

Legislative Assembly.

Thursday, 8th November, 1906.

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THE SPEAKER took the Chair at 7.30 o'clock p.m.

PRAYERS.

QUESTION—ARBITRATION COURT, LEGAL AGENTS.

MR. BATH asked the Premier: 1, Has he given consideration to the remarks of the President of the Arbitration Court anent the necessity for Parliament to make clear its intention with regard to the appearance of the legal profession in the Arbitration Court? 2, If so, is it his intention to deal with this matter during the current session?

THE PREMIER replied: 1, A report in a newspaper to the effect that the President of the Arbitration Court had ruled that he would not exclude a *bona fide* holder of a power of attorney granted by a company from appearing in the Arbitration Court, owing to the fact that he was a solicitor, has been noticed, but has not yet been taken into consideration. 2, No.

QUESTION—RAILWAY PROJECTS, HOW ANNOUNCED.

MR. BATH asked the Premier: 1, Is the statement made by Mr. Carson at Geraldton on 6th November—that the construction of a railway from Mount Magnet to Black Range, and the construction of the Chapman railway, are being provided for on the Loan Estimates—correct? 2, If so, is it customary to first make the information public in connection with an election contest, instead of through the usual channel of presentation to Parliament?

THE PREMIER replied: 1 and 2, These railways, together with the other

railway proposals mentioned in the Policy Speech, are now under consideration, and an announcement will be made to the House in the usual way when the Loan Bill is introduced.

QUESTION—STATE FARM (NARROGIN), LATE MANAGER'S GRIEVANCE.

MR. BATH asked the Premier: 1, Has the complaint of C. M. McKenzie, of the Narrogin State Farm, that he has been unfairly treated by the Agricultural Department, received consideration. 2, Is it true that his wages were withheld for long periods, and that payment for services rendered since 31st August by himself and wife has not been made? 3, Is the complaint correct that adequate notice has not been given in regard to the discontinuance of his employment by the Agricultural Department?

THE PREMIER replied: 1, Yes. 2, Payment of wages was delayed for a while, pending decision as to rate of pay, advances being made in the meantime. Payment for wages due since 31st August was tendered and refused. 3, No.

QUESTION—RAILWAY STATION, FENIAN CROSSING.

MR. JOHNSON asked the Minister for Railways: Is it true that the Railway Department are lodging material on the north side of the Fenian Crossing subway, with a view to the erection of a station. As this site does not meet with the approval of the majority of residents, will he cause the work to be delayed pending discussion on Railway Estimates?

THE MINISTER FOR RAILWAYS replied: 1, Material has been lodged on the north side of the line near the Fenian Crossing subway, and platform accommodation will be provided giving access to both up and down roads. 2, Representations of local residents were very carefully weighed, and the site was then finally decided on the ground by the Minister and the Commissioner of Railways. There is no evidence to lead to the impression that the site does not meet with the approval of the majority of residents, but, on the contrary, it appears the most suitable for all purposes. If representations are made to me on the

matter by the members for the district their request will be duly considered.

QUESTION—BUSINESS. INTENTIONS OF GOVERNMENT.

MR. DAGLISH asked the Premier, without notice: Has the Government decided what measures already on the Notice Paper they intend to proceed with, and what measures will be dropped? The House will certainly expect this information before the appropriation is provided. No doubt the Premier will be prepared particularly to tell us in regard to important measures like the Mines Regulation Bill and the Constitution Act Amendment and several other measures which I do not desire to particularise in the question.

THE PREMIER: As far as possible it is our intention to proceed with all the legislation on the Notice Paper at the present time. If it is necessary at a future date to make a statement, I shall do so.

RETURN—DISTINGUISHED VISITORS' EXPENSES.

MR. SCADDAN: I move—

That a Return be laid upon the table of the House, showing the names of all persons treated as a distinguished visitor, under the heading of "Incidental Expenses, Miscellaneous Services," with details of the expenses of each person or party, for the year ending 30th June, 1906.

MR. BATH: I second the motion.

MR. A. J. WILSON: I wish to move an amendment.

MR. SPEAKER: According to the Standing Orders, the hon. member cannot do that, as this is a formal motion and has been consented to by the Treasurer.

THE TREASURER: I had not seen the motion as drafted last night. During the debate on the Treasury Estimates, a question was asked with regard to the details of certain expenditure shown on last year's Estimates amounting to £784, and I promised the member I would lay particulars of the expenditure on the table of the House. I was asked if I would object to a motion in that direction, and I said "No." This is the first time I have seen the draft of the motion.

It goes rather farther than I intended, for it says "the details of the expenses of each person or party." I do not know to what extent the member wishes the expenditure to be furnished. If a distinguished visitor comes along and a luncheon is provided for him, does the member want the details of the cost of that luncheon? I should be glad to give an ordinary return of the particulars of the vote, if the hon. member does not want to see every sixpence expended. The total expenses of each party I suppose the member means?

MR. SCADDAN: Yes.

MR. SPEAKER: I should like to point out the authority dealing with this case, for the benefit of the member for Forrest. If a motion for an unopposed return is made during any time before the commencement of public business, though the official consent of the Government has been given, the motion must be deferred and take its ordinary place on the Notice Paper, if opposed.

MR. A. J. WILSON: I ask, what constitutes "being opposed?" Is the sole right of opposition to lie with the Treasurer, or does it mean opposed by a member of the House? Personally, as the motion stands I am opposed to it.

MR. SPEAKER: If the motion is opposed, it cannot be moved at this stage, but must take its place in the ordinary course and in its proper position on the agenda paper. Does the hon. member oppose it?

MR. A. J. WILSON: I want to move an amendment.

MR. SPEAKER: Then the motion must take its ordinary place on the Notice Paper.

MR. A. J. WILSON: I desire to make a personal explanation. From an interjection made by the member for Ivanhoe, it would appear that I had conferred with members of the Government on the question. I can assure members of the House that personally I conferred with no one other than the officers of the House as to whether I could move an amendment to this motion. The opinion conveyed by the interjection of the member for Ivanhoe is absolutely unfounded and incorrect.

THE TREASURER: Perhaps I may also make a personal explanation. When this motion was moved by the hon. mem-

ber, I said I had not seen it until that moment. That ought to be sufficient for members to know that I could not have discussed the matter with the member for Forrest.

MR. HEITMANN : Perhaps he discussed it with you.

The subject dropped.

ANNUAL ESTIMATES, 1906-7.

IN COMMITTEE OF SUPPLY.

Resumed from the previous day ; MR. ILLINGWORTH in the Chair.

MINES DEPARTMENT (HON. H. GREGORY, Minister.)

ON MINES ESTIMATES GENERALLY.

Vote—*Mines Generally*, £47,454 :

THE MINISTER FOR MINES in introducing the Estimates of the Mines Department, said : It was not my intention to make any introductory statement to-night, but I have noticed since we have been discussing the Annual Estimates that it has been anticipated of each Minister that he should make brief introductory remarks in connection with the estimates of his department. I had intended to have reserved my remarks until we were discussing the Loan Bill, because I felt that I could deal with the question of railways, water supplies, and other matters connected with the mining industry more comprehensively than I am able to do in a short speech at the present time. However, I have gathered a few notes with regard to the progress of mining in the State; and although there has been a slight retrogression in our output of gold, yet I am satisfied from the new districts which have been recently opened up that we need have no fear in any sense as to the future progress of the mining industry. The first stage of our mining to which I desire to refer is in connection with the North-West. Members will remember that from the Derby district there was recently reported a discovery of copper, lead, and gold. No doubt that report was much exaggerated in the first instance; yet from reports received from the Government Geologist and later reports from prospectors in the district we have every reason for believing that tin mining on an extensive scale will be

carried on in the North-West portion of the State. We may feel satisfied to this extent, that some very promising country has been discovered, and I hope the developments will be prosecuted, and that the result will be profitable to those in the district. In the Pilbarra field, more especially at Roebourne, considerable attention has been given recently to the copper deposits, and in several instances speculators and investors have turned their attention to that district. I hope to hear in the near future of returns which, if not as rich as those in the old days, will still be such as will show a considerable advance in developing the resources of that part of the State. In the Pilbarra district itself the high price of the baser metals has induced a large number of people to prosecute tin mining on that field, more especially in the Moolyella and Wodgina districts. At Moolyella a large number of persons are working the alluvial deposits, and I am hopeful that this will result in the discovery of a lode. Considerable work is also being carried on at Wodgina, where it is believed there are tin lodes; and every effort is being made by the Mines Department to induce people working those lodes to develop them to a depth. Some little time ago we offered a subsidy for the sinking of a shaft to a depth, and more recently we have offered a substantial subsidy to any persons who will erect a tin-dressing plant, subject of course to the approval of the Government. The mines in that district have been neglected for some time; but when we recognise the high cost of living, the great cost of transport, and the small amount of capital that has hitherto been introduced into that part of the State, no one I think need feel other than satisfied that this has not been because the propositions have not been worth working, but because the natural conditions at that place are at present so hard and so much against the investment of capital. It behoves the Government to give serious consideration to what is best to be done for the purpose of developing that country. In the Murchison Goldfields there have been very good improvements in many parts. I would especially mention the Meekatharra district, one of our oldest fields; and though neglected until within the

past few years, yet lately some crushings from there have been wonderfully rich, and the district generally is making remarkably good progress. The Government at the present time is spending a large sum of money in providing a water supply for the district, and I am satisfied from what I saw during my recent visit that had we expended this money some years ago in providing a water supply, not only would we have had a paying proposition to the State, but would have been able to give assistance to the prospectors at Meekatharra, and by this means a great deal would have been done for the earlier development of the district. At present a good deal of development is going on in the district, which I look upon as one of the most promising goldfields in our northern area. At Stake Well there have been good developments; and new fields have been opened up in recent years in the locality, at Mindoolah, Gum Creek, Barrambie, and Errols. At each of these places a large amount of work has been done, and I feel satisfied that in the near future these districts will be producing a large amount of gold. We have also had recently good reports from Cue, Cuddingwarra, Bamakura, and Boogardie, and from many other districts on the Murchison fields. So far as that goldfield is concerned, the prospects in the near future are promising, as many new mines will be entering upon the producing stage. In the East Murchison Goldfield a large amount of work is being carried on. In the Black Range district considerable capital has recently been invested, and also at the Montague Ranges, where I am sure we shall see opened up in the next few years a mining district which will be capable of finding employment for a large number of workers, and will provide a good field for investment. The district between Lawlers and Leonora has been very active lately. While there has been probably not as much work going on in those northern parts as we may have wished, yet looking at the difficulties those in the back country have to contend against we should be satisfied indeed that those districts are producing so much gold as they are to-day. In the Mt. Margaret Goldfield, Leonora district is looking very well; at Malcolm, the North Star has been reopened by a local

syndicate assisted by the Government, and from recent returns sent to me this mine looks very promising. In the Morgans district there have been very favourable developments during the past few months. Taking things altogether, there cannot be said to be any depression of great consequence in the Mt. Margaret field. In the North Coolgardie field, there has been a somewhat considerable reduction in the gold yield; but it has to be remembered that this field has been almost wholly occupied by the prospector and the small leaseholder, very few of the large companies working in that district; therefore the output for the past few months has been much smaller. However, there has been a good deal of prospecting in each of the centres, some remarkably good crushings being obtained; and though the field is not so great a gold-producer as it was seven or eight years ago, it cannot be looked upon in any sense as a deserted field. The North-East Coolgardie field has been somewhat neglected of late, but some promising country has been discovered between Kanowna and Kalpini. The Mt. Monger district has recently been opened up, and I think it will turn out well. In the East Coolgardie goldfield there have been some wonderful developments. Some of the mines are already below 2,000 feet; and although the grade of ore is poorer than formerly, yet I have no doubt that this field will for many years be able to sustain its reputation as the most remarkable gold-producing district in the world. In the Coolgardie and Dundas fields there have been good discoveries during the past few months. At Kunanalling and Jourdie Hills very good finds have been made. Higginsville has been recently discovered, and is being developed. At Norseman also very good prospects have been found recently. The Yilgarn district is much improved, and promises, although one of the earliest of our goldfields, to maintain its position as a gold-producer. Phillips River, which is more remote, has not been a great producer of gold, and I am afraid that as a gold-producer it will not hold rank with the other gold-mining districts of the State; but there is no doubt as to its future as a copper field. In the various goldfields, Kimberley, Yalgoo, East Coolgardie, Dundas, and Yilgarn

show increases on previous years; Mount Margaret and Coolgardie have been stationary; East Murchison showed a reduction of 9,000 ounces, Murchison an increase of 1,300 ounces, North Coolgardie 1,900 ounces increase. In North-East Coolgardie there has been a reduction of something less than 2,000 ounces. While the gold yield as a whole shows a slight reduction in comparison with previous years, this does not really show that the industry is falling off. In 1904 the tonnage treated amounted to 2,432,171 tons; in 1905, 2,643,423 tons; and for the nine months of this year ended September, 1,877,671 tons treated. The estimated tonnage for the whole of this year is 2,800,000 tons treated and to be treated, as against 2,643,000 tons last year. In regard to other minerals, we find that the total value of the tin produced in 1904 was £58,817; in 1905, £86,840; and up to the end of September in this year, £92,098 worth, being more for the nine months of this year than was produced during the whole of last year. In copper production the figures were—in 1904, £25,180 worth; in 1905, £16,266; and for the nine months of this year the production is already over £20,000 worth. The reason for the small production last year is that the Anaconda mine was closed down, also no work was being done at Northampton, and in the Phillips River district the production was almost a dead-letter. But the Ravensthorpe district is now being developed; a large amount of capital has been invested there; and outside of the company which originally purchased properties there, three or four other investors are now doing their best to secure mining propositions in the district. Should they be successful, there will be a much larger mineral development in that district than in the past. In the Anaconda mine, which was closed down three or four years ago and recently reopened, a rich lode has been discovered, and I have been assured by the owners who stuck to the property all through that this lode is turning out remarkably well. The mine is likely to be exceedingly profitable to those who have stuck to it during the last few years. I am farther given to understand that in the near future a smelter will be erected on the Murchison where a copper lode is

being developed. We can rest satisfied that the discoveries in the North-West, now that capital is being invested in them, will be developed. More particularly am I pleased at the fact that a fair amount of capital is being sent to the Northampton district with a view to trying to reopen some of the old mines there. The history of the Northampton mines is well worth the consideration of investors. The money those mines at Northampton produced in the old days is really marvellous, and it is interesting that again efforts are to be made, particularly on account of the high price of lead and copper, to exploit those old propositions that were so rich in their surface workings. In connection with our mining industry it is generally believed that there has been a reduction in the number of men employed in the industry. In 1904 there were 17,659 persons employed, and in 1905 there were 17,792 employed, while at the end of June of this year there were 18,098 employed, showing if not a large increase, at any rate a material increase in the number of men employed. The number of leases in force does not look so well. In 1904 there were 2,498 leases in force, and there were 2,447 in 1905, but in September of this year there were only 2,086 leases in force, embracing an area of 28,251 acres as against 32,532 acres in 1904. There are 4,000 acres less held under gold-mining leases now than there were in 1904. There has been a substantial increase, however, in mineral leases. In 1904 there were 180 leases embracing 23,000 acres, while in September of this year there were 254 leases embracing 26,472 acres. The question for us to consider—and I am sure we must consider it seriously, because every section of the community recognises the importance of the mining industry—is what must be done under the circumstances to promote the best interests of mining. There has been an increase in the area held under mineral lease, but when we take into consideration the great increase in the price of tin, copper, and lead we realise that that fact alone should have induced the people of this State to have taken up a much larger area. We know we have country available. I would have looked for a much greater increase in the area taken up. We must not only recog-

nise the serious reduction in the area held under lease from the point of view of the mining revenue. Anyone knowing the extent of our mineral resources must recognise that when we find a reduction of 4,000 acres in the area held under gold-mining lease, it is time to seriously consider what can be done with the view to trying to induce people to invest more money in the mining industry. I have been told by people in the State that they have put money into the mining industry but have lost it, that it is a gambling proposition, and that they have no more time for mining ventures; but in nearly every case these people did not put their money into mining propositions: they simply went on the Terrace and gambled in stock. A little time ago when certain mining stock was up to 25s. or 30s. everyone was rushing in. It was a chance to gamble; they were only sorry they had not got in when the stock was at a low price. It was purely the gambling fever that induced those people to invest in the shares. It was not in any sense to assist the industry or to put money into the mining proposition, it was simply to gamble in the stock. It is my opinion that we should pass legislation to give more security to people who invest money in our mines. I have no intention to deal fully with this question to-night. I mention it incidentally. I do not intend to try to push forward an amendment to the Mining Act dealing with the labour covenants this year, but I hope to be able to lay a draft Bill, which is now ready, on the table, so that members will have an opportunity of fully considering it before next session. Knowing that such an amendment would revolutionise our mining laws, I would rather admit that I was wrong in my contention, than do any injury to the State. If my action would injure the industry I would not induce the House to pass the measure. Because it was my own idea I would not attempt to get it on the statutes. I believe that the greater the consideration that can be given to a measure of such a nature the better it will be. I hope to be able to give better security to those who have invested money in mining than they have had in the past. I want to try to induce the people of the metropolis and the agriculturists and pastoralists to

believe that investing their money in mining is different from gambling. There is at present a lot of gambling on horse-racing, stock and such things; but we find very few who will invest their money in mining ventures. We always hear a cry about the dividends going out of the country to outside capitalists, but we find very few in the State who will invest their money in mining ventures in the State. If people from outside come to assist in the development of our mining I think we should in every way assist them. We want the capital to work our low-grade mines, and to erect machinery to treat the ore economically; and when people come here to invest their money, of course we must treat them fairly. I only regret that in most instances the outside capitalist has the greater courage and has in nearly every instance been able to get hold of the best propositions. Another amendment that will be brought forward is one dealing with the promotion and the reports of mining ventures. I want to make the path of the rogue a little more dangerous than it has been in the past. I want legislation passed so that if any person publishes a report in connection with a mining proposition that is untruthful he shall be punished. I intend to have safeguards that no action shall be taken until after inquiry, and only by instruction of the Minister, and then only after review of the facts by the Attorney General. We do not want the mine manager to think that he will be brought up on a charge of felony if he makes a slight mistake in his report; but if we have grossly misleading reports put forward to induce people to invest in the industry, we should severely punish those who publish those reports. It is not my intention to push this legislation through the House this session. There will not be time, because until members have ample time to look through the proposals, I am sure there will be a great deal of opposition. A proposition I am now considering is that for the first six months the labour conditions on a mining lease must be enforced to show that the applicant is genuine in his intent to prosecute his mining. After that, the expenditure of a certain sum of money per acre each year during the currency of the lease, provided the money is spent on

bona fide mining operations on the property, should be sufficient. That is the substance of the draft of the Bill I propose to bring down.

MR. HOLMAN: Will you make that expenditure necessary on every lease?

THE MINISTER: Yes. I will bring the draft Bill down this session, and that will give members ample time to give it every consideration. I do not intend to deal with the various departments under my control until we come to each division. I am afraid that would only prolong unduly the time of the Committee. If the Leader of the Opposition will agree, I propose to deal exhaustively with each division when we come to it, particularly the State batteries vote. I am sorry I have not been able this year to provide for a larger staff in the Geological Department. I think that department should be out in advance of the prospector. The department has not been doing that work as thoroughly as I would like. Representations have been made, especially by members of Parliament, asking for geological examinations and surveys of various districts that have been discovered; but we must have somebody connected with our department who, whenever new fields are being reported on, will be able to promptly inspect them and furnish to the public from the State's point of view some knowledge as to whether the particular field is worthy of investigation. I am not suggesting that we should publish values in connection with any mining proposition; but if we cannot get ahead of the prospector we should in our geological department try to get out as soon as discoveries are made, and to publish as speedily as possible a geological report made by officers of the department. I have given instructions that as soon as an officer returns he has to make an interim report, which has to be handed over to the Press for publication. In almost every instance in connection with the geological report there has been a great delay in publishing the full report. These interim reports, though they will not give all the full details, will give the geological expert's opinion as to the district examined. I do not intend to deal at any greater length with this department just now. As each division of the Mines Estimates is being dealt with I shall be

only too pleased to give any information within my power in regard to the future work of the department.

[General discussion ensued.]

MR. T. H. BATH: The Minister did well in reconsidering his determination not to give any explanation when offering the mining Estimates. In all past years, without any hint, request, or intimation, the Minister had always felt impelled to give an explanation. Ministers would greatly facilitate the passage of the Estimates and remove much friction and hostility if they volunteered information instead of having to be badgered to do so after refusing at the outset. The Minister had referred to the slight falling off in the gold yield, and he (Mr. Bath) wished to echo the hon. gentleman's optimism as to the future of the mining industry in connection with gold-mining and in a lesser degree copper and silver. It was only natural there should be fluctuations. If one read the history of gold-mining in the other States and in New Zealand we would find that the gold yields fluctuated. He had every hope that with the development of fields such as had been mentioned by the Minister—Black Range, Meekatharra, and others—we should have a return of the record yields of gold which had characterised Western Australia in the past, and that we should maintain for many years our pre-eminent position in the gold-producing States of the Commonwealth. As to the Minister's proposals for what he termed the encouragement of the investment of capital and the security of tenure, he was altogether opposed to them, and when the Bill came up for consideration he would be thought be able to adduce good reasons why they were not desirable in the interests of the mining industry. The great curse of mining had been the speculative nature of company promotion, and Western Australia had been sadly handicapped, especially as far as the encouragement of investment of capital was concerned, by the methods which had been pursued by mining promoters in the past. The worst of the trouble was that when a State began to recover from one of those periods of depression following on a boom in mining promotion, and was beginning to be placed on a solid basis, these same gentry came into the field

once more and pursued the same methods. We had such mining promoters in Western Australia, but most of them made their headquarters in the old country, and passed from country to country. At one time there was a boom in the promotion of companies in Western Australia. Then they had deep leads in Victoria. Afterwards they went to Tasmania; then perhaps we had them booming mines in the Transvaal; and then we had a successful discovery in Madagascar; and so on. These people went from one country to the other, and when they exhausted them they returned to the old places and continued their efforts. We could never hope to have in Western Australia any real legitimate investment of capital in our mines until the Minister and others in charge of the department adopted a firm attitude and said "We will put down this thing." He placed more reliance on the proposals of the Minister in regard to the amendment of the Companies Act for the punishment and discouragement of this thing than he did in the proposals for giving what was called greater security of tenure in our mining ventures. Where mining companies, co-operative parties, or leaseholders had gone into a mining field with an earnest intention of legitimately developing it, and not with an idea of speculating in it, those people had never suffered from the administration of our mining laws. We had ample provision in our mining laws for giving exemption at any time when circumstances warranted it. We had had cases in the past in which companies had taken up mining properties and had held them for years practically without doing any work there, and thus preventing others from doing it.

THE CHAIRMAN hoped the hon. member would not discuss the question in anticipation of the Bill. He permitted the Minister to outline the proposals, but could not allow a discussion now.

MR. BATH: This was altogether *apropos* of the Mines Estimates. In the North-West, in the locality of Roebourne, there was a copper mining lease No. 34, known as the Mons Cupri. It had been worked six or seven years continuously with but brief periods of exemption. The proprietors of that mine, an English company, had spent £30,000 upon it. Their funds had been exhausted, and

last July they applied for three months' exemption for the purpose of raising capital and farther developing the show. On their case being stated in the warden's court the warden recommended the exemption, and the recommendation was forwarded to the Minister. The Minister not only refused the exemption but lectured the company on their presumption for making the application. In the same locality we had a lease No. 31, known as the Evelyn. It was sold to the British Exploration Company of Western Australia in 1901. They had had frequent exemptions. On the 17th October, 1902, six months' exemption was granted to them. The work done on the lease, which was a very small amount, would be represented by a total sum of £2,000. In June last it was rumoured that the people in the district were going to apply for the forfeiture of the lease. The company applied for exemption, which was opposed by people in the district on the ground that practically no work had been done or money spent on the lease for five years. At the hearing in the warden's court the agent of the company admitted it, and the warden refused the exemption. When the case was sent on to the Minister the Minister granted three months' exemption. That was to say, the Minister had practically sanctioned the non-working of this lease for over four years. These people had applied for exemption on the ground that they had a rush of water and they wanted to erect machinery. But surely in the period they had been there they had had time to erect pumping machinery. Comparing the different treatment meted out to those two companies, he considered that what we wanted was greater stringency in the administration of the department.

THE MINISTER: The hon. member was making a mistake about the Mons Cupri lease.

MR. BATH: As to the general administration of the Mines Department, the Minister had been continually getting himself into hot water through spending a considerable amount of energy in going round the country and criticising the Labour Government. We had in the *Statistical Abstract* the details of the expenditure on the mines for the

year 1904-5, and the amount then was £248,496. For the year 1905-6, the present Minister's year, the expenditure was £230,079, this being a lesser sum by £18,400; and when we reviewed the expenditure for July, August, and September of this year we found a greater falling off still. The expenditure for the quarter was £38,924, and if that was a criterion of the expenditure for the year, it meant that the total expenditure would be only £152,000. We must recognise that the Minister had decided not to place any sum on the Estimates this year for the erection of State batteries out of revenue, but he was going to do the whole of the erection of State batteries for the ensuing financial year out of loan funds. It would be regrettable if through any stringency in our financial position the work of erecting State batteries and providing facilities for leaseholders and prospectors was practically stopped or largely hampered; and where a reasonable proposition could be put forward he (Mr. Bath) would rather see the expenditure from loan funds than that its wants should be unsupplied. There was necessity for a great deal of care, and efforts should be made to effect economies in other directions in order that we might continue the policy which had been carried out in the past of voting a considerable sum from the revenue estimates for the purpose of erecting State batteries. There was another matter about which the Minister had not yet volunteered any explanation, namely the sale of the smelter at Ravensthorpe. It was encouraging to know from all reports and from the statements the Minister had made that the Ravensthorpe field was progressing, and that we were likely to have not only a permanent but a rich field that would find employment for a large number of men. Those statements made by the Minister indicated the very reason why this State should have retained the smelter in its own hands. The State went there when the field was in a languishing position, when prospectors of limited means had gone down there and opened up their various shows, and then were faced with the difficulty of treating the ore at anything like a reasonable rate. The State smelter was erected down there for the purpose of giving those people an opportunity of

treating their product. The State went on that field as pioneers, and then when the field had been developed and many rich and prospectively payable shows had been opened up and the State smelter was in a position to enter on a sphere of usefulness, with perhaps some slight profit to the State, the Government coolly sold it to the representative of an English company at an amount considerably under that which it cost the State. And these people stepped in and reaped the reward of the efforts of the State. It was a scandalous business, and the Minister should have offered some explanation.

THE MINISTER had already made a statement to the House on the matter.

MR. BATH: The explanation made by the Minister was most meagre. We had waited patiently for the Estimates to hear the Minister spread himself on the question, but no explanation was forthcoming.

MR. HOLMAN: The developments at Meekatharra and more northerly fields pointed to the necessity for a railway to those districts, which would serve other of the progressing districts to which the Minister had referred. The assistance given by the Government to those districts had been most meagre; and had places such as Gum Creek been fairly treated by the Government, they would now be flourishing centres instead of being practically deserted. On the Loan Estimates, it would be necessary to consider the desirability of a railway to those districts. A line from Nannine to Black Range by way of Montague Hills would serve most of those places. In the Geraldton election campaign Mr. Carson hinted lately at the probability of a railway to Black Range being authorised in the near future. He (Mr. Holman) was not aware if Mr. Carson was in the confidence of the Government on the point; but it was reprehensible that an irresponsible ex-member should be in a position to make such an important announcement during an election. A battery had been promised for Nannine, but not supplied, and when the batteries vote was reached he would ask for information on the point. Given adequate assistance to prospectors, he had no fear that the mining industry would make up the lea-

way lost in gold production; but the method of assistance adopted in the past of loaning horses or camels was not the best, and not likely to materially assist the prospecting of outback places. He disagreed with the policy of the Government in the sale of the Phillips River smelter. After the Government had expended £80,000 to £100,000 in opening up the district, a speculator in the person of Mr. Kaufman purchased a few properties, and was then handed over the smelter for a sum of £5,000, which represented the only return obtained by the State for its large expenditure in opening up that district. On reaching England, Mr. Kaufman caused to be published a statement that he had a promise from the Government that a railway would be built from Ravensthorpe to the coast, and that he had secured the mineral rights over a large area of country. That statement was repudiated by the Premier in this House; but he (Mr. Holman) had looked in vain for any denial of it in the English Press. Mr. Kaufman utilised that alleged promise to increase the value of his stocks in the Ravensthorpe district by £100,000.

THE MINISTER FOR MINES: How could that be argued, seeing that the first quotations were only just now placed on the market?

MR. HUDSON: The price of the shares had risen from £1 to £6.

MR. HOLMAN: From £1 to £7. True the shares had not yet been traded in on the exchange, but stocks were always bought and sold prior to their appearance on the exchange, and Mr. Kaufman could now, without a pick put in the ground, make himself almost a millionaire by means of his Ravensthorpe stocks. This question should be threshed out.

THE CHAIRMAN: What reference had this to the vote?

MR. HOLMAN: It affected the vote, in that if such practices were permitted in the future there would be no longer any necessity for Mines Estimates. While there had been a reduction in the amount of gold produced in the State, there was no diminution in the dividends paid, which pointed to the fact that a less amount was spent in wages within the State and a larger proportion sent

out of the country to benefit foreign capitalists. There had been too much exemption in the past, the Government being too pliant in the matter. Hundreds of acres had been permitted by this means to remain unworked, though some portion was let on tribute during the past two years, from which thousands of ounces of gold were contributed to the gold yield by the tributers. The Peak Hill Company held a lease of 300 acres and only worked about 24 or 30 acres. The rest was held under amalgamation or the concentration of labour. The Minister stated that he would give greater security of tenure. What greater security could any mining company have when they held as much land as was contained in a squatter's run, and only worked 30 acres. The conditions were liberal indeed, and instead of giving lessees greater facilities and greater privileges the Government should compel them to work their leases and not allow them to be locked up. The Gwalia mine held 600 acres and the Fingal 400 acres, and only carried on actual mining on a few acres. Were they compelled to work every lease the gold returns would be swelled. If the companies would not work these leases themselves there were hundreds of men willing to go on the leases and work them. The same system was adopted in the mining industry in Western Australia as had crept in other industries. Landed proprietors held large estates and would not work them. We should do all we could to prevent the mining leases being held in the interests of foreign companies. We should have an opportunity of dealing with the Minister's proposals as to greater security of tenure later on. The privileges granted under the Act of 1904, which allowed the amalgamation of leases and greater facilities for exemption, were the cause of the falling off in the gold returns. Land was allowed to be locked up and kept idle. The number of employees in the mining industry had decreased in spite of the alleged fact by the Minister that the number of employees had not decreased, for during the past three years they had decreased by 500. Since the passing of the Act of 1904 there had been a considerable decrease in the output of gold. Instead of giving greater security of tenure we should com-

pel companies to work their leases. The Minister stated that he considered a company should not be compelled to obey the labour covenants, but that by spending a few pounds they should be able to hold leases idle. The Minister should have some feelings for the prospectors. He remembered a case that occurred at Barambie, where some prospectors left a lease and went to another place to work; a mining speculator came along and jumped the lease over the heads of the prospectors. These prospectors had worked the property for some time and had spent all their money; they went away to earn money to enable them to carry on their prospecting.

THE MINISTER FOR MINES: They abandoned their property.

MR. HOLMAN: They did not. It was said before the case went to the warden's court that this mining speculator had taken an option over the lease. He would show how the Minister had favoured the larger man to the detriment of the small men. The prospectors went away to get money so as to be able to continue their prospecting work.

THE MINISTER FOR MINES: What did they do to protect the property? Nothing.

MR. HOLMAN: The mining speculator jumped the lease and applied for the forfeiture of it. The warden dealt with the case and eventually decided to fine the prospectors for their breach of the labour covenants. He fined them £30 and gave them the lease back again. As soon as the mining speculator found he was in difficulties, because it was said he had already made a deal to sell the leases before they were granted to him, he went to a newspaper and stirred the matter up; he came to Perth and made application to the Minister—presumably it was an *ex parte* application—and ultimately secured the lease. The Minister refused to uphold the decision of the warden and gave the lease to the mining speculator; yet the Minister talked about giving greater security of tenure. Instead of granting the lease to the mining speculator, if the Minister thought the warden's decision was not a fair one he should have referred the case back to the warden and asked that official to rehear it, so as to give the prospectors an opportunity of

going into court and proving their case. But instead the Minister granted the lease over the head of the warden to the mining speculator.

THE MINISTER FOR MINES: Who took an *ex parte* statement? The Minister?

MR. HOLMAN: There was only one statement made.

THE MINISTER: Evidence was taken of course.

MR. HOLMAN: Warden Troy was one of the fairest wardens in Western Australia; he settled more disputes in Kanowna, with less trouble, than all the other wardens in Western Australia put together. His word was above reproach and his decision should have been respected by the Minister. If more security were given to prospectors we could do away with foreign capital altogether, because the foreign companies came here to exploit the country. These were matters that were not known to the general public, and they stirred up nasty feelings in his heart when he found prospectors treated in this manner. If fairly treated, and greater assistance and protection were given to the prospectors, the gold yield would not decrease. The only thing that would save Western Australia from a dire calamity during the next few years was new discoveries on the goldfields or in the mineral districts. Every possible effort should be made by the Government to see that these discoveries were not missed. We had large mineral resources, and a large number of men would, with a little assistance, develop the country, but as long as the prospectors were treated in the manner he had described we would not find men to open up the country. We should have an opportunity of dealing with the State batteries when the details of the Estimates were considered, but the battery system was not the best; the crushing and cyaniding could be done much cheaper than at present. Greater facilities could be given, and where private batteries were erected the prospectors should receive some consideration. He had asked for assistance in his district in the shape of a road to a goldfield that would cut down the distance by 25 miles. He had been refused. He had asked for the sinking of a few wells on the road from Nannine to

Wiluna, a distance of 150 miles, and there were over 20-mile stages without water. This was through spinifex country; it took a day to go a 25-mile stage. Teamsters had to unharness their horses, drive them back to the well, water them and take them back to their team again. On every possible occasion where assistance could be given and inducements held out, these should be given. The mining question should be approached without party spirit; it should be to the best interests of members and every individual in the State to encourage and foster the industry as much as we could. We had unbounded resources in the North-West and on the Murchison. From his personal observation and knowledge the Murchison had good prospects before it and would be a great factor in assisting to build up the gold yield in the future; but when the conditions of mining were in such a parlous state, it was likely that the gold yield would go down hundreds of ounces. The Government should come to the assistance of prospectors and help them to keep the mining industry going.

MR. G. TAYLOR: There was a large decrease in the mining estimates this year. No doubt the Minister would argue that there was the purchase of copper ore last year, which would not take place this year. But the Minister stated that he intended to carry out work from loan moneys which last year was largely carried out from revenue. The Attorney General might take heed of what he (Mr. Taylor) was saying, because when standing for election in Kalgoorlie that member pointed out the necessity and the wisdom of carrying out works from revenue. He objected to the Government spending money on works from loan. The Attorney General enumerated the works which were carried out from loan, the rabbit-proof fencing and other works. The State batteries, under careful management, would be reproductive, although so far as the returns went they were revenue-producing now; but it was not from the crushing plant; it was the cyaniding of the tailings which legitimately belonged to the prospectors which made the batteries pay. Repeatedly he had said during the last three or four years this was not a satisfactory position.

Unfortunately for the battery system, there were no longer such large quantities of tailings to treat. The system had now reached bedrock, yet the Minister thought it necessary to appoint a board of inquiry, though he had long been responsible for the management. The votes on the Loan Estimates should be allocated amongst the districts, showing the sum to be spent in each. The Government should be able to do out of revenue more than mere administrative work. After six or eight years' experience, and with 40 State batteries running, one would think that new plants could be erected from battery earnings and general revenue; but the Government were resorting to loan. Early in the session he (Mr. Taylor) was accused by the Government of making wild statements as to the smelter at Ravensthorpe; but those statements had proved to be true in every particular, and had he known then what he knew now, they would have been more startling. The Government should have taken the earliest opportunity successfully to contradict the report issued in England by Mr. Kaufman, who stated to the prospective shareholders in his company that he had from the Government of Western Australia a guarantee that they would spend a certain sum in giving railway facilities to his properties. As no such assurance was given, the Government ought to have denied the statement. It was pleasing to learn from the Minister that new mining legislation was to be introduced to punish as criminals people who, in order to attract investors, falsely declared the value of a mine; but while punishing the man who wilfully over-estimated the value of his area in order to gull the public and thereby to injure the mining industry, it would be even more necessary to deal with a man who, standing well with the mining world, visited this State, inspected our mining areas, then wrote false reports condemning our mines from top to bottom, and cleared out of the country. The man in question was Mr. Hoover, who was on various occasions feted by the present Government, when he made flowery speeches over wine. Probably he was one of the "distinguished visitors" who travelled free on our railways.

THE MINISTER FOR MINES: Where was he fêted by the Government?

MR. TAYLOR: At banquets which the Minister attended.

MR. HEITMANN: The boot was on the other foot.

MR. TAYLOR was reminded that Ministers were fêted by Mr. Hoover, who said the bottom had fallen out of the Golden Mile, and that the bottom levels were no good. The Government acquiesced in those statements; in fact, it was not certain that the Government did not see that they were published in the country. As an outcome, we found this session the Treasurer reading letters from Mr. Richard Hamilton, to the effect that the mines on the Golden Mile were never in a better position. Twelve months after they were made, Mr. Hoover's statements were contradicted privately to mining men by every manager on the Golden Mile, all speaking strongly in condemnation of Mr. Hoover's attitude. The fact was, Mr. Hoover had tried to do something with West Australian properties, and he had failed. He took his capital away and invested it elsewhere. He was not the least prominent member of the firm of Bewick, Moreing and Co., which at least in the opinion of the Government was a firm of high standing; and he came to this country and without provocation wrote it down.

MR. BATH: "When the wine is in, the wit is out."

MR. TAYLOR: That was contradicted by another proverb, "When the wine is in the truth comes out." The new legislation should provide for dealing with men of that type; for punishing the unscrupulous pessimist as well as the unscrupulous optimist.

THE ATTORNEY GENERAL: Would the hon. member prosecute the Sydney *Bulletin*?

MR. TAYLOR: For misrepresentation, yes; but were he looking for cases against the Press, he need not go so far as Sydney. He regretted the printed report of the Battery Board was not on the table earlier, for members must quote from it on the Loan Estimates.

THE MINISTER FOR MINES: The report was on the table, and could be quoted.

MR. TAYLOR: Some phases of battery administration were not satis-

factory, and this was proved by the report. For such defects the Minister was not fully responsible, as some of the batteries were bought before he took office. But others had been erected since, and on some of these the report commented unfavourably. The question arose whether we should have a uniform standard battery, as recommended in the report.

THE MINISTER FOR MINES: The original report was laid on the table some time ago.

MR. TAYLOR: That was a type-written copy. It was impossible for everyone to use it. The copies distributed to members contained only a portion of the report.

MR. H. R. UNDERWOOD: The Minister's knowledge of the Pilbarra district seemed to be confined to Moolyella, but there were many other places on that goldfield which were more likely spots. There were Cooglegong and other tin alluvial fields. The Government Geologist reporting on Cooglegong stated that tin to the value of £52,000 had been taken off the field, and that from the Old Shaw field tin to the value of £151,219 had been secured. The Government Geologist considered that systematic prospecting in the Pilbarra district would result in the discovery of other tin deposits. The Minister referred to the Wodgina tinfield, but had his information been more recent he could have spoken in more glowing terms of that field. When the question of railway construction to Pilbarra came under discussion it would be time for him (Mr. Underwood) to deal with these matters, but the Minister had overlooked the Whim Creek copper mine. It was the best copper mine in the State, and its opening up caused many leases being taken up on the line of lode. The Government Geologist had mentioned that the asbestos found in the Pilbarra district was as good as anything found in any other part of the world. The work of the Government Geologist, as the Minister had said, was of great benefit to the State, but it would be of greater benefit if the suggestions made by the Government Geologist were carried out. The Government Geologist's report on the Pilbarra district was full of reasons

why the Government should assist in the development of that goldfield, but practically nothing was done to assist mining development there. True, a State battery was erected at 20-Mile Sandy, but the highest crushing rates were charged.

THE MINISTER: They had been reduced by him.

MR. UNDERWOOD: But not to the standard of other batteries. The Premier in his policy speech promised that something extra special would be done to assist prospecting. We were waiting for the fulfilment of that promise. Practically nothing was done in the field spoken of so favourably by the Government Geologist. True a subsidy was offered for sinking a shaft at Wodgina, but the conditions under which it was offered rendered it impossible for anyone there to take advantage of it. The department had offered to subsidise the working of a tin dressing plant. That was a step in the right direction. The only other assistance given towards prospecting in that district was that £70 was given to a party of men in Perth to go up to Pilbarra to prospect. Pilbarra contained at present some of the finest prospectors in the world. If the Government desired to assist a party of prospectors to prospect that goldfield they could have got the men on the spot and saved the expense of sending a party from here to the North-West. A considerable area of land was locked up under lease and unworked in the Pilbarra district owing to the long time it took to get an application for a lease approved. It generally ran to nine or ten months before a lease was granted.

THE MINISTER: Six months.

MR. UNDERWOOD: In any case that was too long. If a man would not work his lease he should stand by and let someone else work it. Two months were ample for a man to get a start on a lease if he was going to work it at all. At Wodgina, where tantalite and tin lodes were discovered, there was no telling exactly the direction or trend of the lodes, and the country was pegged out for miles, while owing to a dispute in connection with some of the leases land had been held for 12 to 18 months without a pick being put into it. Men were prepared to go on it to work it, but could not do so because it was held under lease.

The Minister should give some consideration to this question of ground being held for so long during the consideration of the application for a lease.

MR. E. E. BEITMANN: The main consideration was how much the Government were prepared to assist the industry on which the prosperity of the State depended. The Minister had the interests of the industry at heart but was not doing as much for it as could be done. If the Ministry were sincere in saying that they were prepared to help the industry to almost any extent, they could help it to a great extent by building a railway on the Murchison, a project which had been brought under the attention of the Minister on many occasions. During last year we sent to New South Wales £20,000 for coal to be used on the Murchison. If the Government were prepared to assist the mining industry to the extent they deserved, they should keep that £20,000 in the State, a great proportion of which would be spent on the Murchison. He had introduced two deputations to the Minister for Mines, asking that a wood line be constructed out from Cue. That would assist the mining industry to the extent of 5s. per ton on firewood. The Government would not refuse to construct that line, nor would they build it. He asked the Minister to give some little consideration to the Murchison. Never before in the history of Western Australia had we such good prospects on the Murchison as at present. There were new finds north of the Black Range, 20 miles out of Cue. There were good prospects at Stake Well, and 60 miles from Cue there was a good show. While the Minister told members that we had good prospects, and held out every hope in the near future of better returns, yet he was not prepared to give that assistance to the Murchison which it deserved; by helping the mining industry and getting more country worked. It was the intention of the Minister to bring forward a new mining Bill, the object of which was to prevent, among other things, a good deal of gambling in mines. Although we had had prosperous times in this State, those who had participated in the prosperity were not prepared to help the mining industry to the extent they should. The Minister had Mr.

Hoover and his crowd preaching to him about giving more liberal tenure. It was the experience of every part of Australia that the more liberal the tenure the less land was worked. Many years ago, a mining Act was passed containing a provision for the concentration of labour. Before this provision there were numbers of leases together all being worked, but under this provision mining companies in the State, some holding up to 200 acres of land, were working only eight or nine acres.

THE MINISTER: That provision had been in the Mining Act since 1875.

MR. HEITMANN: It was not taken advantage of until a few years ago. If the Minister could prove to the House that it was necessary in the interests of the industry that we should liberalise the tenure he would support him. If the Minister asked the wardens, he would find that no legitimate mining company, after spending a reasonable amount of money, had been refused exemption. The wardens had been too liberal. He knew two particular cases in his district in which exemption had been granted. A company south of the Great Fingal held a lease for four years but only worked 12 months. Time after time application was made to the warden, and successfully; exemption being granted. There were many similar instances. No one could say our laws were too strict in regard to exemption, and in regard to mining tenures in general. It was the intention of the members of the Opposition to criticise the items on the Estimates as we came to them. Great attention would be paid to the division dealing with public batteries.

MR. C. A. HUDSON recognised the utter futility of attempting to do anything in the direction of curtailing the Estimates or criticising them. On looking round the Chamber, he saw such an absolute majority in favour of the Government on any proposal they chose to bring forward as to render criticism futile and discourage it. Members on the Government side took such an intelligent interest in the debate that it warranted his observation. He also recognised there was great difficulty in attempting to deal with the Mines Estimates to-night, because of the

lack of information supplied by the Mines Department. When the Minister was speaking on the Address-in-Reply he assured members that the Government were going to do a lot for the development of the natural resources of the country, to encourage the prospector; they were going to do this, that and the other thing, for helping along the country, but nothing had been done. It was left for the Opposition only to speak in regard to that which had not been done. The Minister must confess that the whole of his department was in a state of chaos. He recognised that some months ago when, without the authority of Parliament, he appointed a board to inquire into the affairs of the Government batteries of the State. If he did not recognise that, he would not have seen the necessity for appointing outsiders to go into the department and recommend to him that which he should have done himself, and what he was paid by the country to do. One did not wish to offer any hostile criticism of the Mines Department, because the department spoke for itself. The Minister had done nothing towards remedying the state of chaos or attempting to make the department one of usefulness and utility in this country. The Minister had on every occasion used the hackneyed platitudes about the natural resources of the country and what he intended to do for the prospector. The report of the Batteries Board was given to the Minister some months ago. What action had been taken, and what had the Minister done to place the Mines Department on a proper basis? If the Minister could tell him of anything that had been done he (Mr. Hudson) would be agreeably surprised. The Minister had done something, but of a most infinitesimal character. Under pressure from the Opposition the Minister consented to have the report of the Batteries Board printed, and he said he would have it ready for the conference of prospectors. The report was in the Minister's hands months ago, and he gave the House the recommendations, but he did not give the data or basis of his recommendations. He did not say what the board had reported as to his department, although he had received the report some months before. The House asked that the report be

printed and supplied. The prospectors held their first meeting, and passed a resolution asking the Minister to supply them with the report immediately; but up to the present time that report had not been supplied to members. At the eleventh hour he sent the report round to the conference of the Prospectors' Association, but it was too late to be effective. Since the meeting of the conference the report had not been printed. How could we deal in a proper manner with the affairs of the Mines Department when that report had not been furnished to us? The Minister had not afforded us information. The hon. gentleman might have someone in his mind for the post of commissioner. [Interjection by the MINISTER.] Did the Minister intend to appoint himself as commissioner in regard to public batteries? Was the report that he was going to do so true or otherwise? Some time ago we had discussion on the general affairs of the country, the possibility of developing the great resources of Western Australia, and of restoring the finances of the State. The Treasurer had done nothing towards strengthening the finances. He had a docile majority whom he played with, who were tools in his hand; they were too pliable; he could make them elastic or compact, it was a concertina majority. The Minister for Mines had the report from the Battery Board which he appointed. When he appointed that board he admitted that the department was absolutely rotten, that he could not administer it, that he had no control over it, and he had to get someone to tell him what to do. He (Mr. Hudson) did not say anything against the personnel of the board, because he believed the members to be persons of great knowledge. He must, however, say that their report had been a long time coming to the House. It was furnished in part to the conference of prospectors, but that was done at the eleventh hour. How were we going to deal with the Mines Department on these Estimates if the Minister was going to take the bit in his teeth and keep us all night the same as the Treasurer? If he adopted that crude persistency which was characteristic of the Treasurer—

THE CHAIRMAN: The question was the Mines vote.

MR. HUDSON: The Treasurer was responsible for some of the finances of the country, and the finances were involved in this vote.

THE CHAIRMAN: The hon. member must confine himself to the subject.

MR. HUDSON: If the Treasurer and Minister for Mines objected to farther remarks upon this matter, it would be quite necessary, he supposed, that we should have the gag applied, and we should get back to the Stone Age, and the member for Greenough would get up and move that the vote be put.

THE MINISTER FOR MINES: Not the Stone Age, but the stone wall.

MR. HUDSON: Perhaps we had better get down to concrete facts. Three years ago the Minister promised that a slimes plant should be erected at Norseman, but that promise had never been fulfilled. There were other matters which needed criticism, but many of them came under the vote in regard to batteries. As to the attitude of the Minister in regard to the Phillips River Goldfield, something had already been said in relation to the sale of the smelter in that district. That smelter cost the country a considerable amount of money, and was run on lines detrimental to the interests of the country. Through bad administration and the ignorance displayed by the officers of the department in the purchase of machinery and material the thing was run at a loss. After the State had spent some £10,000 the Minister sold the assets for a paltry sum of £5,000, and no explanation had been offered as to why it was done. The only reason he (Mr. Hudson) could assign was that the Minister did not know it was loaded.

[MR. DAGLISH took the Chair.]

MR. HUDSON: The agreement provided that the company should have a 99-years lease. He was not going to deal with the papers, for certain papers had been removed from the file.

THE MINISTER: The papers were brought here.

MR. HUDSON: Certain papers were removed, and that was quite enough for his purpose. He was not going into the matter.

THE MINISTER (in explanation): If the statement of the hon. member were

allowed to go farther, goodness knew what might be assumed from the remarks made by him. The full papers in connection with that proposition were placed on the table of the House; and later, with the consent of Mr. Speaker, they were taken away because certain papers in connection with the valuation of the stock had to be kept by the department for the purpose of finishing the valuation. Those papers had nothing whatever to do with the sale. The file was brought back, and the only papers removed were those required in connection with the valuation. It was known in the House that these papers had been taken away.

MR. HUDSON would accept unreservedly the Minister's explanation, provided he stated that the papers removed were not necessary to a proper understanding of the transaction between vendor and purchaser.

THE MINISTER would not only give that assurance, but would shortly return the papers.

MR. HUDSON: The Minister should state clearly what had been done regarding the leases, because the agreement with the prospectors, as published by Mr. Kaufman, showed that the department had not watched the transactions with due care. As to the tenure of the leases, the Minister evidently intended to grant freeholds as demanded by Mr. Hoover. Freeholds of mining areas should not be granted. The recent Prospectors' Conference had passed a resolution that neither amalgamation of leases nor concentration of labour should be granted for longer than one year, unless tribute were allowed on the leases not worked, such tribute to be on terms and conditions approved by the Minister. The Minister should take some notice of the opinion of the whole mining community apart from large companies, and should give us his views of the resolutions passed by the Prospectors' Conference.

THE MINISTER FOR MINES (replying on the general remarks) said: The Leader of the Opposition had complained of an exemption recommended by the warden and refused by the department. From what he (the Minister) had learned by ringing up the Under Secretary for Mines, it appeared the hon.

member had been misinformed. Full particulars were not obtainable at the moment; but the hon. member said the lease had been worked for the past six years.

MR. BATH had his information from local residents.

THE MINISTER FOR MINES: Had the hon. member desired to ascertain its correctness, he could easily have obtained particulars from the department. He might rest assured there was no truth whatever in the statement made. When he (the Minister) found a company working a lease for a long time and requesting exemption, he was happy to grant the request; in fact, the company mentioned could have demanded exemption as a right under the Act, without applying to the Minister. If certain capital and certain labour were put into the lease, the Minister had no power to refuse exemption, and if he did refuse, those aggrieved could bring an action against the Government. The Under Secretary assured him the hon. member's statement was incorrect. The matter would be looked up and full particulars furnished. Where people did genuine work on mining properties they would always find the department prepared to give them reasonable assistance by way of exemption, whether this was needed for financial or for other reasons. No doubt the hon. member, before making his statement, was satisfied of its truth. The member for Murchison (Mr. Holman) mentioned a number of prospectors holding a good many leases at Barrambie, who after doing no great amount of development work abandoned the properties, left the district, and went to Black Range. This was proved by sworn evidence on the file. They neither asked that the leases be protected, nor did they ask for exemption. They stated they could not pay exemption fees; but the department had more than once specially waived the fees, though it was not desirable to do this frequently. Speaking from memory he thought it was about nine months after the prospectors had abandoned the leases without protecting them in the slightest that an application was made for forfeiture. Gold had been discovered in an adjoining property, and the holder of that property was anxious to get additional ground, and so applied for the forfeiture of these

abandoned workings. As the ground was in the names of these people away from the district, it was necessary to apply to the warden for forfeiture.

MR. HOLMAN: The lease was sold before they made application for the forfeiture.

THE MINISTER: If forfeiture had not been insisted on, what power would there be in the future to prevent the shepherding of leases? He was anxious to assist the men who had originally developed the mine, but we could not discriminate between the prospector and the capitalist when dealing with the legal aspects of a case.

MR. HOLMAN: The prospectors satisfied the warden, and the Minister should have been satisfied.

THE MINISTER: The evidence was very clear. Had he agreed to a fine being inflicted we would never have the opportunity of carrying out forfeitures. There was another alteration he intended to make in the new Mining Bill to be brought down in the future. He intended to have the warden's recommendations looked upon as decisions, and that any appeal from a warden's decision should be heard in Perth by an appeal board, of which the Minister should be chairman. At present the Minister took all responsibility of dealing with forfeitures. If we made an alteration, it would prevent in future any suspicion of the Minister's being approached or taking certain action for political purposes.

MR. HOLMAN: How was this matter brought so prominently under the Minister's notice?

THE MINISTER: Any application for forfeiture came under the notice of the Minister.

MR. HOLMAN: It was a fine, not a forfeiture.

THE MINISTER: The member for Mount Margaret was wrong in saying that the Government had fêted Mr. Hoover. [MR. TAYLOR: The statement was withdrawn.] There was no harm in Ministers attending banquets given to visitors in the State. With regard to the complaint made by the member for Pilbarra as to the delay that took place in granting leases, it was necessary that delay should take place. As the person to whom the lease was issued became the

sole possessor of all the gold within his pegs, it was necessary for the department to make full inquiry to ascertain that there was no alluvial on the ground applied for. It would be better if we made use of Section 77 of the Act allowing for the granting of permits. We could alter the regulations to provide that permits should be issued at once, and that within a month afterwards the labour conditions would start.

MR. SCADDAN: Did the department exercise the same precaution in tin mining areas?

THE MINISTER: Yes. The warden in dealing with an application for a lease in a mineral area would need to ascertain whether the ground was likely to develop alluvial; and if so, would naturally refuse to recommend the granting of a lease.

MR. SCADDAN: It was a moot point at Greenbushes.

THE MINISTER: Yes. An inspector of mines was often sent to Greenbushes to decide whether the department should issue a lease. The department did not care to issue a lease for alluvial tin. Of course in some cases where expensive machinery was required for sinking, the warden granted a lease, but if alluvial tin was likely to develop the ground should be taken up in alluvial claims. In Pilbarra, leases had been granted, the effect being that one man could hold as much ground as would be occupied by ten alluvial claims. The warden held that it was necessary to grant large areas so that the prospectors could work the ground properly, but the department had advised the warden that he should not continue to grant these large areas unless there were strong reasons for doing so. The matter of the wood line from Cue had not been finally determined on by the Government. He would mention for the information of the country that two persons were considering the question of privately erecting a wood line there. He would prefer that being done rather than that the Government should construct the line. That was a matter that could be better dealt with on the Loan Estimates, for the work would be done by loan moneys. Whether anything would be done by the persons referred to he was not sure. The member for Dundas seemed to be offensive, but he was only voicing statements

which had appeared in a certain section of the Press. The member said he would ask the Minister publicly if it was his intention to appoint himself to a certain public position. He (the Minister) could assure members that it was not the intention of himself or of the Government to consider the possibility of such a suggestion. It would not receive a moment's consideration.

MR. BATH: The Minister intended to stick to politics.

MR. TAYLOR: Until next election, at any rate.

THE MINISTER: Statements of this kind appeared in all newspapers. At one time he was going to be appointed special mining commissioner. Every Minister for Mines was going to get a billet of some kind. At present there was no intention to do anything of the sort. He intended when dealing with the battery question to explain what he proposed doing as to the appointment of someone in that department. It was admitted on all sides that reform was necessary. There was not the slightest chance of any political appointment being made. He had always had too great an interest in that work to allow it to be destroyed by a political appointment. We must try to do better than had been done in the past in the battery system, and if any appointment was made, that appointment would be to some one who had a thorough knowledge and grasp of the details of that class of work. The sale of the smelter had been touched on. He did not know that he could give any farther information than had been given in the past. The papers showed how one with a desire to be careful and fair could be easily misunderstood. Members had asked that the papers be laid on the table last month, and Mr. Weir and the Under Secretary for Mines met in Perth to finish the valuation in connection with the properties which had been taken over by the Government. The papers were in the House in connection with the purchase of the smelter, and a message was sent to the Speaker asking for permission to take the papers back to the department. The Secretary for Mines assured him that only a few of the papers were required, and excised them. The Under Secretary asked if he (the Minister) approved of the papers going off the file as

they had no connection with the matter in any shape or form, and he (the Minister) marked on the file that the papers were removed, and the original file was then brought back to the House. So far as the sale of the smelter was concerned the position was clear. He believed certain statements in connection with the company's report would lead people to believe that the area on which the smelter was erected had been leased, and the mineral rights granted; but if one read the papers carefully one would see that the statement was not actually made, although it was suggested. If one read the agreement made by himself with the company, one would see at once that the company had no right whatever to the minerals on the area. They only had the right to the area to a depth of 40 feet, except for the purposes of finding water. Members had seen the agreement made between the Government and the company, it had been lying on the table for months, therefore why was it necessary to assume that the company had any other rights or powers than those contained in the agreement?

MR. BATH: The report confirmed everything said about the company using fraudulent methods in the old country.

THE MINISTER: The agreement was so clear in regard to the rights of these people.

MR. HOLMAN: We had asked if the Minister had warned investors in the old country of the facts.

THE MINISTER: If the member read the agreement he would see that the company had no right to the two areas. When he read the report first he assumed they had the mineral rights on all the areas; but if the agreement was read carefully members would find it did not say so. It would lead the general public to think that was the case. Only by accident he read the report. It was not his duty to read the reports of mining companies to find out if wrong statements were made. He had not the control of the Companies Act, and it was only because in this instance certain negotiations were opened between this company and the Government that these matters were brought under his notice. There was the question of the railway to Phillips River. Very little more was contained in the report

than the statement made in Parliament, and in the Press. So far as he was concerned the development of the district warranted a railway, and he was justified in recommending its construction. Within the last seven or eight days Cabinet had approved of the construction of this railway, and almost immediately afterwards the Premier made an announcement to that effect. There were eight members in the Cabinet who had to be certain that the proposition was a good one before it could be brought before Parliament. In this case the company had no right to make the statement they did. In regard to the smelter the Government closed down for a period of nine months, and during that time only 1,100 tons of ore were taken to the smelter. At that time the Government were making advances as in the past. The principal producing mines had been taken from the Government, and the company had only to erect their plant, and if they did not take their ore to the State battery there would not have been the slightest chance of the Government carrying on. That plant was capable of treating 50 tons a day. When the Government owned the smelter 1,100 tons were produced in nine months. As he had previously stated, the principal producing mines were in the hands of the company. One member said the prospectors were being robbed of all their chances in that district, because after giving them inducements by the erection of the smelter, when the chance was in the hand of the prospectors the Government sold the smelter to a company. What really happened? There was no stone coming to us. We had treated all the original parcels which had been brought in. We set to work and erected a new smelter, and we were assisting these people by making advances on stone brought in, yet, as he had stated, only 1,100 tons were brought in during the period of nine months.

MR. HOLMAN: It did not look very prosperous for a railway.

THE MINISTER: The stone was there, but the prospectors, instead of coming to the Government, sold their properties, and those producing mines were in the hands of a company which refused to send their stone to the Govern-

ment smelting works. We were not in a position to say "You shall not sell your show." There were few shows working there which were producing any ore, except those owned by this company, and we had already lost £10,000 on the working of that plant.

MR. SCADDAN: We should lose £10,000 more on the working of the railway.

THE MINISTER: The hon. member could discuss that when the proposition for a railway came up. He (the Minister) thought we should be able to show that such a railway would be justified. If we could not, the House should of course reject the proposal. As to the smelter, there would not have been sufficient ore left to allow us to keep the smelter going more than about two or three months in the year. We must have made extensive losses, and we were offered within about $7\frac{1}{2}$ per cent. of the cost of the smelter. He thought we did everything that was best in the interests of the State in selling the smelter. If members would look at the records, they would see he pointed out the danger of the State going into that class of work, and how difficult it would be for us to make it a success. Yet he considered that, in the best interests of the district, we should take the responsibility, and he took the responsibility upon himself and gave instructions for the erection of the smelter. He did all he could to assist the district. He spent some ten days down there and visited every show in the district. He gave credit to the State Mining Engineer for the splendid report in connection with that district. There were some thousands of these pamphlets distributed all over the world, and it was owing to that report of Mr. Montgomery that capital had been induced to come to the district. Some members objected to the capitalists coming there, but he believed those people had spent £60,000 or £70,000 already in development work, and they found employment for a large number of people.

MR. HOLMAN: How many people were employed at the present day?

THE MINISTER: Could not give the figures.

MR. HOLMAN: There were not very many.

THE MINISTER believed that the company intended to systematically open up their various propositions, and he heard this week that they were going to put one of their properties on the market for flotation. He had no regret at all in connection with the sale of the plant. He had, he believed, dealt generally with the arguments used regarding the various matters of administration. They might perhaps be not quite proper in dealing with our Estimates, yet he hoped the Chairman would forgive us if we had digressed, and that now we should be able to make some progress with the Estimates.

[Votes and Items discussed in detail.]

Item—(Head Office) clerks, £5,714 :

MR. TAYLOR : There was an increase of £263. It was only a small amount covering the total number of clerks. A number of officers received only a small salary, and perhaps the Minister would see the necessity of increasing from the bottom of the list instead of the top.

THE MINISTER : These increases were simply carrying out the wishes of the Public Service Commissioner. The principal increases were in connection with the juniors. He was rather sorry there was not a reduction generally ; not that he had any objection to the increases granted to the juniors, but he was satisfied that if in the Mines Department we had anything like a proper office where officers could be kept somewhat together, we could get this work done for considerably less money than it was costing to-day. The Mines Department—he referred to the site—was in a position in the city it should not occupy. The site was a most valuable piece of ground, which should be utilised for business purposes. That ground should be either sold or leased, and the money should be devoted to the erection of an up-to-date building for not only the Mines Department but others. He believed we could get £13,000 or £14,000 for that property.

[MEMBERS : MORE.] We should get outside somewhere, and let the people walk a bit farther to come to the office. We were paying rent outside, and it would be better for the State if we had a building superior to the present one. The present building was properly

described as a rabbit warren. The rooms were small, and the men working in them could not be directly supervised by their immediate head.

MR. H. BROWN moved—

That the Committee do now divide.

THE CHAIRMAN : We were now discussing Item 6. That motion could not be made.

MR. H. BROWN : The motion was to divide on “ Mines Generally.”

Item (Goldfields Staff) — Wardens, £5,391 :

MR. HOLMAN was not thoroughly satisfied with the Minister's reply regarding the leaseholders at Barrambi. The warden took the evidence in Cue, and recommended forfeiture or a fine of £30. The Minister, without giving a chance of rehearing the case, forfeited the leases without the option of a fine. The applicant for forfeiture never did a day's work on the leases, but sold them, he having, prior to the hearing of the case, held an option to sell. Was any private application made to the Minister? Of the merits of the case the warden was a much better judge than the Minister. Companies had shepherded leases for three or four years, though wardens had recommended forfeiture.

THE MINISTER : When amending the Mining Act he intended to provide that the warden's recommendation should be made a decision ; but the Minister must now take the responsibility which was directly thrown on him. In Warden Troy, a good and honourable gentleman, he had every confidence ; but if the hon. member would visit the office he could see the files, and, if he found anything wrong, could ventilate it in the House. He (the Minister) made it a rule never to allow either the parties or their solicitors to consult him in cases of forfeiture. He considered it wrong to take *ex parte* evidence, and he judged by the papers submitted. Letters were sometimes received, and often transmitted to the warden for report.

MR. HOLMAN accepted the Minister's explanation, but regretted the case had not been again referred to the warden, whose decision would probably have been justified. He was informed the applicant sold the leases before he had a right to sell them.

THE MINISTER: Were those the Legacy leases?

MR. HOLMAN: No.

THE MINISTER: Apparently the hon. member and he were at cross purposes.

MR. HOLMAN would inspect the file; but wardens' decisions should receive more respect. Why should there be so many wardens and so few inspectors of mines? At Peak Hill the warden drew a large salary, though a registrar could do all the work.

THE MINISTER: The warden acted as registrar.

MR. HOLMAN: At a warden's salary.

THE MINISTER: If retired, he could draw a pension.

MR. HOLMAN: That warden's work was not altogether satisfactory, as for instance when an exemption was granted on the Peak Hill properties.

Item (Goldfields staff)—Inspectors of Mines, £3,209 :

THE MINISTER: In grading the salaries, which originally varied considerably, £400 was allotted to the inspectors at Cue and Kalgoorlie, but really the only place where extra payment was necessary was at Kalgoorlie, where there were two officers, one being superior to the other. These inspectors had been for years in the service and he did not care to reduce their salaries. He hoped in future to be able to appoint an additional inspector if he could find the means of making a saving elsewhere. The Murchison district was too large for one inspector, and he would endeavour to appoint another inspector for that district. Under the item of temporary appointments he intended to send a man to Ravensthorpe.

MR. HOLMAN: No one would have objected to an increase of £700 in order to appoint two additional inspectors, because of the large number of accidents occurring in our mines. We could not vote to increase the item, but the Minister might accept it as a direction from the Committee that any increased expenditure in this connection would be approved of.

Item—Relieving Inspectors of Mines, temporary appointments, £600 :

MR. SCADDAN: This was a new item which needed explanation. We were relieving two inspectors. The position

at Kanowna had been filled. Was it a temporary appointment?

THE MINISTER: Yes.

MR. SCADDAN: What position had the gentleman now at Kanowna filled before being appointed temporary inspector?

THE MINISTER: This vote was to pay the retiring allowance to the late inspector at Kanowna, and to pay for the officer who would relieve another inspector due for long leave, and to pay for sending an inspector to the Ravenssthorpe district. The latter position would not be a high-salaried position, nor would it be an appointment from outside the service. He did not wish to say much about it at present. No new appointments would be made until the rules defined in the new Mines Regulation Bill had been framed and the successful applicants passed an examination. The gentleman appointed temporarily at Kanowna had had good experience. The appointment was made on the recommendation of the State Mining Engineer. The gentleman had acted as a State battery manager, and then had made reports on certain requests under the Mining Development Act. Those reports were well written, and showed that the gentleman had a good grasp of his work.

MR. H. BROWN would move "That the Committee do now divide." [General dissent.] Standing Order 164 provided that this motion should be put.

THE CHAIRMAN: The Minister in charge of the vote did not wish the Committee to divide.

MR. H. BROWN: The Minister's wish could not stand above the Standing Orders.

THE PREMIER: The important matter of the State batteries came under this vote. It was decided after consultation with the Leader of the Opposition that it would be advisable, as it opened up such a wide field, to discuss the vote for State batteries at the next sitting. The understanding was that we should report progress after passing the vote for Geological Survey.

MR. H. BROWN: On two previous occasions the Chairman had given decision that this motion must be put. He moved—

That the Committee do now divide.

Motion put and negatived; one voice for.

MR. H. BROWN: Thanks to the Ministry for their support.

Item—Exemption fees, refund, £400:

MR. HOLMAN: Would it be possible to see the return of the exemption fees?

THE MINISTER: Yes.

MR. HOLMAN: Would it be possible this session to have a return of the exemptions, and would that return show the number of concentrations and amalgamations?

THE MINISTER: It would not show the amalgamations, but the concentrations.

MR. HOLMAN: Would it be possible to get a return of the amalgamations? This question would come up next session and members should have the information.

THE MINISTER: The exemption return was already on the table. Concentration was exemption and would naturally be in that return. There were no papers dealing with the amalgamation of leases and there would be trouble in obtaining such information.

Other items agreed to, and the vote passed.

Vote—*Geological Survey*, £5,960:

MR. HOLMAN: Was it intended to continue the survey of the Murchison field?

THE MINISTER: It was complete.

MR. HOLMAN: Between the Star of the East and Barambie the country was very promising, and if the Government Geologist were sent there it would be of great advantage and induce prospectors to go out.

THE MINISTER: The preliminary report of that work had been obtained. There was too much delay in getting out the publications due to the careful drafting and getting the maps ready. He was sorry so much delay took place. The great value of a geological report was in getting it out quickly. In future he intended to have an interim report published as soon as the officer returned. He hoped the member would not ask anything about the Murchison district to-night, for he did

not know what work had been put in hand. It was to be hoped that before long there would be another surveyor employed. There was a lot of work to do to bring the districts up to date.

Vote put and passed.

Progress reported, and leave given to sit again.

BILL—PERTH TOWN HALL (SITE).

COUNCIL'S SUGGESTED AMENDMENT.

Message from the Legislative Council received, insisting on the amendment suggested to be made in the Bill.

MR. ILLINGWORTH: I wish to ask whether that message is in order.

MR. SPEAKER: I shall be prepared to give a ruling on the question the next time the House meets.

BILL—BOAT LICENSING AMENDMENT.

Received from the Legislative Council, and on motion by the PREMIER read a first time.

ADJOURNMENT.

The House adjourned at seven minutes past 11 o'clock, until the next Tuesday.