion of this House, it is desirable that the Commissioner of Railways should grant reduced fares to the relatives and friends of inmates of the Wooroloo Sanatorium when travelling by railway to visit them.*

I do not anticipate any opposition to the motion. I know that a reduction in fares has been made for the friends and relatives of inmates of the Wooroloo Sanatorium, when travelling between Perth and Wooroloo. It is my desire, however, to bring under the notice of the Minister and the House that there are inmates of the Sanatorium who have relatives living in outback mining centres. Those who have no relatives, however, have friends there. It is very hard under present conditions for such people to travel long distances at considerable expense in order to see their friends in the Sanatorium. During Christmas time concession fares are allowed for people travelling between Leonora and Albany. They are also allowed from every mining centre in the State, as well as from every agricultural centre. These are known as excursion fares. I want the friends of the inmates of the Wooroloo Sanatorium to be given the same consideration.

Mr. Mann: Do relatives get concessions?

Mr. CUNNINGHAM: Only when travelling between Perth and Wooroloo. Many people are anxious to visit their friends in the Wooroloo Sanatorium, but the cost of getting there is generally too great.

Mr. Mann: People could claim that they were going to Wooroloo, but proceed to go to Perth.

Mr. CUNNINGHAM: The Commissioner of Railways could give the reduced fares under certain conditions, or the inmates of the Sanatorium could nominate their relations or friends whom they desired to visit them. I have had several distressing cases brought under my notice wherein the wives of men in the Sanatorium were unable to find the necessary money to visit their husbands once in six months.

Mr. Marshall: They should be brought down free.

Mr. CUNNINGHAM: That state of affairs should not be permitted to continue. Fares should be reduced to cover the indigent cases I have mentioned, as well as to provide for those other people who are doing such good work on behalf of the sanatorium. Several organisations are collecting money, and their members are even paying out of their own pockets to assist cases of distress. I hope the motion will be carried.

The MINISTER FOR MINES (Hon. J. Scaddan—Albany) [9.23]: I am entirely in sympathy with the hon. member in his de-

sire that we should make special provision to enable relatives to visit inmates at the Sanatorium. I am not so keen on including the friends, because people very often become friendly for the purpose of getting a concession of some sort. The inmates of the Wooroloo Sanatorium are retained there for the public benefit as well as for their own. The difficulty about the matter is to find a starting off point, and to continue in such a way as to embrace everyone.

Mr. A. Thomson: Don't you think the suggestion of the hon. member, that persons should be nominated to the Commissioner of Railways, is a good one?

The MINISTER FOR MINES: I do not. Immigrants are nominated but very often become a nuisance. Persons could be nominated by request, but they might not be legitimate travellers to the Sanatorium. We have at present frequent cheap excursions from the goldfields to the coast, and we specially provide for those who are in Perth and the metropolitan area to enable them to visit their friends and relatives at the Sanatorium. I fail to see how we can get over the difficulty of persons coming from Leonora and purporting to go to Wooroloo, but after visiting the Sanatorium spending two or three weeks in Perth transacting their own business. They might receive a concession because they were going to Wooroloo, but other individuals would have to pay the ordinary fare when coming to Perth because they had no friends to see at the Sanatorium.

Mr. Cunningham: People have to pay the ordinary fare now when a relation is dying at the Wooroloo Sanatorium.

The MINISTER FOR MINES: That is a different matter. If the hon. member would suggest that in any special circumstances such as these, either upon an application made by an inmate, or on the recommendation of the doctor, a special fare should be provided, there would be no objection. In a case of that sort we ought not to let the question of a free pass stand in the way. We are continually granting concessions on the railway system, but I know not of one case in which a concession has been granted that it has not been abused in some way. In this particular instance I am sure the abuse would become great, and that out of a hundred cases probably ten only would be genuine. People could assume friendship for an inmate at the Sanatorium in order to get cheap fares to the detriment of others who would have to pay in full. We will have the question looked into, and when the Railway Estimates are before the House I will make a statement on the subject. If we can find means of enabling people to visit their relatives at the Sanatorium, under the conditions mentioned by the hon. member, at a low rate, we ought to do it.

Mr. CUNNINGHAM: With the permission of the House I desire to withdraw my motion.

Motion by leave withdrawn.

## PAPERS—GUARD SEARLE, DISMISSAL.

On motion by Mr. McCALLUM ordered—

*That all papers connected with the dismissal of Guard Searle from the Railway Department, together with the shorthand notes of evidence before the Appeal Court, be laid on the table of the House.*

## RETURN—PEEL ESTATE.

Mr. A. THOMSON (Katanning) [9.14]: move—

*That a return be laid upon the Table of the House showing—(a) The cost of the purchase of the Peel Estate; (b) The total cost of clearing and the acreage cleared to the 31st July; (c) The number of chains of drainage constructed and the cost of the work; (d) The number of miles of roads constructed and the cost; (e) The number of acres of swamp land included in the estate; (f) The area of first-class swamp land; (g) The quality of the balance; (h) The total acreage of the estate; (i) The area of swamp and sand land allotted to each settler; (j) The number of settlers at present on the estate; (k) The number of settlers which the Government estimate to settle on this estate and the average cost for each holding; (l) The number of miles of railway and tramway constructed on the estate to date and the cost of same.*

understand the Government are prepared to consider this as a formal motion, and that the Premier is willing to place before members the fullest information regarding the Peel Estate. I, therefore, move this motion formally.

The Minister for Mines: There is no objection to it.

Question put and passed.

## MOTION—RAILWAYS, PENSION RIGHTS OF J. B. CONNOLLY.

*To inquire by Select Committee.*

Mr. HUGHES (East Perth) [9.31]: I move—

*That a select committee be appointed to inquire into and report upon the pension rights under the provisions of the Superannuation Act, 1871, of John Bede Connolly, formerly clerk in the Railway Department.*

Last year I brought under the notice of the House a question involving the rights of a public servant under the Superannuation Act of 1871. The case is not an individual one, but one in which a principle is at stake, that principle being whether the Government have the right to repudiate their contract with a civil servant after he has fulfilled his part of the bargain. When a man enters the State civil service he is under an implied obligation to serve Western Australia. If at any time he is not

serving the State with efficiency, there is machinery by which he can be removed. One of the rewards of service is provided by the Superannuation Act, Section 6 of which says—

It shall be lawful for the Governor in Executive Council to grant to any person retiring or removed from the Public Service under the Colonial Government in consequence of the abolition of his office or for the purpose of facilitating improvements in the organisation of the department to which he belongs by which greater efficiency and economy can be effected such special annual allowance by way of compensation as on a full consideration of the circumstances of the case may seem to the Governor in Council to be a reasonable and just compensation for the loss of office; and if the compensation shall exceed the amount to which such person would have been entitled under the scale of superannuation prescribed by this Act if 10 years were added to the number of years which he may have actually served, such allowance shall be granted by special minute stating the special grounds for granting such allowance, which minutes shall be laid before the Legislative Council, and no such allowance shall exceed two-thirds of the salary and emoluments of the office.

Under that Act a prescribed rate of pension is due to an officer after 10 years' service. After 10 years, and not exceeding 11, he is entitled to ten-sixteenths of the average of his salary for the last three years; and so on up to 40 years. If he serves for 40 years, he is entitled to two-thirds of the average of his last three years' salary. Under the section I have quoted special consideration is extended to a man who is retired owing to abolition of his office, or for the more efficient working of the service. The Government can grant such an officer something in addition to the ordinary pension, provided the total does not exceed the pension to which he would have been entitled if he had served 10 years more.

The Minister for Works: That does not apply since 1904.

Mr. HUGHES: This case dates back prior to 1904, and the provisions of the Act apply. The measure provides, as I have indicated, for the loading of a man's service by 10 years upon abolition of office. Special reference is made to an annual allowance, no authority being given to grant a lump sum. The Act contains no provision whereby the Government can give a man lump sum compensation in place of an annual payment.

The Minister for Works: Except by agreement.

Mr. HUGHES: In this case the man did not agree. The basis of the pension arrangement is that officers who have been in the service for 25 years and have gone along feeling secure that the Government would carry out their part of the contract, shall obtain their pension rights at the termination of

their service, whether by effluxion of time or by reorganisation. If, then, after the 25 years have expired, or perhaps after 40 years have expired, a civil servant is retired, he should not be faced with a position in which, instead of the annual pension to which he is entitled, he has to take 12 months' salary or a lump sum as compensation. The contract between the civil servant and the Government is laid down in the Superannuation Act of 1871, and if such a breach of the contract is permitted, the Act may as well be torn up, because there will be no security at all for the civil servant. If the decision in the case to which my motion refers is to be allowed to stand as a precedent, it means that any civil servant may find his rights repudiated by the Government upon his retirement. I hope that those hon. members who last night spoke of men who had given lifelong service being turned out without any consideration at all, will take the same view of this case. That view is decidedly sound and decidedly just. Section 7 of the Act is important. It reads—

It shall not be lawful for the Governor in Executive Council to grant the full amount of the superannuation allowance which can be granted under this Act to any person not being the head officer or one of the head officers of a department unless upon production of a certificate signed by the head officer of the department, by two head officers if there be more than one, that he has served with diligence and fidelity to the satisfaction of such head officer or officers, and in every case in which any superannuation allowance is granted after the refusal of such certificate the Order in Council granting it shall state such refusal and the grounds on which such allowance is granted.

Before a man can be granted the full measure of his superannuation allowance, the head of the branch must furnish a certificate to the effect that the man has served with diligence and fidelity. The man is not required to be a genius, or anything very special; so long as he has served with diligence and fidelity to the satisfaction of the head of the branch, he is entitled to his pension.

The Minister for Works: That is something special in these days, is it not?

Mr. HUGHES: I do not know that serving with diligence and satisfaction is something special. The Acts regulating the civil service have always contained provision for the removal of an inefficient man. As a former Commissioner of Railways, the Minister for Works knows that. I dare say there was just as great a demand for efficiency under his regime as Commissioner of Railways, as there is under the present Commissioner.

The Minister for Works: But you are dealing with a different Act.

Mr. HUGHES: No. This Act was in force when the Minister for Works was quite a youth.

The Minister for Works: I am not so old as I thought.

Mr. HUGHES: The Minister is just as old as he feels, quite a giddy young thing. "Diligence" I presume means attending to what the officer is told to attend to. Of "fidelity" I shall not attempt a definition. Further, the Act authorises the Government to grant a civil servant a superannuation allowance even in the absence of the certificate referred to. The reason is that if he had not served with diligence and fidelity to the satisfaction of the head, he had at least given some service to the State, and was entitled to some consideration. Another important feature is that a man may have been 25 years in the service, serving under various permanent heads—

The Minister for Works: He ought to be a decent fellow if he has stayed that length of time.

Mr. HUGHES: Yes; it ought to be conclusive proof that he had been giving efficient service.

The Minister for Works: I would not say that.

Mr. HUGHES: If it was not proof of that the fact of his remaining in the service so long would not be a good recommendation for the permanent heads.

Mr. Corboy: This man was there while the Minister for Works was there.

Mr. HUGHES: Yes. That alone ought to be conclusive proof.

The Minister for Works: Try the other leg now. But he would not have stopped 25 years with me unless he was something good.

Mr. HUGHES: In the past there must have been a lot of curry-combing higher up as well, because a lot of people in prominent positions in the Railway Department did not stay.

Mr. Corboy: Some got better jobs.

Mr. HUGHES: This is one of the important features of the case. A man may go along in the Public Service for 20 years under the successive permanent heads. Then there comes a new permanent head, a man full of modern ideas, who is going to revolutionise things and turn the old crusted sealing-wax methods into business methods. I have frequently seen it stated in the Press that our public administration must be carried out by business men. The country got the administration of business men during the war, and it proved worse than the administration of old-fashioned civil servants. The new permanent head, in the case I am supposing, might have only 12 months in which to judge a civil servant of 25 years' service. That civil servant might slip back during that particular 12 months, and for that reason the new head might refuse the certificate, not on the basis of 25 years' service, but on the basis of one year's service. The Act safeguards that position by saying that in the absence of such a certificate the man shall be entitled to some consideration.

The Colonial Secretary: But 12 months is a fair time in which to form an opinion.

Mr. HUGHES: Not for a man with 25 years' service, who may be slipping back owing to failing vigour in the last 12 months.

The Minister for Works: How does that argument apply to this case?

Mr. HUGHES: It applies to the principle involved. The verdict is given merely on the last round, and it does not matter if the man won 19 rounds. If he gets the worst of the twentieth round, the decision is given against him.

The Colonial Secretary: That is the case in the ring.

Mr. HUGHES: It is not; and if the hon. member got into the ring he would know it was not so. He would have to win the majority of the points for the whole journey. If he won only the last round, he would not get the decision.

Mr. Corboy: Unless he scored a knock-out.

The Minister for Works: The king-hit!

Mr. HUGHES: Yes, but if he gets the knock-out he will not be concerned about the decision. It is unjust that a man should be judged at the close of the period of his service for the whole term of his employment by the Government. That is the principle at stake. I am not so much concerned about the individual in this case as I am about the principle, because the individual is doing just as well outside the service as he did in it. This man was so inefficient that, although past middle age, he was able to go out and adapt himself to new circumstance and make good!

The Minister for Works: Hear, hear! That is the way.

Mr. HUGHES: Perhaps some officers holding the necessary certificate of qualification could not do even that much! It is proof, however, of this man's capabilities. The case I refer to is that of Mr. J. B. Connolly, who was a clerk in the record branch of the Railway Department. He had 25 years' service to his credit and had graduated through the various positions from a cadet. As one having some knowledge, I can say there is nothing that will destroy a man's initiative and encourage him to stagnate more than record work.

The Minister for Works: Hear, hear! I agree with you. It is almost as bad as making files.

Mr. HUGHES: The Minister has had some experience of records, too.

Mr. McCallum: What are you inferring?

Mr. HUGHES: Record work is principally a question of minuting a document on to someone else and putting a record on the "tickler" so that he may see that the document is returned within a certain time. It is purely mechanical work. It does not call for the exercise of initiative, but it is important because a man must be so methodical. He must be careful to see that no step in his records is omitted; if he does not do

that, he will get into difficulties with his files, especially in a big department like the railways.

The Minister for Works: When was this man put out?

Mr. HUGHES: Last year.

The Minister for Works: Then he is not one of my boys.

Mr. HUGHES: He is. He graduated under you.

The Minister for Works: He must have fallen from grace.

Mr. HUGHES: If Connolly did not get a good grounding, that was his misfortune! Record work requires a plodder; the brilliant man who wants to do things and shift things and wishes to exercise his initiative, will never be a success as a record clerk. It requires a good deal of patience and method. A brilliant man would not have the patience to go to pigeon holes and delve among documents years old, file a paper and then put the bundle back in a methodical way. For a number of years continuously, Connolly was at this work. No opportunity was afforded him by the department to qualify for another branch, nor was he transferred in order to keep up his efficiency. He was kept in the same groove, but he became a specialist in his particular class of work. This fact is borne out by the following letter addressed to the Commissioner of Railways on the 12th July, 1915, by Mr. Lord, the Chief Traffic Manager:—

When Mr. Jones was transferred to Fre-mantle goods as clerk in charge, vice Mr. Ferrier deceased, Mr. Larkin, clerk in charge of my record office, took Mr. Jones's place in the statistical branch of my transportation office, and Mr. Connolly was then placed in charge of the record room. I notified Mr. Connolly at the time that if he gave satisfaction after a reasonable time I would be prepared to consider his claims for the position. He has been in charge of the office since September, 1914, and has conducted the work efficiently and economically. He has one cadet less than Mr. Larkin had, and no extra hand was appointed when Mr. Larkin left the office, so that there has been the saving of Mr. Larkin's salary at £220 per annum and a cadet at £60 per annum, or £280 per annum in all, although the volume of work remains much the same. Mr. Connolly is an expert in record work—having spent the whole of his service in it—and although there are a number of clerks senior to him in the classification receiving £200 per annum, they would not be able to fill the position so well, and I could not recommend any of them in preference to Mr. Connolly for this particular class of work. I recommend his appointment as clerk in charge of my record room at a salary of £210 per annum as from 1/7/1915.

In the civil service, when a permanent head takes the responsibility of recommending the promotion of a junior over the heads of seniors, he must be pre-

pared to stand an appeal, and have good grounds as justification for his action. The Chief Traffic Manager considered Connolly so efficient that he recommended his promotion over the heads of senior officers. That is conclusive proof that up to 1915 at least Connolly was considered an efficient and capable officer. From 1915 onwards he was never charged with incompetence. He continued to be recognised as a competent officer until on the 15th July, 1922, he received the following communication from the Chief Traffic Manager, Mr. Lord—

Owing to the depression in trade and the consequent necessity for retrenchment, there is now no position where you could be suitably placed, and it has become necessary to dispense with your services. You are hereby notified that your services with this department will terminate as from the 17th August, 1922, and you are to relinquish duty on that date. Approval has been given to your being granted a retiring allowance equivalent to 12 months' pay.

Connolly was retired as an excess officer. He was not charged with being inefficient, nor was his standard of ability brought into question. He was retired as an excess officer and against that there is no defence. No member of the House would contend that any man retired because there was no work for him, should be kept in the Public Service. I would not do so for one moment. I would go further, for I believe a lot of useless work that is done to-day should be cut out and the officers concerned retired. Under the Superannuation Act, Connolly had certain rights when he was retired as an excess officer. Nowhere is it provided in that Act that a man may be paid off with a lump sum as compensation. It provides for a special annual allowance or an annual allowance. Mr. Connolly accepted the compensation without prejudice, reserving the right to prosecute his claim for justice. No one thought for a moment there would be any difficulty placed in the way of getting his rights under the Superannuation Act. For some unknown reason, however, the Commissioner of Railways refused to give Connolly the necessary certificate that he had served with diligence and fidelity. The industrial organisation to which Connolly belonged naturally took up his case, because they could see in addition to the injustice to the individual, the abrogation of a principle vital to public servants generally. When the Commissioner was pressed for the reason why he would not give the certificate to Connolly, he fell back on the plea that Connolly was incompetent.

Mr. Mann: Then he should have been charged with it.

Mr. HUGHES: That is so. Both the Railway Act and the Public Service Act prescribe that an officer in that position shall be charged, and he shall have the right of appeal to the board constituted for that purpose. The decisions of that board are binding. If that course had been followed

and Connolly had failed to convince the board, the matter would not have been pursued further. In that case Connolly would have been dismissed without receiving a penny; he would not have been entitled to the £270 which he received. Being retired as an excess officer, however, he had no right of appeal. He had not chance to justify himself. Unfortunately there is no appeal to the law under the Superannuation Act, regarding pension rights. The Governor-in-Council is the final court of appeal, and no matter what injustice an officer may suffer, he cannot avail himself of the law courts. If that were not so, I would not ask for the appointment of a select committee. I would say to Connolly and to the union concerned: "Go to the law courts and get your remedy." A provision which would enable Connolly to adopt that course has been specifically excluded from the Act. The union waited on the Commissioner of Railways and asked him why he would not issue a certificate to Connolly, and the Commissioner made the astonishing statement that the man had served with diligence and fidelity. That being the case, Connolly was not required to satisfy anyone else. Although the Commissioner made that statement, which appears in the shorthand notes of the Commissioner's report, he would not issue the certificate. If the Commissioner had put in writing what he was prepared to say to a deputation, this man would have received his pension. There must be something radically wrong when the Commissioner is prepared to make a statement, yet refuses to commit it to paper. While that sort of thing can go on there can be no responsible administration in the Public Service. It takes the ground from under the feet of those putting up Connolly's claim when the Commissioner says he is satisfied that Connolly served with diligence and efficiency. Still he will not put that on paper.

The Minister for Mines: I do not think that statement is quite correct.

Mr. HUGHES: The Minister said that last session, but did not prove it. The member for Geraldton (Mr. Willcock) went outside and brought in the shorthand notes of the report. The Minister for Works was quite surprised when he heard the statement that Connolly had served with diligence and fidelity.

Mr. Mann: You say that is in the official shorthand notes. Has the point been tested as to whether, therefore, it is not in writing?

Mr. HUGHES: I think it would be stretching a point to go to the court and say, "Here is the certificate."

Mr. Corboy: It is not a certificate.

Mr. Mann: Has the point been raised?

Mr. HUGHES: I do not suggest that the point should be tested. It would create a precedent if it were held that a statement could be taken as a certificate. I think the law would hold that a certificate was a document signed by the Commissioner. Before being retired, Connolly was trans-

ferred to another branch of the service. Despite the standard of efficiency in the Public Service many years ago, a new practice is growing up of making all officers qualify.

Mr. Mann: You are not now confusing the railway service with the Public Service, are you?

Mr. HUGHES: No. The hon. member will know that in the police force of recent years examinations have been set for promotion. Efficient officers of many years' standing would find it difficult to pass those examinations. The same practice is growing up in the railway service. Examinations in practical work are prescribed. If men already occupying responsible positions were asked to pass those examinations, many of them, although sound practical men of 20 or 30 years' experience, would find difficulty in doing so. Connolly was put into the audit branch for a few months, and given a test. To be a successful auditor one requires great power of concentration. Auditing is a particularly monotonous occupation, for which one requires to be trained from youth. Anyone with experience of the work will realise that to take a man 40 years of age, who has spent 25 years in the record branch, and ask him to qualify as an auditor in a couple of months, is to demand the impossible. There are in other branches plenty of efficient men who could not qualify as auditors. That is the contention under which the Commissioner is now casting aspersions on Connolly's efficiency. In view of the fact that there is some doubt, first of all as to whether this officer has had justice, and whether the provisions of the Superannuation Act have been complied with, I hold that a proper investigation should be made. Therefore, without further detaining the House, I move my motion, hoping that the Minister for Railways will not adjourn the debate, but will have it settled to-night. He has had seven or eight months in which to consider it, and he is au fait with the facts.

The Minister for Railways: No, I'm not. Lord deliver us! do you think that is all I have to do?

Mr. HUGHES: What else have you to do?

The Minister for Railways: For one thing, I have to keep one eye on you. That keeps me fairly busy.

Mr. Corboy: And you have to keep the other on Plantagenet.

Mr. HUGHES: The Minister has had seven or eight months to go into the case, and he knew I was going to move the motion. Therefore I hope he will not delay the thing by asking for an adjournment. It does not matter how much time he may or may not have, for he has no case in answer to the motion.

Mr. JOHNSTON (Williams-Narrogin) [10.8]: I wish to say a few words in support of the motion. This question was debated in the House last session, and the member for East Perth has reviewed the facts at length

to-night, so I do not propose to repeat them. It appears to me Connolly has been treated very harshly. I do not know him at all, but I know there is among the railway officers a strong feeling that an injustice has been done to this man. It is feared, too, that this case may be treated as a precedent and that many officials of the Railway Department may be adversely affected by the decision arrived at. Many public servants spend their whole lives working for the Government at low salaries, considerably less than they would earn outside, because of the rights and privileges they are building up for their own protection in old age, and for the protection of their wives and families. I know the Minister does not believe in repudiation, and that it is not the wish of members that any rights a public servant has honestly earned should be taken away from him without the fullest possible reason. It seems to me almost incredible, yet we had it certified by members of the House last session, that the Commissioner should have made the statement that Connolly had served faithfully and diligently, notwithstanding which the Commissioner refused to issue a certificate to that effect. My own experience of the Commissioner is that his word is his bond and his bond his word. I believe that if he made that statement he would be quite prepared to confirm it in writing. At any rate, that is the ex parte statement given to us. In my opinion the member for East Perth has made out a strong case for investigation, and I hope the Government will agree to the appointment of a select committee.

On motion by the Minister for Railways, debate adjourned.

*House adjourned at 10.10 p.m.*

## Legislative Council,

*Thursday, 13th September, 1923.*

	Page
Questions: Taxes not collected ... ..	698
Inspection of Machinery Department ... ..	698
Electrical Installation, Belmont ... ..	698
Opticians Bill ... ..	698
Grass Patch Township ... ..	698
Return: Esperance Northwards Railway, Land Resumption ... ..	698
Bills: Registration of Deeds Amendment, 3rd ... ..	698
Amendments Incorporation, 3rd ... ..	698
Pinjarra-Dwarda Railway Extension Act Amendment, 2nd, Select Com. appointed	698
Adjournment: Special ... ..	700

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