

selves. The taxpayers of this country are not asked to put up any money.

Mr. McCallum: Yes, they are; £2 for every £1 of the farmer.

The PREMIER: The hon. member may think the passing of the Bill will reduce the work on the wharves.

Mr. McCallum: I do not think anything of the sort.

Mr. Troy: The hon. member would be very foolish to think so, seeing that the work would still have to be done somewhere else.

The PREMIER: Notwithstanding bulk handling facilities, wheat will no doubt continue to be sent away in bags, which will become very much cheaper than they are now. There is no obligation on any farmer to send his wheat through the elevator company; he can always send it away in bags, if he likes. The period of 25 years is not a long one in view of the expenditure involved. When a farmer delivers his wheat to the elevator company he gets a storage docket, which he sells himself at his own time. If the elevator company offered less for the wheat than could be obtained from some outside purchaser, they would not secure the wheat. I hope the Committee will consider very seriously before agreeing to the amendment.

Hon. W. C. Angwin: The Federal measure does not give a period of 25 years.

The PREMIER: I do not know what that measure gives, but I know that the Federal Government are making an advance to the farmers of this State, which advance the farmers will have to repay.

Mr. Munsie: Suppose the farmers did not meet their obligation, would not this State have to pay?

The PREMIER: No. We should not hesitate to encourage co-operation, and to encourage the farmers to handle their own wheat.

Progress reported.

House adjourned at 10.44 p.m.

Legislative Council.

Wednesday, 19th October, 1921.

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

QUESTION—STATE'S FINANCES, ADVISORY COMMITTEE.

Hon. J. W. KIRWAN asked the Minister for Education: Whether the Government will follow the example of the Imperial Government and appoint a committee of financial and business men to advise on financial matters, especially as to the best means for checking the drift?

The MINISTER FOR EDUCATION replied: The Government are giving serious and continuous consideration to the financial position, and will continue to take all steps necessary for its betterment.

FEDERATION AND THE STATE.

Select Committee—Publication of Proceedings.

Hon. J. W. KIRWAN (South) [4.33]: I move—

That the Standing Orders having reference to the publication of the proceedings of a Select Committee be suspended so far as to permit the Select Committee appointed to prepare for the Federal Convention to exercise its discretion in admitting the Press to its meetings.

In moving in this direction, I do so at the request of the committee appointed by this House to inquire into the financial relations between the State and the Commonwealth. A similar motion has been passed by another place.

Question put and passed.

BILL—SUPPLY (No. 3), £1,047,000.

Second Reading.

The MINISTER FOR EDUCATION (Hon. H. P. Colebatch—East) [4.36] in moving the second reading said: This is the usual Supply Bill introduced to enable the Government to carry on the affairs of the country during the time the Estimates of Revenue and Expenditure are under discussion by Parliament. As members are aware, the Estimates were introduced a week or two back and they are now under discussion.

The Bill provides supply for two months. I move—

That the Bill be now read a second time.

Hon. J. J. HOLMES (North) [4.37]: I must raise my emphatic protest against the manner in which the financial affairs of Western Australia are administered by the present Government, if, indeed, they are administering them at all.

Hon. A. Sanderson: Hear, hear!

Hon. J. J. HOLMES: We must remember that during the last Parliament, we extended the life of another place in order that the general elections might take place at a more convenient time, and in order that Parliament might meet immediately after the end of the financial year ending 30th June. This would enable the Government to have their Estimates prepared, so that they might be dealt with by Parliament at the commencement of the year, and not when half the money had been expended and only half the financial year remained. What has been the result of that additional six months' life in another place? We find that we are back in practically the same old position. Certainly we have had the Budget delivered a little earlier.

Hon. F. A. Baglin: You supported the candidates of the Government at the general election.

Hon. J. J. HOLMES: I do not know whether I did.

Hon. F. A. Baglin: You supported Mrs. Cowan.

Hon. J. J. HOLMES: I have been given the credit of defeating the late Attorney General.

Hon. F. A. Baglin: You supported the Government's candidates, anyhow.

Hon. J. J. HOLMES: In any case, I cannot answer interjections and deal with figures at the same time. Before I have finished, I will tell the hon. member and the country some facts that will be of interest. Certainly, the Budget was delivered about a fortnight earlier than is customary. Last evening, prior to the adjournment, the Leader of the House notified that it was proposed to take 10 days' holiday and members were invited to participate in a tour of the South-West. That party, I understand, is to be led by the Leader of the House. The Minister for Industries is off to the Straits Settlements at the special invitation of the Straits Settlements Government. I do not know if we have seen that invitation. The Premier has to go to the Premiers' Conference and the Minister for Agriculture has to attend a wheat pool conference. To-day we have the statement by the Leader of the House, in reply to Mr. Kirwan, that the finances of the State are receiving the usual careful attention. It is true that the Colonial Secretary (Mr. Brown) will be left behind to attend to the affairs of the country and the finances generally during the absence of these Ministers I have referred to. While all these picnics are

going on, and trips north, south, east and west are taken, the deficit is accumulating day by day. It is accumulating, if the figures given by the Treasury may be taken as correct, at the rate of £2,000 a day. Interest on the accumulated deficit as at the 30th June, 1920, is approximately £1,000 a day. Despite these facts, we have picnics and jaunts going ahead merrily. There is only one explanation that I can offer as to the attitude of Ministers in connection with the affairs of the State. I suggest that they see that these things cannot go on too long but must come to an end, and it is a question of "eat, drink and be merry, for to-morrow we die." So far as Ministers are concerned, I repeat now, as I have stated previously, I have no feeling against them personally, but I claim they should be politically dead. The sooner the political undertaker calls, the better it will be for this country. The explanation offered by the Premier regarding this drift is that the affairs of the country are controlled by Arbitration Courts, appeal boards and commissions. That statement appears in the Budget Speech. If that is the position of affairs, whose duty is it to remedy it? What are responsible Ministers for? If they find the affairs of the country are passing, or have passed, out of their hands, surely it is the duty of the Government to bring forward a recommendation and present legislation to Parliament to rectify the position. If it is correct that the affairs of the country are in the hands of arbitration courts, commissions, appeal boards and so on, it is not so without the knowledge of the present Ministry because even last session, when we had a special Bill dealing with the Civil Service and creating a Civil Service Appeal Board, it was pointed out in this Chamber that all that was left regarding the Civil Service was for the irresponsible board to fix the rate of pay and all Parliament had to do was to find the money. Another point was raised in this Chamber last session regarding the Factories and Shops Act. Provision was made under that Act that when an arbitration award became a common rule, it superseded the Act of Parliament. I pointed out on that occasion that courts were constituted to administer Acts that Parliament agreed to and to administer the Acts as they found them. Under that measure we placed the Arbitration Court in a position to override legislation passed by this Chamber and by another place. Then we have another astounding proposal immediately following the statement of the Premier that the affairs of the country have passed into other hands, that it was proposed to appoint a standing parliamentary committee to deal with problems affecting the State. That surely is another board in another connection. Then we have this further astounding statement, that the Premier has undoubtedly

confidence in the Commissioner of Railways, but, he added, the position of affairs in that department has reached a stage when a board should be appointed to inquire into the working of the railways and other public utilities. The two things are contradictory. One is that the affairs of the State have passed out of the hands of the Government and the other is a proposal that the Government shall continue to pass them out and shelve their own responsibility. It appears that any old board or any old suggestion is good enough in order to pass the responsibility on to someone else and permit Ministers to evade their responsibility. I become more strongly convinced day by day that the functions of the Government are to govern. They have to control and care for the health, education and welfare of the people and the protection of life and property, and they should leave other matters for private enterprise and men who understand business to take in hand. Some people say I am pessimistic. I want to make it clear that I now think more of the possibilities of this State than I ever thought of them before. The more I see of this country, the more I think of it. But I do not care how good a country or a business might be if we have—I was going to say rotten management—if we have bad management, then there can be only one result; the country or the business must land on the rocks. While I have every faith in this country I have no faith in the administration of to-day, due to the fact that we have this continual drift day after day, and no attempt to meet it.

Hon. F. A. Baglin: Why do you not help them to rectify it?

Hon. J. J. HOLMES: I have figures compiled from the official records. The figures put up by the Treasurer I would defy any man of ordinary intelligence to understand. I have already drawn attention to one glaring error which was made in connection with the State trading concerns. It has never been corrected and it has left a wrong impression on the public mind. These figures I have put up in a manner which I think will be understood by the House and by the public if the Press choose to publish them. They go back from the 30th June, 1921, for a period of five years. I have selected this period for two reasons: it goes back to about the time when we separated the trading concerns from other affairs of State, and the present Leader of the House assumed office about that time. We have had several Governments since then, but the Leader of the House, like Tennyson's "Brook," goes on for ever.

The PRESIDENT: I think the hon. member is scarcely in order. I have not prevented him from discussing the Budget, because the Budget is so much of a public document that it can scarcely be regarded as the debates of another place for the present session. With regard to his remarks concerning the Leader of the House, I do not think

the hon. member is quite in order. The hon. member may proceed.

Hon. J. J. HOLMES: The figures are a public document.

The PRESIDENT: But the hon. member has not come to the figures. He will be quite in order in quoting them.

Hon. J. J. HOLMES: One has to chase around and get information as best he can, and the difficulty is that anyone able to analyse ordinary business accounts and arrive at correct results, cannot analyse the figures put up by the Government departments. This is due to the system, which is entirely different from the system adopted by an ordinary trader. The figures I am about to quote are compiled from information available from the respective departments, and if I err at all, it will be due to the fact that, though I am accustomed to analysing commercial accounts, I am not accustomed to analysing public accounts. If I am not as clear as I should be, the House can put it down to my incapacity to deal with accounts of this description. During the year 1916-17 the revenue was £4,577,007. In the following year it was £4,622,563, an increase over the previous 12 months of £45,556. In 1918-19 the revenue was £4,944,851, an increase over the 1916-17 period of £367,844. In 1919-20 the revenue was £5,863,501, an increase over the year 1916-17 of £1,286,494. In the year ended the 30th June, 1921, the revenue was £6,789,563, an increase over the year 1916-17 of £2,212,556. During these four years we have collected revenue, over and above the revenue during the year ended the 30th June, 1917, totalling £3,912,450. During the same period of four years the deficit has grown from £2,060,722 to £4,773,430. This means an increased deficit of £2,712,708, despite the fact that during that period we extracted from the people of this State additional revenue amounting to £3,912,450, or an average yearly increase of £980,000. The revenue for the year ended 30th June, 1917, was, as I have stated £4,577,007. The deficit for the same year was £699,757. The revenue for the year 1920-21 was £6,789,563 and the deficit for the same year was £688,725. The expenditure during those years has grown to the following alarming extent: In the year 1916-17 the expenditure was £3,276,764; 1917-18, £5,328,279, an increase over the previous year of £51,515. The expenditure for the year 1918-19 was £5,596,866, an increase over the year 1917-18 of £268,587. To that date things were not too bad, but the expenditure to the 30th June, 1920, amounted to £6,531,725, an increase over that of the previous year of £934,859. The expenditure for the year ended 30th June last was £7,476,291, an increase over the year 1919-20 of £944,566. During those four years the total increase in expenditure was £2,199,527. In other words, during the year 1920-21 we spent £2,199,527 more than we spent during the year 1916-17. The net result is that the Treasurer received £2,212,565 more revenue

during the year ended the 30th June, 1921, than during the year ended the 30th June, 1916, and finished with a deficit of £686,725. The estimated revenue for the year 1921-22 is £7,050,910 which will be an increase over the actual revenue for the previous year of £261,347. If the estimated revenue is realised during the current year, it will exceed the actual revenue for 1916-17 by £2,473,903. Although we shall have all this additional revenue—approximately $2\frac{1}{2}$ millions more than in 1916-17—the estimated deficit for the present financial year is £571,728 or approximately £2,000 a day.

The Minister for Education: That is rather a loose calculation, is it not?

Hon. J. J. HOLMES: In round figures, that is what it amounts to.

The Minister for Education: It would be £1,600 a day, not £2,000.

Hon. J. J. HOLMES: We do not quarrel with the Minister when we hear him talking in millions. If the Minister were satisfied to look after the pence and let the pounds look after themselves, I am afraid he would never earn the salary the country pays him. During the period to which I have referred, our population has increased from 309,000 to 332,000, a difference of only 23,000. The gross public debt at the 30th June last was approximately 50 millions, but the State public debt which this represents does not include our proportion of the Federal debt of 400 million pounds, which on a per capita basis would be approximately 25 millions. So far as I can judge, the 50 million pounds State debt has been invested as follows: In public utilities 28 million pounds, in trading concerns two million pounds, making a total of 30 million pounds. From the information disclosed by the Leader of the House the other day, the amount invested in State trading concerns would be a little more than two million pounds. The House will remember that an amount of £160,000 was spent on the "Kangaroo," about which amount no one knew anything. However, there are two millions in the State trading concerns, which gives a total of 30 millions. An analysis of the Treasury returns and of the Premier's Budget Speech shows that another nine millions are earning interest, or should earn interest in the future. That brings us to 39 millions. There is a deficit of five millions, representing loan money used to adjust revenue accounts, and consequently not interest-producing. That brings us to 44 millions. So far as can be gathered from the returns, the balance of six millions is invested in non-productive works. I am not too clear as to whether the two millions borrowed since the 30th June last on Treasury bills is to be added to the 50 millions or not. It seems to me the amount should be so added. Now, on the 28 millions invested in public utilities the loss last year was £715,000. As regards the two millions invested in State trading concerns, from the figures at my command I judge that the loss

is approximately £200,000. The Minister for Education shakes his head. If I am wrong, it is not my fault. We have asked for the State trading concerns balance sheets, and we cannot get them. If the Minister knows the exact loss on those concerns, it is his duty to give the information to the House. In railways we have approximately 18 millions of money invested, and in the Railway Department last year we expended £237,000 more than was estimated in order to earn £36,000 less revenue than was estimated. The Commissioner's report is on the Table of the House. It sets out that the average number of persons employed in 1921 was 8,213 as against 7,689 in 1920—an increase in 1921 over 1920 of 524 persons. For the year ended on the 30th June, 1920, the train mileage was 4,851,446, and for the year ended on the 30th June, 1921, the mileage was 4,918,113, showing an increase in mileage of 66,667. Then we come to the astounding fact that the passengers carried in 1920 numbered 18,411,231, while in 1921 they numbered 17,732,571, showing a decrease for the latter year of 678,660 passengers. It would appear, therefore, that in the Railway Department we had 524 persons additional on the staff to deal with three-quarters of a million fewer passengers, as well as with decreased tonnage. The total tonnage carried by the Railway Department in 1920 was 3,071,936, while the corresponding figure for 1921 is 3,015,704—showing a decrease of 56,232 tons. Now I come to the Treasurer's banking account, which shows the position of the State trading concerns as at the 30th June, 1921. I find that the Treasury debited the brickworks for that year with £21,922, and credited the works with £22,110; debited the ferries with £10,335 and credited them with £13,060; debited the hotels with £62,616 and credited them with £67,797; debited the implement works with £248,373 and credited them with £171,864; debited the quarries with £12,045 and credited them with £10,711; debited the sawmills with £753,945 and credited them with £712,279; debited the State Steamship Service with £392,658 and credited them with £275,943; debited the Wyndham Meat Works with £676,417 and credited them with £375,244. The net result is that for the year ended on the 30th June, 1921, the Treasury raised debits against the State trading concerns totalling £2,178,311, and all the Treasury got back from those concerns was £1,649,008. Thus the Treasury debit balance at the 30th June, 1921, against the State trading concerns was £529,303; this after allowing for their credit balance of £9,060. Included in that debit balance is an amount of £187,342 paid out of Consolidated Revenue on account of departmental charges. Whether we have put the amount into obsolete machinery at the State Implement Works, or into scantlings at the State Sawmills, or into meat at Wyndham, I do not know. But, so far as my information goes, while we do not appear to have embarked upon any new trading concern during

the year, the State trading concerns show a debit balance for the year of £529,303. And yet the Premier says those trading concerns paid £187,342 into Consolidated Revenue. They did nothing of the kind. The sum mentioned as revenue really represents departmental charges paid by the Treasury on account of the State trading concerns. How the Treasurer of this country could make such a mistake I do not know, but he has made it—unknowingly, I admit. I think it is due to the country that the Treasurer should explain exactly what the position is. The loss on the State trading concerns for the year is approximately £200,000, of which £136,000 was lost on the Wyndham Meat Works, without any allowance being made for depreciation. Now, here is a curious position which has arisen. We are expected to believe that all our deficit is due to the ever increasing contributions to the sinking fund. But on examining the figures I am astounded to find what the position really is. For the year ended 30th June, 1917, our contribution to sinking fund was £280,883; for the year ended 30th June, 1918, £306,782; for the year ended 30th June, 1919, £319,101; for the year ended 30th June, 1920, £319,692; and for the year ended 30th June, 1921, £342,277. At the bottom of the schedule supplied by the Treasurer there is a note saying that for the year 1920-21 the State trading concerns contributed £21,375 to sinking fund. I do not know whether it is so, but this seems to be the first contribution to sinking fund made by the State trading concerns. They have been established for years, but it would appear that this is their first contribution to sinking fund.

The Minister for Education: Are you sure there was not a similar note last year?

Hon. J. J. HOLMES: I cannot say. The fact remains that the contributions to sinking fund for 1918-19 and 1919-20 are practically the same, and that in the following year, 1920-21, an increase is shown of about £21,000. When I come to notice the State's indebtedness on loan account, I find that between the 30th June, 1916, and the 31st December, 1920—I take that date because I cannot get later figures—our indebtedness totalled £9,146,364, made up as follows:—Treasury bills, £6,463,531; debentures, £1,404,508; and inscribed stock, £1,268,325. The net result is that whilst during that period our loan indebtedness has increased by £9,146,364, sinking fund was paid only on debentures and inscribed stock, the contributions totalling £2,672,833, whilst no sinking fund has been paid on the Treasury bills which represent £6,463,531. Hon. members can see what has been done. If we borrow on inscribed stock, we must pay sinking fund; but if we borrow on Treasury bills, there is no sinking fund to pay—somebody else is left to meet the obligation. Here is another important fact which results from that method of borrowing: while our loan indebtedness amounts to 50 millions sterling, we are providing sinking fund on only

£27,000,000 of it. For the other £15,000,000 no sinking fund whatever is provided. In view of these facts, disclosed by the published figures, I do not think it is quite fair on the part of Ministers to tell the country that the deficit is due to the sinking fund.

The Minister for Education: Who ever said anything of the kind?

Hon. J. J. HOLMES: It has been said in season and out of season. When there was a Bill before Parliament for the purpose of evading our responsibility in that respect, the cry was, "That awful sinking fund! It is knocking everybody out." But now we find that provision of sinking fund has been obviated by a process of borrowing on Treasury bills. I have analysed the contributions to the sinking fund. To the 30th June, 1917, the contribution was £280,883. To the 30th June, 1918, it was £306,781, an increase over the preceding year of only £25,899. That was all that was paid into sinking fund that year, notwithstanding that we were getting enormous additional revenue running into hundreds of thousands of pounds. For the year ended 30th June, 1919, we paid into sinking fund £319,101 or only £12,330 more than we paid in during the previous year. For the year ended 30th June, 1920, we paid in £319,692 or only £591 more than was paid in during the previous year. For the year ended 30th June, 1921, we paid in £342,278 or only £22,585 more than in the previous year. And that, as against the increase of £591 paid in 1920, would appear to be the first contribution made on account of the State Trading Concerns. Whereas last year we collected approximately £2,212,000 more revenue than was collected five years ago, the increased payment into sinking fund as against five years ago was only £61,395. These are the latest figures available. During the year ended 30th June, 1917, we collected and expended approximately £15 per head of the population; whereas during last year we collected and expended approximately £20 per head of the population. In other words, every man, woman, and child in the State paid into the Treasury last year £5 more than was paid in during 1917. And, whereas between 1917 and last year our revenue and expenditure increased by about two and a half million pounds, our population increased by only 23,000 persons. I will vote against the second reading.

Hon. J. W. KIRWAN (South) [5.20]. During the Address-in-reply debate I suggested that the Government should seek the advice of certain business people and financial people of the State. I recognised how difficult the financial position was, and I thought that at any rate no harm could be done, while probably some good suggestions would be made by an outside committee, if my plan were acted upon. I gave reasons why I thought my suggestion was worthy of consideration. The Leader of the House, in his reply to the debate, made no mention of my suggestion. In conse-

quence of his having ignored it, I asked him to-day whether or not the Government would follow the example of the Imperial Government and appoint a committee of financial and business men to advise on all finance matters, especially as to the best means for checking the drift. The answer given by the Minister I can only characterise as being extremely flippant. It was just such an answer as one would expect from the attitude of the Government on financial matters. They do not seem to realise that the estimated deficit for this year—if we can accept the estimate as correct—is £570,000, that in other words we will this year spend £570,000 more than we shall receive, and that at the end of the year the accumulated deficit will be approximately £5,300,000. The Government seem to be unaware of the gravity of the position. The reply which, through the Leader of the House, they gave to-day is suggestive of their general attitude. It recalls Nero fiddling while Rome burnt. In my opinion the alleged reply was not a reply at all. It was as follows—"The Government are giving serious and continuous consideration to the financial position, and will continue to take all steps necessary for its betterment." The Government are giving serious and continuous consideration. All I can say is I do not think anybody in the general community could regard the Government as giving the question serious and continuous consideration. A reply of that kind indicates that perhaps the Government are so satisfied with their own financial ability that they do not require any assistance from anybody, that they are themselves the embodiment of all the financial capacity of the State. From that reply it would seem that they resent the suggestion I made that the Government should receive assistance from outside. Possibly in their conceit they regard the mere suggestion of help as an offence. It was not intended to be in any way offensive. It was rather a recognition on my part of the extraordinarily difficult position of the Government in their endeavour to improve the condition of the finances. I have heard various proposals made from time to time. Mr. Lovekin the other night made proposals. So far the proposals made, although there is merit in some of them, are hardly sufficient to meet all the circumstances, and I think the Government would be wise in exploring every possible avenue in order to solve the financial difficulty. This is not a time when they should stand on their dignity and say they do not want any help, that they themselves are the embodiment of all the financial ability in the State, and that they will go on as they have been going. The position is rapidly passing from bad to worse, and I made my suggestion because it is only in accordance with what has been done by the Imperial authorities. If the Imperial authorities did not consider it *infra dig* to

appoint a financial committee to assist them, surely the Government of Western Australia ought not to be superior to the obtaining of some such advice.

Hon. Sir Edward Wittenoom: Would you have such a committee honorary or paid?

Hon. J. W. KIRWAN: I am coming to that. The day after I made my suggestion in the House I met in St. George's-terrace an ex-Treasurer. He assured me that he warmly approved of my proposal. I told him that one of the objections raised to that proposal was that if a financial advisory committee were decided upon it would be difficult to get the proper set of men to act in an honorary capacity. He said that was nonsense. I asked him did he think a good committee could be found to serve the country in an honorary capacity. He said, "Yes, there is no man of financial repute in this State who would not gladly and readily give every possible assistance to the Government." I asked him if he would act on such a committee, and he said he would certainly do so, that he refused to believe that any man would decline to render every possible help to the Government if they wanted it. I have thought this matter out, and I consider the Government would have no difficulty whatever in getting together a committee. That committee would be purely of an advisory nature. In view of the extraordinary position of the finances no suggestion from any quarter should be ignored by the Government. In that spirit alone did I bring forward my proposal that such a committee should be appointed. Mr. Holmes has just shown us the position the Government took up. What happened when the Scaddan Government were defeated? The incoming Government threw on the Scaddan Government all the blame for the financial position. Presently it was found that the financial position, instead of improving, was becoming worse. The Leader of the House was particularly clear in his condemnation of the Scaddan Government. But when it was found that the fault did not lie with the Scaddan Government, because the position was steadily growing worse, the Leader of the House in a long speech said it was all the fault of Federation.

The Minister for Education interjected.

Hon. J. W. KIRWAN: It was a speech delivered in the House, and the only inference which I or any other member could take from it was that our financial troubles were largely, if not entirely, due to Federation. It was a very lengthy speech, and of course it is to be found in "Hansard." It comprised a general condemnation of Federation, and I well remember Mr. Sanderson taking up the cudgels and emphasising a remark by the Leader of the House in which the Minister almost declared that it was desirable we should break away from the Federal union. However, for a period at least, Federation was

represented as the main cause of our financial troubles. It was shown that, after all, Federation was not the cause, and things continued to go from bad to worse. When the Scaddan Government were shown not to have been the cause, and Federation not, after all, the cause, the cause was ascribed to the fact that we had to contribute such an enormous amount to the sinking fund that it was impossible to square the finances. That cause stood for a time. The latest position is that this is ascribable not to trading concerns but that the fault lies at the door of public utilities. After the speech which has been delivered by Mr. Holmes, I expect next session we will have some other cause given to us for the financial drift.

Hon. Sir Edward Wittenoom: Arbitration?

Hon. J. W. KIRWAN: The causes are continually changing. Every session we have represented to us some different reasons for the financial drift. There is one cause that perhaps the Government have overlooked, and possibly it is the real cause. That is, perhaps, their own inability to deal with the finances in a proper fashion. Perhaps, if they had the financial capacity, caution and wisdom necessary in dealing with such matters, the finances of the State would be in a much better condition. I suggest that if they realised that they were not perfect, and that they needed perhaps a little more ability, caution, and foresight to put the finances straight, they would be more ready to get such help as I suggest they would receive from a financial advisory committee. I would not be in favour of just a committee appointed by the Government to bring in a report such as that presented by the Education Commission. I do not suggest that we should have a report to say that everything possible is being done to straighten the finances, and that the Government are the best possible Government. I suggest that the Government should ask some representative institutions in the State to nominate men to act upon such a committee for the purpose of advising the Government. I would suggest that the Associated Banks might be asked to recommend someone to serve on that committee. Then the Chamber of Commerce and Manufactures might be asked, and one or two ex-Treasurers of the State might also be approached with a view to joining such a committee. A committee of that kind, if it were to go into the matter, no doubt would do a great deal of good. We have had Commissions and committees of all sorts on different subjects, but there is no question more important than that of finance. There is no question in regard to which so many attempts have been made to set right and all of which have failed. It is not only the Mitchell Government who have failed to set the finances right. The question was also too big evidently for the Lefroy Government, as well as being too big

for the Wilson Government. It is an extraordinarily difficult one. I do not know that we ought to be too severe on the Government for not squaring the finances. Few suggestions of a helpful nature to the Government have ever been made, for that reason they ought to be the more ready to get all possible help they can. If a committee of the kind I suggest were to go into the whole matter, it might be able to assist the Government. The whole of this country would have more confidence in the financial position of the State, whether it turned out to be good or otherwise, and whether the position is improving or not, if it knew that every possible thing was being done to set the finances straight.

Hon. A. SANDERSON (Metropolitan-Suburban) [5.53]: Let us come to close quarters with the subject, and see how we are going to mark in the best possible way our strongest disapproval of these financial acts. What is the use of an hon. member saying he will vote against the Bill? Suppose we join forces with him. I am most ready, as a rule, to assist Mr. Holmes. I think he is indefatigable in calling attention to the most urgent public matter in Western Australia. Suppose we reject the Supply Bill! What position will it put the Government and the country in?

Hon. J. J. Holmes: Anything is better than the present drift.

Hon. A. SANDERSON: I do not know that the hon. member can say that. We must not stop the machinery.

The Minister for Education: The hon. member would, quite recklessly.

Hon. A. SANDERSON: I do not think so. He cannot be more reckless in what he is doing than are the Government. They are going to stop the machinery. It is stopping before our very eyes. We do not arrogate to ourselves as private members of the Legislative Council the right to run this country. We are taking part in doing so, and trying to assist to the best of our ability according to our convictions. If we reject the passage of this Bill, where do we find ourselves?

Hon. J. J. Holmes: You voted against the other Bill a month ago.

Hon. A. SANDERSON: As a protest, because I was quite certain it was not going to be carried. I think I said so from my seat. I am not a believer in these manoeuvres in big public affairs. I have no hesitation in coming out openly and saying what I think of the position. I ask Mr. Holmes not to vote against the second reading of the Bill, but to give the Government a month's supply.

Hon. J. J. Holmes: This is supply for two months.

Hon. A. SANDERSON: Give them supply for one month; strike out "two" and give them one. That would receive my support, and I believe the support of many other members. It would mark in a striking man-

mer the disapproval of this Chamber. The Leader of the House is asking for two months' supply, and of course he can do no other than support the Government proposal. Let us mark in this manner our disapproval, as private members, of the present position by giving the Government one month's supply.

Hon. J. Nicholson: That is cutting down the amount by one half.

Hon. A. SANDERSON: It is nothing of the sort; it is giving them one month's supply instead of two months. It will cause the Government to come here again. I have not looked at the Bill myself. When things are running properly the Supply Bill is, and should be, passed without discussion. Subject to correction, I have no hesitation in saying that is the ordinary and proper method of dealing with a Supply Bill, especially in the Upper Chamber. In the extraordinary position in which we find ourselves, extraordinary methods must be used. To vote against the Supply Bill is, however, too extraordinary. Without endorsing every letter of what has been said by Mr. Holmes and Mr. Kirwan, I do associate myself with them. Whilst I approve in a large measure of their attitude, I do not bind myself to any particular utterance of theirs, whether it be a question of going behind £2,000 a day or £1,600 a day. The Leader of the House, as a member of the present Cabinet, told us at the beginning of his Ministerial career that he was going to restore parliamentary control over the finances.

Hon. J. W. Kirwan: Hear, hear!

Hon. A. SANDERSON: It is on record, and those who listened to him will remember it. He has given different explanations of this position. I have never given one explanation of the financial difficulty, because there are half-a-dozen contributory causes. This question of parliamentary control is an important matter. I say we have not control for all practical purposes in this Chamber under the regime of the Minister for Education. We had some control when he was in opposition to Mr. Drew who occupied his seat, as Mr. Dodd can testify. Since he took office in this Chamber, for all practical purposes we have had no control whatever over the finances of the country, and this has been most disastrous. What is the use of calling upon business men when we ourselves may point out half-a-dozen things which may be put right at once? Fancy Cabinet permitting the Minister for Mines and Railways, with the huge deficit on the railways, to go upon this jaunt to Singapore! He is the very man whom the Leader of the House told us five years ago was the principal cause of the financial stress in this country. Presumably that Minister is under some control by his colleagues, judging from the public point of view. Mr. Scaddan was not only Premier under the Labour regime, but apparently he is Premier and dictator under the present regime. Fancy permitting a Min-

ister in his position, and with his responsibilities, to go to Singapore! What is he to do there—to sell tombstones, or some other product of this country, or to open up trade in the "Kangaroo" with Singapore?

Hon. J. J. Holmes: A "Jamboree."

Hon. A. SANDERSON: The subject certainly lends itself to a jest. How can we expect reasonably efficient administration, assuming that he is an efficient Minister, which I do not allow, when at a critical moment like this, and when he has to control two important departments of our public activities, railways and mines, the Minister leaves the State to go on this trip? I do not blame Mr. Scaddan, because apparently he does anything he likes, and will not take any notice of what I say. But I do blame his colleagues for permitting him to go. In a minor degree I might blame the Premier because he is going to Melbourne. It is difficult for me to believe that there is anything in Melbourne of greater importance than his retention in this country at the present time. I admit that if he goes to Melbourne he may be able to do something in the interests of Western Australia. I can see nothing, however, that Mr. Scaddan can do that will be of the slightest value to Western Australia compared with the responsibilities that he holds in connection with the Railway Department. As for this holiday jaunt or trip of inspection of members of Parliament to the South-West, what good purpose will that serve? Is there one man in this Parliament who has not been to the South-West? If so, he ought to go at once. He has his free pass. Let him go down there if he wants to get in touch with that part of the State. One of the problems we have to face is not to carry on any more development in this country until we have developed what we have already in hand. There is another point where we do not want the assistance of ordinary business men, or the managers of associated banks, to say how we should conduct our affairs. There is one other matter which has cropped up during the last ten days, although it has been going on for the last 18 months, to which I wish to refer. I consider it to be the most important development which has taken place in connection with Australian public finance—I refer to the fact that an Australian State has gone to America for money. You may say, Sir, that that has nothing to do with the Supply Bill. I should be inclined to agree with you, but I must say that the Leader of the House, or perhaps the Treasurer of the State, should take the earliest opportunity of telling us what the opinion is with regard to that most important development. There I will leave the matter. I hope my friend, Mr. Holmes, will be satisfied that my proposal is wiser than his. It seems to me that in the present condition of public affairs, that is the only way in which we can mark our protest without going as far as the hon. member proposes to do.

Hon. Sir EDWARD WITTENOOM (North) [5.48]: I do not think any hon. member will accuse me of being in favour of overdrafts or deficits. I have continually raised a protest against the recurring deficit. At the same time I cannot see that any remedy has been suggested for overcoming the present state of affairs. The suggestion of Mr. Kirwan in the direction of appointing a committee of business men, would not work for five minutes. Just fancy if such a committee went to the Treasurer and advised him to do so and so, and he thought differently. He would soon tell them to go away.

Hon. J. W. Kirwan: He need not take their advice.

Hon. Sir EDWARD WITTENOOM: Then of what use would the advisory committee be? The only body competent to offer advice is Parliament. Too much credit cannot be given to Mr. Holmes for his indefatigable energy in preparing great rows of figures. Whether those figures be accurate or not, they must have taken a great deal of time to prepare, and he must be possessed of an immense amount of energy or he must have a great deal of spare time. If the Government are making all the mistakes of which we have been told, are there not sufficient men amongst the fifty in another place to detect those mistakes? Why is it too that after continued deficits we find that the present Government were returned at the last elections with a majority? If we suggest these alternatives, and they are not adopted, we can only take it that the people approve of what is being done. We here do not approve of it; we have protested against the increasing deficit time after time. I have made the assertion that were it not so serious it would be interesting to see how long the Government could carry on in this way, but so long as the Government have a majority behind them, and so long as they have the people of the country behind them, what is the use of our talking about throwing out a Supply Bill?

Hon. J. J. Holmes: They have a majority through the support of other parties.

Hon. Sir EDWARD WITTENOOM: I do not care how it is made up; they have it. We can make suggestions but how will those suggestions be received by another place? The only thing we can do is to continue to give the best advice we can and we must rely upon the people of this country to say whether that advice is right or wrong. I am sorry I cannot see my way to do anything but support the second reading.

Hon. J. EWING (South-West) [5.53]: I should not have spoken but for the reflection cast upon the proposed Parliamentary trip to the South-West, described by some members as a picnic. There will be no picnic whatever about it.

The PRESIDENT: The hon. member must connect his remarks with the Supply Bill.

Hon. J. EWING: I intend to do so. It is part of the policy of the Government in order to endeavour to reduce the deficit to educate hon. members in the direction of showing them what a valuable asset we have in the great South-West. Those hon. members who believe that they are going to have a picnic will realise that the South-West will provide a solution of our existing difficulties. Mr. Kirwan has always been looked upon as a member possessing a knowledge of finance and who is thoroughly in earnest in what he tries to do. I was inclined to think that the suggestions be advanced were reasonable and fair. I doubt, however, whether they are feasible. I take it that the Government in their financial stress, consult all the bank managers here to see how the position can be met, but the Government would not take from those financial gentlemen any advice in regard to the policy the Government propose to pursue. The State Treasurer, and even the Commonwealth Treasurer, should be in constant touch with the banking institutions.

The Minister for Education: So they are.

Hon. J. EWING: Because it is from such a quarter that the best advice can come. They can be told that the policy of the Government is so and so, and if the banks are not prepared to advance money which is required, the Government must get it elsewhere. I have always admired the fight put up by Mr. Holmes, Mr. Sanderson and other members on the financial position of the State. We all realise that though the Minister introduced the Supply Bill without a speech he evidently intends to give us the full facts when he brings in the Appropriation Bill. It is my desire to make only one suggestion and I hope the Leader of the House will listen to it, because I do not think everyone realises what is the cause of the deficit year after year. My opinion is that the railways are entirely responsible for the deficit. It is a matter of policy, and I think I am in order in discussing it because if what I suggest be carried out, I think the deficit will rapidly disappear. The policy of the Railway Department is to cripple this country. I know that the Minister will tell me that the railways of this State are in a position similar to that of the railways in all parts of the world at the present time. The position is this, that the moment the Commissioner of Railways finds himself in a difficulty he takes the line of least resistance and puts up the freights and fares. This applies not only to the railways but to the tramways as well. In regard to the tramways, although the fares have been almost doubled, the loss on the system is thousands per annum. But so long as those in charge pile on the producers of the State enormous freights there can be no progress. We all know that because of the absence of trade, the railways are dismissing men. We should consider the policy of reducing the freights. We are not getting produce to carry, and therefore we are not developing the country. I trust the Leader of the House will bring

this matter under the notice of the Minister for Railways before he goes to Java. If that Minister can do any good to the State by going to Java, let him go by all means. Let him take a trip round the world if he can improve the position of Western Australia. I think it is right that he should undertake the trip, but before his departure let him consider the advisableness of altering the railway policy. I know in the business with which I am associated how close to the breaking point we are on account of the high freights. It is possible to raise freights to such an extent as to lose all trade. My desire in rising to speak was merely to emphasise what was said by Sir Edward Wittenoom that the responsibility lies with the members of Parliament. We cannot alter the Bill before us and we have no desire to embarrass the Government, but I hope the suggestions which have been made will bear fruit.

Hon. J. DUFFELL (Metropolitan-Suburban) [6]: I intend to support the second reading of the Bill. I contend that the Government are to be congratulated upon accepting the advice which has been tendered to them by this Chamber during the past three or four years. Another place, this session, is giving us the opportunity of dealing with measures while they themselves are considering the Estimates. During the past few years we have had the Estimates submitted to another place at an early period, and they have been dragged along week after week while ordinary legislation has been held up. Then at the end of the session we have had the Estimates and most of the Bills rushed along all together in such a way as to involve long sittings. This year the Government have done what we have been asking them to do for some considerable time past. We have asked them to get their business through in the Lower House, send their Bills along, and let us get on with the consideration of those measures while they are dealing with the Estimates. They have done so and their Bills have come forward. Now they ask for the third time for the passing of a Supply Bill to enable them to carry on the business of the country. For that reason, I intend to support the second reading of the Bill. It is always refreshing to hear a few members from time to time discussing the financial aspect of the State's operations. It is very disappointing to me, however, to hear so very little by way of suggestions which will help the Government through their difficulties. The same things are dished up to us time after time and we have to sit here and listen to them. The Government are abused first by one member and then by another without anything savouring of a suggestion regarding what they would do to relieve the financial strain. Mr. Kirwan referred to the appointment of a special committee to make suggestions to the Government regarding what they consider the best means of relieving the present financial

position. He suggested certain business men, certain bankers and other persons in the State, and referred to the Chamber of Commerce. I am reminded of the time when certain influential citizens of Perth volunteered to offer suggestions to the Government, which they considered would be beneficial to the State interests and would have the effect of dealing with the financial drift. When they concluded their investigations, what did they do? The first thing they did when they went to the Premier was to ask for the exclusion of the Press, holding, I presume, that the publication of their suggestions might be detrimental to them. They said they could best deal with the matter by discussing it round the Premier's table. What is to be inferred from such an attitude? It is just what we expected the Premier would get. Instead of practical suggestions, they would probably say that the Premier must repeal the Arbitration Act, he must repeal the Public Service Act and there must be drastic retrenchment. That is what he would get from such a body of men. Is this a time when the Government could adopt suggestions of that nature? It is our duty to assist the Government in whatever manner we can by way of making suggestions to do what is possible to stop the present financial drift.

THE MINISTER FOR EDUCATION (Hon. H. P. Colebatch—East—in reply) [6.4]: I do not think it is necessary for me to say much in reply and I do not intend to follow members through all the questions they have raised during the course of the debate. Mr. Holmes takes exception to the late period of the session when the House will have an opportunity of discussing the Appropriation Bill. Mr. Sanderson inferred that during the time Mr. Drew was Leader of the House, members had an earlier opportunity of discussing that measure. I do not remember any occasion upon which an Appropriation Bill was introduced until towards the closing hours of the session.

Hon. A. Sanderson: I remember when you threw out a Taxation Bill.

THE MINISTER FOR EDUCATION: The House has had a taxation measure before it already and members could have done whatever they liked with it. It is impossible for the Estimates to be framed until some little time after the closing of the financial year. This year the preparation of the Estimates was a task of great difficulty, occupying the attention of the Premier and Ministers for week after week. Ultimately the Estimates were presented in another place at a reasonably early period. What Mr. Duffell says is quite correct. Acting upon the wishes of members of this Chamber, and also in consonance with my own views regarding the proper conduct of the business of this House, I appealed to Ministers in charge of the Bills in the Lower House to have a sufficient number of measures sent forward to this House for consideration, and not to leave them until towards the end of the session. I have

been reasonably successful, for we have sufficient business on the Notice Paper at the present time to keep us working steadily until the end of the session.

Hon. J. J. Holmes: And to let us have a 10 days holiday and to let the business of the country stand over for that period.

The MINISTER FOR EDUCATION: The hon. member—I say it advisedly—is always absolutely reckless in the statements he makes in support of his contentions. He says that the state of the Notice Paper will enable us to take 10 days holiday. I do not understand what the hon. member means. There is no intention to ask hon. members to take more than three days holiday. The period during which it is intended to invite members to absent themselves from the business of the House is three days, and the statement of Mr. Holmes in that connection is just about in proportion to the recklessness with which the hon. member makes all his statements. If it is a case of three days, and he thinks 10 days will look better in print, he says 10 days. If he is dealing with a million and thinks three millions will look better, let it be three millions! As Sir Edward Wittenoom has pointed out, if hon. members take advantage of the visit to the South-West it will be by no means a 10-days holiday, particularly if they carry out their duties on that trip in the way they should do. The trip will be an arduous one.

Hon. J. J. Holmes rose to speak.

The PRESIDENT: Order! Does the Hon. Mr. Holmes desire to make a statement?

Hon. J. J. Holmes: By way of explanation, Mr. President, I did not say that the members of the Legislative Council would have 10 days holiday. I said there would be a 10 days holiday in the South-West. The Minister is misquoting me and he has no right to do that.

The MINISTER FOR EDUCATION: There is no question whatever of 10 days holiday. There is a trip to the South-West, and it will be by no means a holiday. In any case, it is not 10 days holiday from the work of this Chamber, but merely three days. It is in the same spirit of recklessness that Mr. Holmes says that the estimated deficit of £570,000 works out at £2,000 per day. A reference to £2,000 per day looks well in print, with big letters setting out that the Government is going to the bad to the extent of £2,000 per day. The hon. member is quite capable of calculating the matter for himself and he knows that it is something under £1,600 per day. But £1,600 does not look so well in print in the Press as £2,000, so he uses the latter figure.

Hon. J. J. Holmes: Do you dispute the figures I put up?

The MINISTER FOR EDUCATION: I am not disputing anything. I say that what the hon. member said was in a loose and reckless fashion when he asserted we were going to the bad to the extent of £2,000 per

day, whereas it is nothing of the kind. It is something less than £1,600 per day.

Hon. J. J. Holmes: That is the estimate based on your own figures. Why do you not say what was the actual deficit for last year?

The MINISTER FOR EDUCATION: I will not put up something against what the hon. member did not say. I combat the statement he made. Regarding the increased amount collected from the public now as compared with that collected in 1917, if the hon. member made an exact calculation—he might call to his assistance some of those financial experts we have heard so much about lately—he could ascertain the relative purchasing power of the sovereign at the present time compared with the position in 1917, and if he did so, he would find that on that basis we are collecting just about the same as in the former year. The conditions which are affecting Western Australia are affecting other parts of the world as well. Mr. Kirwan has stated that first it was the question of trading concerns, then something else, and then something else still. That is not the case at all. From time to time the financial difficulties of Western Australia have been put before the House and I maintain they have been placed before the Chamber with accuracy. The position to-day has resulted through a combination of causes. It has never been stated that the sinking fund has caused the deficit, but the statement has been made that while during the last eight years, or nearly 10 years now, the deficit has accumulated to something over five millions, the contributions to the sinking fund and interest on the accumulated sinking fund have amounted to a considerably greater sum than five millions. When comparing our position with the financial position of the Eastern States, we are entitled to mention that fact, and the people in the Eastern States fully recognise that position. That is all that has been said regarding this aspect.

Hon. J. W. Kirwan: It has been said that if there were no sinking fund, there would be no deficit.

The MINISTER FOR EDUCATION: That is so, but the position really is that if the sinking fund were set off against the deficit, which would be wiped out altogether, there would be a surplus. It is not a question of conjecture but one of fact. Mr. Kirwan complained that the Government had given a flippant answer to his question this afternoon. There is no question of dignity about the matter. He asked whether the Government would follow the example of the Imperial Government and appoint a committee of financial and business men to advise on financial matters, especially as to the best means for checking the drift. I do not know that the Imperial Government have taken any action. During the progress of the war, the Imperial Government appointed a number of committees of experts to advise them on various matters. I

presume those committees were selected by the Government with the greatest care imaginable. It is interesting to note, however, that one of those committees was appointed to advise as to the possibility of increasing the production of gold by giving a bonus. After sitting for some considerable time, the committee declared that it was unable to offer any advice on that aspect and said that nothing could be done which would cause the appreciation of gold. The ink was scarcely dry upon their signatures to the report before gold appreciated to the extent of about 25 per cent. in a way the committee did not think possible. That was the result of the deliberations of one committee. Some committees undoubtedly may have done a considerable amount of good. As a matter of fact, if it is considered desirable to seek the advice of any committee, it will be done. Members know that we are constantly in touch with our financial advisers regarding the financial position generally. Mr. Sanderson has suggested to hon. members what the result of a reduction in the Bill would be. I hope members will realise what the rejection of the Bill would mean and what measure of responsibility would attach to the House if they adopted that course. It would only result in a direction different from what some hon. members anticipate, and would hardly redound to the credit of the Chamber.

Hon. J. J. Holmes interjected.

The MINISTER FOR EDUCATION: The suggestion that the House should make the Bill provide for one month's supply instead of two is one that does not appeal to me for the reason Sir Edward Wittenoom has set out. I do not think the House would be justified in taking such an action at the present juncture.

Question put and passed.

Bill read a second time.

Sitting suspended from 6.15 to 7.30 p.m.

In Committee.

Hon. J. Ewing in the Chair; the Minister for Education in charge of the Bill.

Clause 1—Issue and application of £1,047,000:

Hon. J. J. HOLMES: I move an amendment—

That in line four the word "seven" be struck out with a view to inserting "two." This will give the Government not £1,047,000 for two months' Supply, but £547,000 representing one month's Supply, and the Government will have to ask for further Supply in a month's time or get the Estimates passed in the meantime. If the amendment is passed it will have the effect of upsetting the little scheme which has been arranged, and if we succeed in doing that, we shall have no one to direct the attention of the people to the seriousness of the financial situation.

The MINISTER FOR EDUCATION: I cannot agree to the amendment. It would merely have the effect of showing another place how weak we are in arithmetic. The half of seven is not two. The sum of £720,000 is the amount available from Consolidated Revenue.

Hon. A. SANDERSON: This is not a question of arithmetic. It is a matter of protest, and the only protest we can make without upsetting the affairs of the country unduly. I would like to be on the safe side and suggest that the hon. member move to insert "five" instead of "two." The Minister cannot move one step from the position the Government have taken up, but in order to make our protest felt, the Government should be compelled to ask for further Supply in a month's time. If we send the amendment to another place, we are entitled to point out that there are a good many new members who are not au fait with the technicalities of Parliamentary procedure, and who are probably awayed by the opinions of their leaders which astonish and perplex them. Possibly, the younger members have not sufficient courage to protest for fear of making fools of themselves—

The Minister for Education: Not only the younger members.

Hon. A. SANDERSON: We quite understand what we are doing. This will be a dignified protest which will compel attention. Subject to the modification I have indicated, I will support the amendment.

Hon. J. J. HOLMES: No good can result from the Minister trying to burlesque serious matters. We are asked to grant two months' Supply. I have moved to strike out "seven" with the object of inserting "two," which would mean agreeing to one month's Supply.

The Minister for Education: It would mean nothing of the kind.

Hon. J. J. HOLMES: Well, we can insert "three," and then go on to the next amount of £300,000 from General Loan Fund and reduce that from £300,000 to £100,000.

The Minister for Education: Cannot you divide by two in each case?

Hon. J. J. HOLMES: Would £360,000 meet the Minister's wishes? My object is to grant, in all, about half a million of money instead of just over a million.

Hon. A. LOVEKIN: I do not think we will accomplish anything by dividing each of the amounts by two. We should emphasise our protest made time after time this session and show the Government that we desire them to grapple with the financial question at once. The estimated deficit for the year is £571,000, and I suggest that we subtract one-sixth of that, roughly £95,000, from the £720,000 to be available from Consolidated Revenue, and request another place to agree to a deduction to this extent in order to bring expenditure of the State within the income.

Hon. F. A. BAGLIN: If certain hon. members are given time enough, they will no doubt arrive somewhere. During this Committee stage of the Supply Bill, the chickens are

coming home to roost. A fair amount of hypocrisy has found utterance here to-day. Hon. members who declare that they want to bring the Government to a sense of their position, are nevertheless prepared to vote in favour of retaining the Government in office every time. Each attempt made by the Labour Government to reform the finances of Western Australia was opposed and frustrated by this Chamber. Another place has passed the present Supply Bill, and another place represents the people, instead of only a small section of the people, as we do.

Hon. J. J. Holmes: We represent the section that pays.

Hon. F. A. BAGLIN: All we can do is to send a suggestion to another place, which will not accept the suggestion. Therefore the best course for us is to pass the Supply Bill and get on with some useful work.

Hon. J. W. KIRWAN: I do not think I can be accused of having done anything to place in power the successors of the Labour Government. I gave the Scaddan Ministry a generous support, although I was opposed to their financial methods. I said at the time, however, that those who succeeded the Scaddan Government would be worse in their financial methods. It is my opinion that the Scaddan Government was very much superior to any Ministry that has succeeded it. I shall vote for Mr. Holmes's amendment or Mr. Lovekin's amendment, whichever may be proposed, in order to show that this Chamber does not approve of the present Government's financial methods. Every supporter of the present Government can be regarded as a supporter of their financial methods. We have been talking here for years on the question of finance, and have received all sorts of promises of improvement from Government after Government; but there has been no improvement, and it seems as though in this matter we have been merely beating the air. Let us now show by our votes what we think of the position. Such action on our part would draw public attention to the financial situation. Unfortunately, as the Leader of the Opposition said in a recent speech, the people of Western Australia have not much sense of financial responsibility. A protest from this Chamber however, by arousing public attention, may lead to some improvement. If the Government ignore our protest, this House should adopt some more drastic method in the future. Though responsibility for the finances rests with another place, still members of this Chamber are not free from responsibility. We have either to accept or to reject Supply Bills, and we can suggest amendments in them. Therefore our financial responsibility is considerable, though not so great as that of members of another place. As private citizens, moreover, we have a sense of responsibility, and when an opportunity presents itself we should show what we think of the Government allowing the financial drift to continue as it has done.

Hon. Sir EDWARD WITTENOOM: I must again make reference to remarks which fell

from me during the debate on the Address-in-reply. I then again referred to the deficit as a continuous annual one, as well as a monthly one; and I said that the time was past for talking, and that action should be taken when the Estimates were presented here. When the Estimates come up for consideration—

Hon. J. W. Kirwan: On the last day of the session.

Hon. A. Sanderson: These are the Estimates.

Hon. Sir EDWARD WITTENOOM: When the Estimates come up for consideration, will be the time to take drastic action. I cannot support either amendment, in spite of Mr. Kirwan's insinuation that anyone who refrains from that course must be considered as expressing approval of the financial methods of the Government. Mr. Kirwan knows very well that I do not approve of those methods. However, the occasion is ill-judged for showing what hon. members are trying to show. This is a Bill for Supply, for carrying on the work of the country. In refusing the Supply asked for, we should be stopping the work of the country. If this were a Bill asking for money to acquire a steamer, say, or something of that kind, one could take exception to it. However, I am unable to support either of the amendments which have been suggested.

Hon. A. SANDERSON: I do not know how Mr. Holmes and Mr. Lovekin are going to reconcile their proposed amendments, but I am quite prepared to accept Mr. Holmes's amendment of £500,000. It is quite evident that Sir Edward Wittenoom has made up his mind on this particular division. I regret the hon. member's decision, but we know him well enough to be aware that if he gives a decision he will stand by it. Therefore, for the purpose of this argument, he may be dismissed from what I wish to put before other members of the Committee. I ask hon. members who have not yet made up their minds on this point to consider what Sir Edward Wittenoom has said, that by carrying the amendment we shall interfere with the administration of the country. I think that is hardly a fact.

Hon. Sir Edward Wittenoom: It is a fact.

Hon. A. SANDERSON: No, for we shall be giving Supply to the end of October, for one month; and that will compel the Government to come back for further Supply if our protest is accepted by another place. If it is not accepted by another place, it will nevertheless mark our disapproval in a striking manner. Of course, in the event of its being accepted, it will be very humiliating to the Government. As for the remarks which came from one of the representatives of the West Province, it is an irony of fate that the Leader of the House should be defended by one of the members for the West Province, and especially by the hon. member who has spoken in defence of the Bill. If the matter is looked up, it will be found that the Scaddan Government were treated, not impar-

tially, but most generously, by Mr. Kirwan in regard to their financial dealings. For myself, I do not say that I treated the Scaddan Government indulgently; but I did make an attempt to treat the Labour Government fairly when their financial proposals came before this Chamber. I can see no evidence that the present Government are on the right track, and therefore it seems to me that the present occasion is one on which we should make a definite and forcible protest which will necessitate some public attention.

Hon. J. J. HOLMES: The effect of the amendment will be to reduce by £95,000 during the next two months the amount the Government may expend from Consolidated Revenue. That £95,000 represents one-sixth of the estimated deficit for this year. It will be a direction to the Government to proceed to wipe out this year's deficit. If the Government ignore it, I presume we can take some more drastic action later on. Surely the object of the amendment is a highly desirable one. It is idle for Sir Edward Wittenoom to say we cannot do this or that. Why is the Bill before us? It cannot become law without us. Why are we considering it if we cannot amend it?

The MINISTER FOR EDUCATION: I wish to make it absolutely clear that the Government would not and could not accept a limitation in the granting of Supply by this House. No Government in the British Empire would accept it, and this Government certainly will not accept it.

Hon. C. McKENZIE: I cannot see my way clear to support an amendment of this sort. Some of those members declaiming against the administration of the finances would be the first to run to the Government tomorrow for £600,000 or £700,000 for the construction of a railway. If there were less of that attitude and more attention given to financial matters, we should soon be climbing out of our present difficulties. I distinctly refuse to be mixed up with a proposition such as that before us, and I will vote against it.

Hon. A. LOVEKIN: The Leader of the House has submitted an ultimatum to which I am not prepared to assent. He says no Government would listen to a suggestion by this House.

The Minister for Education: Nothing of the kind. What I said was that no Government in the British Empire would accept a limitation of the granting of Supply by the Upper House.

Hon. A. LOVEKIN: Well, that is substantially what I say. We have equal powers with another place in regard to all matters. The Bill cannot become law without the sanction of this House, which is in itself evidence that we have some responsibility and some power. If the House is going to accept the doctrine that we cannot make a suggestion in regard to finance and that suggestion have some consideration at

the hands of the Government, then the House is of very little use. Knowing the financial position, we should impress upon the Government the necessity for restoring the equilibrium of our finances. No such effort is being made. If the House has any obligation whatever, it should take every opportunity to impress on the Government their obvious duty. In my view the Bill represents the Estimates. It is one-sixth of the annual Estimates. Therefore if we pass the Bill we pledge ourselves to one-sixth of the Estimates. Sir Edward Wittenoom said that if it were a Bill for the purchase of a ship, it might be time for us to protest. This may be a Bill to buy a ship.

Hon. Sir Edward Wittenoom: No, this is a Supply Bill.

Hon. A. LOVEKIN: But the first of our ships was purchased by the Scaddan Government out of the Treasurer's Advance Account, without the approval of Parliament. The same Treasurer's Advance Account will be found in the Estimates, of which the Bill represents one-sixth.

The Minister for Education: Why do you say that?

Hon. A. LOVEKIN: It is usual to have the Treasurer's Advance Account in the Estimates.

The CHAIRMAN: The hon. member cannot discuss the Estimates.

Hon. A. LOVEKIN: I am contending that this represents one-sixth of the Estimates.

The Minister for Education: Why do you contend that?

Hon. A. LOVEKIN: Assume that the Estimates—

The Minister for Education: Why assume anything? You have the Estimates in front of you and you can get the exact figures.

Hon. A. LOVEKIN: The Bill says it is part of the moneys to be appropriated by Parliament.

The Minister for Education: Part of what?

Hon. A. LOVEKIN: Part of the Appropriation Bill which you will bring down later.

The Minister for Education: One would think it was the first Supply Bill members have ever seen.

Hon. A. LOVEKIN: The deficit has been accumulating from year to year, and we think it time it was stopped. If we reduce this amount by £95,000, which is one-sixth of the estimated deficit for this year, it will be a protest to the Government. The Minister says it is not part of the Estimates. That being so, I do not know what it is; because when the Appropriation Bill comes before us this will be part of the money covered by that Bill.

The MINISTER FOR EDUCATION: The hon. member has had full opportunity for

seeing the Estimates. The amount now asked for is not one-sixth of the amount represented in the Estimates. It is one-sixth of £4,320,000. As a matter of fact, it is exactly the amount the Government consider they will require until the end of November. I want to disabuse the hon. member of the idea that we are asking for one-sixth of the amount comprised in the Estimates. It is an unprecedented action on the part of the Council to refuse Supply to the Government, either in whole or in part.

Hon. J. W. KIRWAN: It is unprecedented, but the circumstances are extraordinary, and call for unprecedented action. The amendment is intended as a protest against the present financial methods of the Government. Sir Edward Wittenoom objected to what he called an insinuation on my part, that those who vote with the Government on this occasion must be regarded as supporting the Government's methods. It was not an insinuation, but a simple statement of fact. Irrespective of how those members may regard themselves, they will be regarded by all others as supporting the present financial methods of the Government and as approving the drift, and the financial recklessness going on. I will support the amendment. Sir Edward Wittenoom said the proper time at which to make a protest was on the Estimates. But year after year we have those Estimates thrown on the Table on the last day of the session, and frequently at two or three o'clock in the morning. What time have we got in which to make a protest? The time to protest is when a Bill of this kind comes before us. If we leave the matter until we get the Estimates, they will come down so late that everyone will be tired and indifferent. I hope our protest will be of an emphatic nature. Even if another place does not allow the reduction we shall at all events have voiced our feelings. Sir Edward Wittenoom represented the position I put with regard to the advisory committee in a way that he knew well I did not intend. I never thought of suggesting that an outside body should control the policy of the Government. To ask for the advice of certain financial authorities in Western Australia in order to assist the Government in certain financial measures, does not mean handing over the policy of the country to anyone else. With regard to what is virtually a threat from the Leader of the House that the Government would not accept any limitation in the matter of finances, it is our duty to do what we think is right irrespective of how it will affect the Government.

Hon. J. CORNELL: I hold that it is the prerogative of the Council to reduce the amount set out in this Supply Bill if it thinks right to do so.

Hon. Sir Edward Wittenoom: The question is whether it is expedient or not.

Hon. J. CORNELL: The Leader of the House and others have said that never in

the history of British Parliaments has supply been reduced by the Upper House, and that the Government would not accept such reduction. In 1916 the Federal Senate reduced by one million pounds the three millions Supply Bill brought down by Mr. Hughes in the House of Representatives, and the latter House accepted the reduction. Whether the reduction would be accepted in this case or not, remains to be seen; we can at least voice our protest against what is going on. It may be said that we are digging our own graves if we take this action, but, if so, I will be one of the grave digging party.

Hon. F. A. BAGLIN: This is not the right time to protest against the financial methods of the Government. I protested against them last March, but those who are now opposing the Bill in this Chamber were amongst those who supported candidates standing in behalf of the Mitchell Administration. I am the only member in this Chamber who protested against the financial methods of the Government on that occasion.

Hon. J. Nicholson: And now you support them.

Hon. F. A. BAGLIN: No. The people of the State supported the Mitchell Administration and since they are in power and want this supply we ought not to oppose it.

Hon. G. W. Miles: What you want to do is to permit them to put their heads into the noose.

Hon. F. A. BAGLIN: The intention of Mr. Holmes is to force the Government to reduce their expenditure by £45,000 a month. If that were done, it would completely stifle all industry. I intend to oppose the amendment.

Hon. J. J. HOLMES: I am not going to be side-tracked by the Minister. The Treasurer tells us that in carrying on this year he will show a deficit of £570,000. If we pass the amendment, we shall be telling the Treasurer that for the next two months he has to reduce the expenditure by £47,500 a month, equal to £97,000 for the next two months. We are told that this matter has nothing to do with us.

Hon. J. W. Kirwan: Why is the Bill brought before us?

Hon. J. J. HOLMES: It cannot become law without our consent. The Leader of the House made the reckless statement that such a thing as is now proposed has never happened in the British community, and would not be tolerated for a moment. Mr. Cornell has shown that this is not so. So much for the utterances of the Leader of the House on that point.

Amendment put and a division taken with the following result—

Ayes	..	..	..	9
Noes	..	..	..	14
				—
Majority against	..	..	..	5
				—

AYES.

Hon. J. Cornell	Hon. G. W. Miles
Hon. J. W. Hickey	Hon. A. Sanderson
Hon. J. J. Holmes	Hon. A. J. H. Saw
Hon. J. W. Kirwan	Hon. J. Nicholson
Hon. A. Lovekin	(Teller.)

NOES.

Hon. R. G. Ardagh	Hon. R. J. Lynn
Hon. F. A. Baglin	Hon. C. McKenzie
Hon. C. F. Baxter	Hon. J. Mills
Hon. H. P. Colebatch	Hon. T. Moore
Hon. J. Duffell	Hon. H. Stewart
Hon. V. Hamersley	Hon. Sir E. H. Wittenoom
Hon. E. H. Harris	Hon. J. A. Greig
	(Teller.)

Amendment thus negatived.

Clause put and passed.

Clause 2—agreed to.

Preamble, Title—agreed to.

Bill reported without amendment and the report adopted.

BILL—NORTHAM MUNICIPAL ICE WORKS.

Second Reading.

Debate resumed from the previous day.

Hon. J. W. KIRWAN (South) [8.34]: I support the second reading of the Bill. I know that the people of Northam suffered a considerable disadvantage last year inasmuch as they were not able to get their ice from Perth, and I have reason to know that they secured their supplies from Kalgoorlie. This Bill is of the nature of municipal socialism. Some members have objected to it on that ground, but I think that now-a-days we are all socialists more or less, and socialism is after all a question of degree. I take the view of the average person regarding socialism. I think we are all in favour of that socialism that suits ourselves, and we are against socialism that does not particularly suit us but suits somebody else. There is this much, however, to be said in favour of municipal socialism, that wherever it has been tried in Western Australia, with only a few exceptions, it has been a success. I know of instances where municipalities have carried out their socialistic experiments with much greater success than the State. I notice that the powers given in this Bill include provision for cool storage works and plant. I hope these works, when they are in operation, will be an improvement on that somewhat similar State socialistic experiment, the Wyndham Freezing Works. It seems to me it would be a good thing if the power proposed to be given by this Bill were to be extended to other municipalities, and I feel sure that the Government will extend it to any other municipality that desires to have it. The importance of having such works in our country towns that are not within reach of large cities where ice works exist, is considerable, and will tend

to improve the conditions of life in the rural centres. The scheme is worthy of encouragement, and when other municipalities come forward with a similar proposal I hope the Government will give the application favourable consideration.

Hon. J. A. GREIG (South-East) [8.37]: I do not know at the present time whether to support or oppose the Bill. I am not very well acquainted with Northam and its surroundings. Personally I would like to see this a broader measure which would give equal opportunity to all municipalities in the State. The Leader of the House told us that these ice works the municipality intend to construct will cost about £4,000. I ask whether the Government are subsidising that amount?

The Minister for Education: No.

Hon. J. A. GREIG: I am pleased to hear that. If my memory serves me rightly I have a recollection of a fairly large butter factory or bacon factory, or both, having been built at Northam some years ago. It cost several thousand pounds which amount was subsidised pound for pound by the Government.

The Minister for Education: In just the same manner as other butter factories were subsidised.

Hon. J. A. GREIG: This butter factory included an ice plant. It seems to me therefore that the Government have a certain amount of money invested in this butter factory, and now we are granting the municipality the right to start in opposition to a subsidised butter factory, to manufacture ice. I presume their ice making plant has been a failure, judging by the remarks of the previous speaker who told us that Northam was forced last summer to get its ice supply from Kalgoorlie. The Leader of the House when he replies might tell us exactly how we stand.

Hon. A. J. H. SAW (Metropolitan-Suburban) [8.39]: I only rise to throw a little light if possible on a point raised by my colleague, Mr. Sanderson, as to how it is in Northam the climate, which I believe in summer has been described as sultry, has had the misfortune to see two private ice companies rise and fall. While listening to him yesterday it struck me probably that the reason was owing to the influence of the late Mr. George Throssell who at one time wielded great influence in Northam where he was called the lion of Northam. The late Mr. Throssell was a life-long teetotaler, and I believe he induced the residents of Northam to take hot tea in summer instead of iced drinks. As everybody knows a man who is reared on hot tea cannot thrive on cold drinks. A similar point arose in America during the presidency of McKinley. There, when introducing a tariff Bill, a deputation of orange growers from California waited on him and asked him to raise the tariff against bananas. After listening to them for some time he said that he did not see

that the question concerned them, inasmuch as they did not grow bananas, and the reply of the spokesman was that he thought that a man filled with bananas had no room for oranges.

THE MINISTER FOR EDUCATION: (Hon. H. P. Colebatch—Northam)—in reply [8.40]: I quite endorse the view of the hon. members who suggested that this Bill should have a general application to municipalities with the same restrictions as to borrowing for electric light works, tramways, etc. At the time the Municipalities Act was framed the likelihood of municipalities starting ice works was not contemplated, and when the amending Act is brought forward, as it will be shortly, provision will be made in that direction. In the meantime if any other municipality, or even a road board, desires to have this privilege, they have only to approach the Government when they will receive sympathetic consideration. I am sorry Mr. Sanderson is not in his place because he asked me to explain certain things which I had referred to when introducing the Bill. I do not know whether it is worth while explaining them again seeing that he is absent from the Chamber, but I may say that the reason why it is anticipated this work will be a success, although two other attempts to manufacture ice in Northam failed, is that these works are situated on the same block as the municipal electric lighting works, and the current required for power purposes will be supplied at cost price by the electric lighting works, and there will also be saved overhead charges for supervision, which charges are responsible for the failure of the other companies. One other point was raised by Mr. Greig with regard to the Avon Butter and Bacon Factory. That factory does make ice, but only for its own purposes and for wholesale supply. The company do not supply it retail in the town. With regard to the cost of the works, in this case it will not be more than the amount estimated, because the necessary buildings have been erected, and part of the plant installed, so that actually the cost is known. It is important that the Bill should pass without delay because the municipality is practically ready to operate and the summer is upon us.

Question put and passed.

Bill read a second time.

In Committee.

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

BILL—WHEAT MARKETING.

In Committee.

Hon. J. Ewing in the Chair; the Minister for Education in charge of the Bill.

Clauses 1 to 4—agreed to.

Clause 5—Powers of the Minister:

Hon. Sir EDWARD WITTENOOM: I move an amendment—

That in line 6 of Subclause 1 the words "and any products of wheat" be struck out.

The object of the amendment is to confine the powers of the Minister to dealing in wheat, leaving the trade in products of wheat open to free competition. We should be in a position to compete with the other two free States of Victoria and South Australia and have a free and open market regarding the products of wheat.

THE MINISTER FOR EDUCATION: I cannot agree to the amendment. It would to a large extent defeat the whole object of the measure. The Government cannot handle the proposition if they are deprived of the products of the wheat. The Government do not wish to interfere with millers who can arrange export but the Government must have the right to handle all the products of wheat for, without that provision, it would be impossible to work the scheme.

Hon. Sir EDWARD WITTENOOM: The object of the amendment is to confine the operations of the Government to wheat, particularly seeing that the measure is a Wheat Marketing Bill.

Amendment put and negatived.

Clause put and passed.

Clause 6—Prohibition of sales except to Minister:

Hon. J. DUFFELL: What effect will paragraph (c) of Subclause 4 have upon the amendment standing in my name on the Notice Paper?

THE CHAIRMAN: If the paragraph is carried the amendment on the Notice Paper will be out of order.

Hon. J. DUFFELL: I move an amendment—

That paragraph (c) of Subclause 4 be struck out.

Wheat below milling quality should be open for free competition or disposed of, as my amendment suggests, by way of public auction, without reserve. Considerable difficulty has been experienced in the past in securing wheat below milling quality as food for pigs and poultry. The effect of this has been emphasised by reason of the fact that growers of bacon in other parts of the Commonwealth have been able to supply bacon to Western Australia at 3d. per lb. less than was possible for the local growers to supply the requirements of the people in Western Australia. There are many pig and poultry firms in the metropolitan-suburban area, and as a result of the imposition forced upon them by those who have been handling wheat below milling quality, the price of poultry has been raised very considerably and those engaged in the industry have been losers to a great extent. I admit that eggs are being sold to-day at a fairly low figure, but the

question arises as to whether it pays poultry farmers to sell eggs at to-day's prices. The fact remains that the poultry farmers are compelled to sell their eggs at the present low price in order to compete with eggs landed from other States. It is a well-known fact that during the period when the wheat below milling quality was most required, one firm in the city had practically the sole control of wheat that could be used for that purpose. It was of a very low quality indeed, with the result that the firm would only bring to market just sufficient to keep the competition keen and prices high. If the requirements amounted to about five trucks, the firm would bring in two or three trucks, with the result that the demand was always there and the prices were kept up. The amendment will obviate such a position in the future.

Hon. C. F. BAXTER: Provision is made in the clause to deal with the very matter Mr. Duffell is advocating.

Hon. J. Duffell: That is not so.

Hon. C. F. BAXTER: Mr. Duffell cannot have read the clause.

Hon. J. Duffell: I have read it more times than you have. Look at my amendment.

Hon. C. F. BAXTER: There is no necessity for the amendment on the Notice Paper to which Mr. Duffell refers. Subclause 4 provides that the Minister may exempt either generally or in any particular case from the operation of Clause 6, various sales of wheat, including the one which Mr. Duffell desires to delete. Paragraph (c) deals with inferior wheat which has been under the control of the Wheat Scheme, and provides that it can be disposed of by the growers direct either by way of auction, as Mr. Duffell suggests, or by private treaty. There will be no restriction. The idea is that inferior wheat will be left in the farmers hands to dispose of as they desire. In fact, the clause goes further than Mr. Duffell suggests, for it is possible for f.a.q. wheat to be sold to pig raisers and poultry farmers. The opening of this avenue for the sale of inferior wheat will not benefit those who have wheat in the pool, and will work in the interests of those people Mr. Duffell is representing.

The MINISTER FOR EDUCATION: Since the intention of Mr. Duffell, in seeking to strike out the subclause, is to insert in the agreement something to take its place, it may not be out of order to point out the effect. He wishes to exclude from the pool all but f.a.q. wheat. That would be an extreme step such as would not be taken by any pool. The pool must accept wheat a little under f.a.q. standard subject to a slight dockage. Under the amendment no wheat below f.a.q. standard could be accepted.

Hon. J. Duffell: You make provision for dockage in the schedule.

Hon. C. F. BAXTER: Thirty-five per cent. of the wheat may be under f.a.q.

The MINISTER FOR EDUCATION: The second objection is that such wheat shall

be sold by public auction without reserve and not otherwise. Where is it to be sold?

Hon. J. Duffell: In the market in Perth.

The MINISTER FOR EDUCATION: Who is going to pay the expense of bringing it to Perth? We have heard of confiscatory legislative proposals, but this goes beyond anything I have ever heard of. The hon. member suggests taking the farmer's wheat and, if it is a little below f.a.q. standard, railing it to Perth at his expense.

Hon. J. Duffell: I have no objection to you amending it a little.

The MINISTER FOR EDUCATION: The proposal is absurd.

Hon. J. DUFFELL: The subclause is permissive not mandatory. The Minister for Agriculture may have delivered his speech regarding the pool of 1920-21 on the floor of another place, but acting at the dictates of those behind him, he was compelled to make his speech at a conference in Perth. For this reason I object to giving a Minister who would do that discretion as to whether he would place the wheat in the hands of those whom I contend are his bosses. I have no faith in a Minister who would deliver himself at a conference instead of on the floor of the House. That is one reason why I press the amendment.

Hon. J. CORNELL: I think there is more noise than logic about the amendment.

Hon. J. Duffell: You have not much room to talk about making a noise.

Hon. J. CORNELL: I am anxious to assist the hon. member. It matters not whether the amendment is passed or rejected. Subclause (1) prohibits sales except to the Minister, but Subclause (4) is permissive. The Minister for Education has certainly drawn the long bow. Once the Minister under this measure gets hold of the wheat, he may do several things. The dealing in inferior wheat in years gone by justifies us in putting a check on the board. We had to pay 10s. 6d. and 11s. a bushel for inferior wheat when f.a.q. wheat was about 8s. or 9s. a bushel. If there is much inferior wheat during the forthcoming harvest, I am certain that the Minister will buccaneer it as he did in the past.

Hon. A. SANDERSON: I am with Mr. Duffell in the object he has in view. Surely by the substitution of "shall" for "may" he will attain that object. Yesterday Mr. Duffell, Dr. Saw and myself were referred to as the representatives of pigs and poultry. We do represent people engaged in these industries, and we are here to see that they get a fair deal. The object of the amendment is quite clear. We have opposed to us members who must get the Bill through, because they are pledged to it; they cannot listen to reason. I suggest that we confine our attention to Subclause 4 and make it mandatory instead of permissive for the Minister to exempt.

Hon. F. A. BAGLIN: I am prepared to support any amendment to secure protec-

tion for pig and poultry raisers. There are a large number of such settlers in my province, but the pig industry has been killed. The Government in protecting the one section of primary production has killed another section.

Hon. G. W. Miles: And put up the price of eggs and bacon to the community.

Hon. F. A. BAGLIN: Unfortunately the price of eggs has not gone up. A man endeavouring to make a living out of poultry, with feed at present prices, finds that he has tackled an impossibility.

Hon. G. W. Miles: The consumer has to pay anyhow.

Hon. F. A. BAGLIN: The consumer is not paying for eggs, because the increased cost is not passed on. Can the Minister give us an absolute assurance that it is intended under this clause to give people engaged in these minor industries the necessary protection? I agree that Subclause 4 should be mandatory.

The Minister for Education: I have no hesitation in giving the assurance that these exemptions shall be made.

Hon. A. J. H. SAW: The Minister having given that assurance, will he object to the insertion of "shall" instead of "may"? Personally I have very little confidence in the discretion of the Minister. We know what a bad deal the metropolitan consumers and the poultry, pig and dairy farmers have received during the past year. I am entirely with my colleagues in their efforts to improve the lot of these people.

Hon. C. F. BAXTER: The suggestion to substitute "shall" for "may" goes a little too far. It would lead to the creating of many abuses in the shape of trading in wheat. A mandatory clause would deprive the Government of the power of control. The provisions of the clause will be given effect to except where abuses have crept in. Mr. Duffell's amendment would defeat its own object. Wheat below f.a.q. standard would be utilised in feeding pigs and so forth; the grower would not send it to market to be sacrificed. If Mr. Duffell thinks that the farmers are going to give their wheat away, he is very much mistaken.

Hon. J. Duffell: They will get the value of it; there will be keen competition for it.

Hon. C. F. BAXTER: I am very sorry for the farmer who sends his produce to be sold at best in the market.

Hon. J. A. GREIG: I wonder at the audacity of the hon. member who has moved the amendment. That amendment contains the words "without reserve." The wheat would be sent to Perth, though the amendment does not say that. The amendment looks like a market-rigger's proposal, if ever one was brought before Parliament. There would be only a very few wholesale buyers if the wheat were sent to Perth, and they would put their heads together and agree not to give a third of the value of the wheat. I was told that last year about three buyers turned up when there was a truck of wheat

offered for sale. How would the mover of the amendment like to have his produce taken from him, to be offered for public sale without reserve? If a right were given to place a reserve on the produce, it would not be so bad; but the omission of a reserve would mean delivering the farmer over to market riggers and others.

Hon. T. MOORE: Mr. Duffell would be well advised to withdraw the amendment, with a view to the deletion of the word "may" and the insertion of "shall" upon recommitment of the Bill. Mr. Baxter is illogical. Even if this amendment is carried, the farmer need not send his second-grade wheat off the farm. In fact, he can use f.a.q. wheat to feed his stock if he chooses.

The MINISTER FOR EDUCATION: I merely wish to answer Dr. Saw's objections, which have an important bearing on the exemptions proposed. This morning's "West Australian" publishes a list of Victorian prices for overseas sale and for local consumption of wheat. In 1916-17 the overseas price was 5s. 1¼d., and the price for local sales 4s. 5d., the latter 8d. below the former. In 1917-18 the overseas price was 6s. 7.39d. and the local price 5s. 0.143d., or 1s. 6d. below what was realised overseas. For 1918-19 the prices were 6s. 10d. and 5s. 2d. respectively, the local consumer receiving an advantage of 1s. 8d. per bushel. For 1919-20 the prices were 12s. 10.97d. and 7s. 8d. respectively. Sales for 1920-21 have averaged, including miscellaneous receipts, 9s. 1d. The average price for overseas sales up to the 30th June was 8s. 8d. That was the only instance in which the consumer was disadvantaged.

Hon. J. Duffell: Now give us the New South Wales figures.

The MINISTER FOR EDUCATION: New South Wales has no comparative figures of overseas price and price for local consumption, because that State had no overseas sales for those years.

Hon. J. Duffell: You quote figures to suit yourself.

The MINISTER FOR EDUCATION: No. I quote those figures which are available to me. In this State the position is that during 1915-16 the average of local sales was 4s. 10.86d. and for overseas sales 4s. 9.52d., making a fractional difference against the consumer. The total amount lost by the consumers during that year was £13,770. For 1916-17 the average price for local consumption was 4s. 9.97d., and the average for overseas was 5s. 2.77d. On that the consumer obtained an advantage; and the consumer is not only the person who eats the bread, but the local buyer of all sorts, including the poultry and pig farmer. The advantage reaped that year by those local consumers amounted to £50,288. In the following year the average price for local consumption was 4s. 9.06d., and the average for overseas 6s. 4.32d., representing a gain of £195,352 to the local consumer. During 1918-19 the average price for local consumption was 5s. 2.64d. and the average for overseas was 6s. 4.17d.

On that year the local consumer obtained an advantage of £79,886, as compared with what would have been his position had he paid the world's parity, the value of the wheat at the port of shipment. During 1919-20 the average price for local consumption was 7s. 11.87d., and the average for overseas sales was 8s. 4d. The difference in favour of the local consumer was equal to £34,419. For the present year, until the end of August, the average price for local consumption was 9s. 6.8d, while the average for the overseas sales was 8s. 7.8d., while the consumer was at a disadvantage to the extent of £32,376. Does the hon. member think the consumer is entitled to have it all, every time?

Hon. H. Stewart: What is the net gain by the consumer?

The MINISTER FOR EDUCATION: The total gain by the consumer was £359,947, less the loss of £46,147, or a net gain of £313,000. These figures are subject to adjustment, because the pools are all working together, and it may have happened that one State by arrangement with the pool sold wheat for overseas at a lower price than did another State. However, these figures will prove to be approximately correct.

Hon. G. W. Miles: Those figures are for Australia.

The MINISTER FOR EDUCATION: For Victoria and for Western Australia. Of course, the pools of this harvest will probably be realised at a figure which will reduce this 8s. 7d., but it cannot be reduced materially, because so large a proportion has been already sold. However, when all adjustments are made, it will be shown that the consumer has paid something like a quarter of a million less for his wheat than if he had bought it all at parity.

Hon. A. SANDERSON: What is the use of the Leader of the House reading out stuff like that?

Hon. J. A. Greig: It is very useful.

Hon. A. SANDERSON: It is simply a record of robbery of one side or the other. I want to see the whole thing put on a fair and equitable standard. It is obvious that we are now making our appeal with some success because we have come to this court of the Country Party as primary producers representing pigs and poultry. But when we come as an appeal from every man, woman and child we are dismissed with a caution by the Leader of the House. Surely my colleague will withdraw the amendment now. Then we can get it in on recommitment.

Hon. J. DUFFELL: I want a ruling in regard to that point. If the amendment be withdrawn, shall we be able to recommit the Bill for the purpose of reconsidering "may" as against "shall."

The CHAIRMAN: If the amendment be withdrawn the hon. member can discuss that question at once.

Hon. J. DUFFELL: Well, I will withdraw the amendment.

Amendment by leave withdrawn.

Hon. J. CORNELL: I want to make some reply to the statement by the Leader of the House.

The Minister for Education: I was answering the charge that the consumer had been penalised.

Hon. J. CORNELL: You were answering a specific charge in a general manner. In the 1920 pool 90 per cent. of the wheat under f.a.q. realised more than did the f.a.q. wheat. Why was that so?

Hon. C. F. Baxter: It was the middleman's charge that put up the price.

Hon. J. CORNELL: You had control as Minister, and therefore, you must take the blame.

Hon. C. F. Baxter: Why talk nonsense?

Hon. J. CORNELL: You are a good judge of nonsense; we can leave it at that. The reason for the extortionate charge is palpable. The price for f.a.q. was fixed at 7s. 8d., the world's parity rose, and whilst there was a grain of wheat below f.a.q. in the State the pig and poultry farmer was not permitted to buy f.a.q. wheat. In regard to the 1920-21 pool the price for local consumption was fixed at 9s., and the world's parity fell. The wheat below f.a.q. was not again buccaneered. If the world's parity rises next year and the f.a.q. wheat for local consumption goes beyond the world's parity, the managers of the pool will again buccaneer. In view of the experience of the past, protection should be provided for the users of wheat of inferior quality. No farmer would ask as much for inferior wheat as for f.a.q. wheat. I resent the Leader of the House making a general answer when the charge is specific. A section of this community was buccaneered by the 1920 pool, and it would have been the same this year had the world's parity risen.

Hon. J. DUFFELL: I move an amendment—

That in line 1 of Subclause 4 "may" be struck out and "shall" inserted in lieu.

The MINISTER FOR EDUCATION: I do not think the alteration should be made. It is the intention of the Minister to do what the hon. member desires, but I do not know that we should bind the Minister in every case.

Hon. A. SANDERSON: This does not meet what I have been fighting for, but one has to accept the position as it is. The Minister apparently is not averse to the amendment. No one would be better pleased than I to see the growers get a good price for their wheat, but I do not wish to see them get an unfair price. The amendment is perfectly reasonable, since it will serve to make an accepted position more secure. If Messrs. Foggitt, Jones want to trade with Smith, or the metropolitan area, they can do so without any reference to the Minister.

Hon. A. J. H. SAW: I hope the House will insist on the word "shall" being substituted for the word "may." The Leader of the House has entirely missed my point. I have no hesitation in disputing the figures he has read out. It is with the authority

and consent of the consumers that the pool was established whereby the farmer has been able to realise such magnificent prices for his wheat. Because of that fact the consumer has a right to be protected from any unfair charge.

Hon. V. HAMERSLEY: I hope the Committee will not adopt the proposal. The wheat belongs to the farmers. The Committee would be taking upon itself the position of attempting to confiscate that which is the product of the farmer. The amendment will have the effect of preventing the clause from being put into operation.

Hon. Sir EDWARD WITTENOOM: I cannot support the amendment. Some discretion should be allowed to the Minister. We are assured that the intention of the clause is that it shall be carried out as expressed here. Someone should be permitted to step in and look after the rights of the people.

Hon. A. SANDERSON: The arguments adduced by Mr. Hamersley should not carry much weight with the Committee. I do not want to see discretion given to the Minister. Everyone in the community should be placed on the same level. By their propinquity, if not by their personality, it is easy for some people to get the ear of the Minister, but in the case of those living far away it is not easy. If we have a law which everyone who runs may read, it is the same throughout the country.

The Minister for Education: The Minister has power to exempt generally.

Hon. A. SANDERSON: He may exempt in different parts of the country, but he may not do so.

Hon. F. A. BAGLIN: It is possible the Committee will accept the assurance of the Leader of the House that it is the intention of the Minister to give these exemptions. Our concern, however, is for the men who want the wheat.

Hon. V. Hamersley: You want to confiscate it for them.

Hon. F. A. BAGLIN: Nothing of the kind. By passing this amendment we shall be giving the farmer more freedom than would otherwise be the case. Those who are engaged in the dairying industry want their bran and pollard, and those who are in the poultry raising industry want to know beforehand that they can secure inferior wheat. If we say to these people that this shall be done, they can make their preparations straight away.

Hon. J. A. GREIG: I do not like the idea of tying the hands of the Minister, but I am going to support the amendment. The poultry farmer and the pig raiser have been compelled in the past to pay too much for inferior wheat. The farmers had no desire to rob their fellow primary producers.

Hon. F. A. Baglin: They did not do it.

Hon. C. F. Baxter: Who was robbed?

Hon. J. A. GREIG: They paid rather too much for inferior wheat. I have seen wheat sold half of which has been weevil. The man who wants to buy inferior wheat will under

this amendment know that the Minister must give the seller permission to dispose of it.

Hon. C. F. BAXTER: I trust the amendment will not be agreed to. The word "may" is always taken by a Minister to mean "shall." The clause is worded as it is in order to permit of the Minister putting down any abuses such as have occurred in the past. The matter should be left in his hands.

Hon. E. ROSE: I hope the amendment will be carried. It will have the effect of giving the growers of wheat an opportunity of selling certain classes of wheat to private consumers if they like to do so. It is in the interests of those engaged in dairying and poultry raising that this position should be set up.

Hon. J. NICHOLSON: If the suggested amendment be carried it will be necessary to re-model the clause. Why should the Minister do that as a matter of compulsion when all that is required is to put into the clause "the following sales and purchases shall be exempt from this section." That is really the amendment that is wanted. I feel, however, that if the amendment be carried in any form it will open the door to probably a form of trading that might be very undesirable and might be to the detriment of the wheat grower. I can foresee by leaving the door wide open there might be dealings of a class which might be undesirable in many ways, whereas if the matter were left to the discretion of the Minister, and if we got a definite assurance from the Government—

Hon. F. A. Baglin: We had an assurance last year and what happened?

Hon. C. F. Baxter: Every assurance that was given last year was carried out.

Hon. J. NICHOLSON: I desire to see those members of the community who are dependent on the supplies of inferior wheat for their stock supplied at as cheap a rate as possible.

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

Ayes	..	..	12
Noes	..	..	11
Majority for	..	..	1

AYES.

Hon. J. Duffell	Hon. T. Moore
Hon. J. A. Greig	Hon. E. Ross
Hon. J. W. Hickey	Hon. A. Sanderson
Hon. J. J. Holmes	Hon. A. J. H. Saw
Hon. J. W. Kirwan	Hon. F. A. Baglin
Hon. A. Lovekin	(Teller.)
Hon. G. W. Mills	

NOES.

Hon. C. F. Baxter	Hon. J. Mills
Hon. H. P. Colebatch	Hon. J. Nicholson
Hon. J. Cornwell	Hon. H. Stewart
Hon. V. Hamersley	Hon. Sir E. H. Wittenoom
Hon. E. H. Harris	Hon. R. G. Ardagh
Hon. R. J. Lynn	(Teller.)

Amendment thus passed.

Hon. J. DUFFELL: Will not a consequential amendment now be necessary in Subclause 5 so as to set out that the Minister "shall" instead of "may" at any time by notification published in the Gazette revoke the exemption?

The CHAIRMAN: Certainly not.

The MINISTER FOR EDUCATION: What authority has the hon. member to make such a suggestion?

Clause 7—Authority for agency agreement:

Hon. A. LOVEKIN: I move an amendment—

That in Subclauses 1 and 2 the words "enter into a wheat acquiring agency agreement with the Westralian Farmers Ltd. in the terms of the draft agreement set out in the schedule of this Act. (2) All wheat acquired under such agreement shall be" be struck out:

If the amendment is agreed to, I propose to add the words "acquire wheat," so that the subclauses will be combined to read as follows:—

The Minister is hereby authorised to acquire wheat the produce of the 1921-22 harvest.

I would vote against the whole clause, but if I move in the form I have indicated it will give members an opportunity, if they wish, to alter the latter portions of the clause. I move the amendment because I am opposed to monopolies in any shape or form, which benefit a few at the expense of the many. During the discussion upon this amendment I hope there will be no reflections cast upon the company named in the clause or upon the financial stability of that concern. That aspect does not enter into the question from my point of view. I am simply moving on a question of principle in opposition to the creation of monopolies. I abhor monopolies, State or otherwise. If it is a question of being compelled to have a monopoly, I would prefer a State monopoly to a monopoly conferred upon a private company. If the amendment is carried, it will enable the Government to carry on the scheme.

Hon. H. Stewart: You want one more form of State trading?

Hon. A. LOVEKIN: I made it clear that I am opposed to all monopolies but if it is necessary that there should be a monopoly, I prefer the State to have that monopoly rather than any company.

The MINISTER FOR EDUCATION: I do not think it will be expected that the Government will accept this amendment. To accept the amendment would be to entirely destroy the Bill for the reason that the Government have no organisation to undertake work of this description at the present time, nor would we be disposed to set up such an organisation. The moving of this amendment casts upon me the necessity of replying to certain attacks made upon the Westralian

Farmers Ltd. during the second reading debate yesterday. For reasons which will be obvious, I was not able to effectively deal with the criticisms in replying, because the information was not at my disposal. I can quite understand that members, if they accepted every statement made regarding the company yesterday, would probably hesitate to give the Government power to enter into an agreement with such a company.

Hon. J. Cornell: I do not think you will alter a vote if you speak for a week. Most members have made up their minds.

The MINISTER FOR EDUCATION: Yesterday afternoon the financial standing and business methods of this company were severely attacked. We were told by Mr. Holmes that the company in their last balance sheet showed a gross profit of a very large sum, amounting, I think, to over £150,000.

Hon. J. Duffell: It was given as £164,000.

The MINISTER FOR EDUCATION: And a net profit was shown of some £5,902. On the top of that, he said that the company had effected insurances with the farmers to an amount of £650,000.

Hon. J. J. Holmes: That is on their own report.

The MINISTER FOR EDUCATION: Mr. Holmes then put this proposition: "Supposing there had been a large number of big fires, where would these people have been?" There can only be one inference drawn from that. It is that if there had been these big fires, the people who had insured with the company would not have received their money. Particularly as the statement was made as portion of an attack upon the financial stability of this company, the hon. member was given an opportunity to reconsider that aspect. I think it was Mr. Lynn or Mr. Lovekin who interjected, "Have they not reinsured?" The hon. member said "No."

Hon. J. J. Holmes: I did not say anything of the sort.

The MINISTER FOR EDUCATION: I interjected to Mr. Holmes, "Do you know they do not reinsure?" The hon. member said, "I can give the reason why they do not reinsure." He said that insurance companies reinsured when they had one big risk but as the Westralian Farmers Ltd. were dealing with a number of small risks, we could take it from him that they did not reinsure. I have had occasion to make inquiries to-day and I find that the company have practically reinsured the whole of their business. I think it will come as a surprise to most hon. members to learn that portion of the reinsurance has been with a company of which Mr. Holmes is one of the local directors. That is a fact. It does seem to me that an hon. member who is a director of a fire insurance company must be assumed to have a good deal of knowledge regarding fire insurance practices. An attack upon a fire insurance company coming from a director of another fire insurance company is particularly damaging to the company attacked and for that

reason the hon. member is not justified in making an attack upon a competing insurance company, from his place in the House, without knowing exactly where he stands. The hon. member made that specific statement and asked the question as to where these people would have been if a series of fires had occurred. That is a statement the hon. member should not have made without knowing the grounds upon which he stood. As a matter of fact, if there had been any such series of fires, every farmer who had insured with the Westralian Farmers Ltd. would have received every sixpence of his money because the re-insurances were done on a thoroughly sound basis. Before the company started out upon this work, their policies were submitted to every bank in the State and were accepted by every bank. That is a very important feature of the case, because the banks held mortgages over a great many of the properties insured. In addition to that, other private companies, the Workers' Homes Board, the Industries Assistance Board and other fire insurance companies accepted the policies and, as I say, the re-insurances in connection with some of these farms were actually completed with the company of which Mr. Holmes is one of the local directors. The attack upon the financial position and management of this company, particularly regarding the insurance business, was entirely unjustified, and I am justified in making the statement in order that this particular clause of the Bill will not be prejudiced because of the statements by Mr. Holmes. I can understand that his statements might have an adverse effect against the provision.

Hon. F. A. Baglin: That has nothing to do with this.

The MINISTER FOR EDUCATION: It has a great deal to do with it. This clause authorises the Government to enter into an agreement with this particular firm and the House would not be entitled to permit that to occur, if the company were not in a sound financial position.

Hon. A. Lovekin: I hope the hon. member will not pursue that line of argument because if he does, it will necessitate—

The MINISTER FOR EDUCATION: It is all very well for the hon. member to say that I should not pursue that line of argument. To say that because these people have been subjected to the attacks made upon them yesterday the Government should not be permitted to enter into an agreement with them, is sufficient justification for me to put this matter right. I come now to the objection raised by Mr. Lovekin. It is very unpleasant for me to have to say these things, but I cannot escape from my duty. The hon. member attacks the clause on a matter of principle, because he objects to monopolies. If he thinks he can get rid of monopolies by knocking out this clause, he is very much mistaken. Who are the Westralian Farmers

Ltd.? They have a subscribed capital of £82,169 and a total paid-up capital of £57,946.

Hon. A. Lovekin: What are they under this Bill? That is the point.

The MINISTER FOR EDUCATION: There are 86 farmers' co-operative companies bound up with the Westralian Farmers Ltd. in a federation, and I have here a copy of the articles of association. In all they embrace 13,000 shareholders, representing about 80 per cent. of the whole of the wheat growers. The shareholders are limited to a dividend of 7 per cent., and all other profits are divided on the patronage basis. It is a purely co-operative institution.

Hon. A. Lovekin: But it is a monopoly against the community.

The MINISTER FOR EDUCATION: Why against the community? All that the company have to do is to acquire the wheat. Where are they injuring the community? Generous exemptions have already been provided, so that everyone wanting to buy wheat can get it and everyone wanting to sell wheat can sell it. It is impractical to have half a dozen people handling the wheat. The Westralian Farmers Ltd. are doing the work cheaper in Western Australia than it is being done anywhere else in Australia.

Hon. A. Lovekin: Your own wheat man denies that. He says he can do it cheaper.

The MINISTER FOR EDUCATION: It is true that some years ago Mr. Keys said under certain conditions he could do the work and save £15,000. The conditions now are very different.

Hon. A. Lovekin: And he could do it now.

The MINISTER FOR EDUCATION: At that time wages were 16s. whereas to-day they are 1l.

Hon. T. Moore: In comparison he would have to pay only the same as the company.

The MINISTER FOR EDUCATION: The Westralian Farmers Ltd. get only the same payment now as then.

Hon. A. Lovekin: Then were they profiteering on the people before or are they losing money now?

The MINISTER FOR EDUCATION: They were not making an exorbitant charge, but during the first years of their operations they were not so well organised as they are now. By tightening up their organisation they may be able to do the work better now. That, however, hardly comes into the argument. The State has not got the organisation to carry on the work and the Government do not intend to set up the organisation. The Westralian Farmers Ltd. have the organisation, and have done the work satisfactorily for years and cheaper than it has been done in any other State.

Hon. J. Duffell: What is the wheat board doing?

The MINISTER FOR EDUCATION: Doing their work of selling the wheat. There

is not one instance of duplication between the wheat board and the Westralian Farmers Ltd.

Hon. J. Duffell: The board tell a very different tale from that.

The MINISTER FOR EDUCATION: The hon. member is referring to conditions which prevailed three or four years ago when the Westralian Farmers' organisation was in its infancy. Since then they have been properly organised, and expenditure has been cut down in every direction. The financial stability of the Westralian Farmers Ltd. was attacked by Mr. Holmes. Now we are told they are a monopoly. I have pointed out that they are a co-operative company, distributing profits among 80 per cent. of the wheat growers. They have done their work well. They have perfected their organisation, and the cost of acquiring the wheat has been less here than elsewhere in Australia.

Hon. J. DUFFELL: I was particularly interested in the Minister's reference to the fact that the Government have no organisation to handle the forthcoming harvest. I am informed on most reliable authority that the Government have an organisation, in the wheat board controlled by Mr. Keys, who are prepared to handle anything entrusted to them. I am reminded of the circumstances which led to the first agreement with the Westralian Farmers Ltd. At that time there were four agents acquiring and disposing of the wheat. The Westralian Farmers Ltd. first came into business at the instigation of Mr. Baxter and under conditions laid down by him. The wheat acquiring agents were anxious that the wheat should be acquired on the zone system so that no one firm would have a monopoly. They put in their prices on that basis, but the Minister controlling the pool took exception. As the Westralian Farmers Ltd. were the only people who put in a price on the conditions stipulated, they got the contract and have retained it ever since. I do not reflect on the work performed by the Westralian Farmers Ltd. They have done their work well and reasonably cheap; in fact I am given to understand that their price has been lower than that in other parts of the Commonwealth. Now we have reached another stage. We find that the Westralian Farmers Ltd. under this Bill have taken a certain amount of courage—I shall be charitable—from the eulogies passed from time to time regarding their work, and have got included in the schedule paragraph 3 which will enable them to traffic in wheat. They will acquire the wheat on behalf of the Government, wheat which will cost the company nothing, but will have the advantage of any profits they make as a result of sales of the wheat acquired for the pool. The time has arrived when the primary producer should have the full benefit of the wheat, and for this reason, I am prepared to support Mr. Lovekin's amendment and give the wheat board an opportunity to acquire the wheat. By so doing the farmer will be a

great gainer. Mr. Keys, manager of the board, in evidence tendered in June, 1918, said he could handle a 10 million bushel harvest for £10,000, whereas they were paying Westralian Farmers Ltd. £25,000; that is to say he could save to the farmers £15,000. If the forthcoming harvest turns out to be 15 million bushels, as expected, the saving to the farmers will be £22,500, for I believe he could handle the wheat as cheaply as anyone else. This would be a saving to the growers instead of a benefit to the Westralian Farmers Ltd. I intend to move that the paragraph of the schedule be worded as it was last year. I hope the Committee will give the farmers the benefits to which they are entitled.

Hon. F. A. BAGLIN: I support the amendment. After listening to the Minister we have to decide either to cut out any particular firm from acquiring the wheat, or else cut out the wheat board. I am wondering what the wheat board have been doing?

Hon. R. J. LYNN: Who is going to do the selling?

Hon. F. A. BAGLIN: I am coming to that. We have the Westralian Farmers Ltd. acquiring the wheat and, at the other end, we have people selling the wheat and getting commission. The wheat board are not selling the wheat. The farmers should wake up, and the farmers' representatives in this Chamber should also wake up, and see that the board are no longer paid for doing nothing. Mr. Keys and his staff are being paid, and I want to be shown what Mr. Keys and his staff are doing. In my opinion, the whole of the work should be done by the Government. The principle of State control implies that an undertaking shall be run for the benefit of the people, and not for profit.

Hon. H. STEWART: State control means expensive administration, always.

Hon. F. A. BAGLIN: Mr. Keys and his staff should be able to handle the wheat cheaper than any other organisation, seeing that the Government do not want to make a profit out of the business. The reason why the Westralian Farmers Ltd. are so anxious for the retention of this clause is that they make handsome profits out of wheat acquiring. If that company had not a political organisation behind them, they would not be wheat acquiring agents. Let us have competition in the open market if the work is to be done by private persons or companies. The Bill gives no chance whatever to anybody except the Westralian Farmers. I believe there are other firms and organisations in this country who are willing to do the acquiring on the terms granted to the Westralian Farmers. Giving evidence before the Royal Commission, Mr. Keys said he would be able to save £15,000 a year in cost of handling. Let him have an opportunity to prove his ability to do so. There is an attempt to create in connection with wheat acquiring a situation similar to that which obtains in the matter of stevedoring. The statement of the Leader of the

House that the Westralian Farmers are a purely co-operative concern is not correct. They are a hybrid co-operative concern. I shall vote for the amendment.

Hon. H. STEWART: Various members—some of them are not now in their places—have said they will vote against the clause in order to afford Mr. Keys an opportunity or saving £15,000. If the Westralian Farmers secured in open competition in this State the same terms as have been secured by wheat acquiring agents in the East, it would cost Western Australia at least £25,000 additional per harvest. The Westralian Farmers represent a co-operative movement in the interests of the agriculturists of this State, and in the interests of Western Australia as a whole. The other wheat acquiring firms have really cut themselves out of the business. In the first year of their operations the Westralian Farmers, competing against four experienced wheat firms, nevertheless secured the handling of two-fifths of the entire harvest. The duties and responsibilities of the co-operative company in connection with the wheat are onerous and expensive. I am glad to observe that Mr. Lovekin is back in the Chamber, as I want him to hear the following: For simply stowing the wheat in a vessel's hold Mr. Keys pays the stevedore as much as the Westralian Farmers receive for all the handling of the wheat from the farmer's wagon into the stack and out of the stack and for the responsibility of carrying it to the coast. Is it advisable to transfer the entire administration of the wheat scheme to a man who is prepared to make such an arrangement for stevedoring?

Hon. A. SANDERSON: This is a matter of great importance and, as I understand the amendment, we have to decide by a vote to-night whether we will hand this over to the Government or to the Westralian Farmers Ltd. The amendment leads us into pretty deep waters, and it is difficult to deal satisfactorily with the position at the present time. If I had an assurance that this was the final pool, I would oppose the amendment. I can quite see that if we agree to the amendment, difficulties will be created both for the Government and for the company. As we have not got that assurance, is that a clear indication that the pooling system will be a permanent institution in the affairs of this country? We may well pause to consider the position.

The Minister for Education: If it is a good system, why worry about it?

Hon. A. SANDERSON: I join issue with that contention, for it embodies the whole point. If it can be established that it is a good system, with the Westralian Farmers Ltd. handling it, unquestionably it should be established. If it is a good system, why not say so openly? There are plenty of people who think it is a good system and have told me that they will move heaven and earth to see that the wheat pooling system is continued. While it may cause

difficulty if we agree to the amendment, that difficulty will be increased with each succeeding year, because the Westralian Farmers Ltd. is a growing corporation.

Hon. A. Lovekin: It has become an octopus on the community.

Hon. A. SANDERSON: Someone talked about a private company squelching the Westralian Farmers Ltd. As an impartial onlooker, viewing it from the business standpoint, I think the Westralian Farmers Ltd. have effectively squelched private companies.

Hon. R. G. Ardagh: If they can do the work economically, that is justified.

Hon. A. SANDERSON: These interjections open up other phases which are of great importance as well as the one I am discussing. It is no secret that the advent of the Westralian Farmers Ltd. has had the effect of causing some of the private firms to close their wheat departments altogether. If that had been done in open and fair competition—

Hon. H. Stewart: Which it was.

Hon. A. SANDERSON: Is the hon. member an impartial witness?

Hon. H. Stewart: It is in "Hansard."

Hon. A. SANDERSON: What does the hon. member mean? Are we to believe that everything that appears in "Hansard" is true? I spoke on one occasion and my remarks are on record in "Hansard." On that occasion I said that the association of this firm with the wheat business amounted to a scandal of the first magnitude. I am prepared to repeat that statement and say again that it is a scandal of the first political magnitude. The Westralian Farmers Ltd. in my opinion—and I think every impartial person will agree with me—would never have got control of the wheat of this State, had it not been for the influence of the Country Party in Parliament. I claim that it is of benefit to Western Australia to have a number of old-fashioned firms operating in our midst, and it is not in the interests of the country that those firms should have to close their wheat departments and that the work in connection with the wheat should be handed over to the Westralian Farmers Ltd. It is a matter of enormous advantage to have these firms interested in the development of Western Australia. It would be unfair for members to take advantage of their privileges to make attacks upon people or institutions that cannot defend themselves, and I do not wish to make an attack upon the Westralian Farmers Ltd. At the same time, I must repeat that if it had not been for the political influence that members of the Country Party have over the Government this vicious system would not have been possible.

Hon. F. A. Baglin: The company could not have been established if it had not been for political influence.

Hon. A. SANDERSON: I regret exceedingly that the Westralian Farmers Ltd. have made use of political influence to exercise a lever in Parliament.

Hon. G. W. Miles: You cannot blame the firm.

Hon. A. SANDERSON: I have a high regard for the co-operative movement and for the Westralian Farmers Ltd. so far as that institution represents the co-operative movement. The chief blame rests not upon the firm but upon Parliament. Every step that we take now makes the position more difficult to rectify in the future. Some hon. member said it was too late to make an alteration now. There is very little in that argument. The men in these big commercial institutions are pretty shrewd, and their one object is to put themselves in a strong financial position. They see clearly that unless they get the pull of the lever in Parliament their interests will suffer. These big corporations, using the influence of Parliament to put cash in their own pockets, constitute the one big danger in Australia to-day. The salvation of the public lies in free open competition with the State impartially holding the scales between the various sections of the community. Since in this we cannot have open competition with the State standing aloof, we have to judge between these big corporations and the Labour ideal, in which the State itself handles these matters. As yet the Westralian Farmers Ltd. are not a gigantic corporation, and have not their claws very deeply into this country.

Hon. G. W. Miles: Are they not a political corporation?

Hon. A. SANDERSON: It depends upon the light in which we regard them. I have no time for Government institutions, but I greatly prefer them to the building up of gigantic corporations with a pull in Parliament. If the Government and the Country Party are going to force these corporations upon us, they will be fought to a finish. The only course open to the people is to join forces with the Labour Party, who unlike these big corporations, are working for the masses, unswayed by any consideration of putting money into their own pockets.

Hon. R. G. ARDAGH: I move—

That the Committee do now divide.
Motion put and passed.

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

Ayes	7
Noes	12

Majority against	..	5
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AYES.

Hon. J. J. Holmes	Hon. T. Moore
Hon. J. W. Kirwan	Hon. A. Sanderson
Hon. A. Lovakin	Hon. J. W. Hickey
Hon. G. W. Miles	(Teller.)

NOES.

Hon. R. G. Ardagh	Hon. J. Nicholson
Hon. C. F. Baxter	Hon. E. Rose
Hon. H. P. Colebatch	Hon. A. J. H. Saw
Hon. V. Hamersley	Hon. Sir E. H. Wittenoom
Hon. E. H. Harris	Hon. C. McKenzie
Hon. R. J. Lynn	(Teller.)
Hon. J. Mills	

Amendment thus negatived.

Clause put and passed.

Progress reported.

RESOLUTION—STATE FOREST DEDICATION, REVOCATION.

Assembly's Message.

Message from the Assembly received and read requesting the Council's concurrence in the following resolution:—"That the proposal of His Excellency the Governor for the partial revocation of the dedication of State Forest No. 5 be carried out."

House adjourned at 11.25 p.m.

Legislative Assembly,

Wednesday, 19th October, 1921.

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

QUESTION—PARLIAMENTARY TOUR OF THE SOUTH-WEST.

Mr. A. THOMSON asked the Premier: 1, Is it the intention of the Government to defray the whole of the expenses of members of Parliament making the proposed tour of the South-West? 2, What is the estimated cost of provisions, attendants, railway and motor cars necessary? 3, Owing to the state of the finances, is it wise to incur this expenditure?

The PREMIER replied: 1, No. The Government will provide transit, meals, and accommodation only. 2, This cannot be determined until the number intending to travel is