

Legislative Assembly,

Wednesday, 1st November, 1933.

	PAGE
Questions : Lotteries Commission, financial operations, employees	1603
Augusta allotments	1603
Bills : Forests Act Amendment, 1B.	1603
Geraldton Sailors and Soldiers' Memorial Institute Land Vesting 1A.	1603
Employment Brokers Act Amendment, 3A.	1603
Lotteries (Control) Act Amendment, report	1603
Annual Estimates, Vote discussed	1604
Mines Department	1604

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

QUESTION—LOTTERIES COMMISSION.

Financial Operations, Employees.

Mr. RAPHAEL asked the Minister for Police: 1, Is it his intention to lay on the Table of the House a statement showing the financial transactions of the Lotteries Commission, including a profit and loss account for each sweep conducted by, or under the control of the commission, showing therein the details of all expenditure? 2, Will he give the names of the persons employed by the Lotteries Commission, the occupation and salary of each such person respectively?

The MINISTER FOR POLICE replied: 1, (a) Section 15, paragraph (d), of the Lotteries (Control) Act, 1932, sets out that "the Commission shall within thirty days of the drawing of a lottery conducted by it, furnish to the Minister a true and accurate account of the receipt and disposal of all property in the conduct of the lottery, and such account shall be accompanied by a certificate of the auditor in regard thereto, certifying whether the conditions of the permit and of this Act and the regulations have been complied with, and, if not, drawing attention to any details of non-compliance." This instruction has been complied with by the Lotteries Commission. (b) A balance sheet will be issued and published at the close of each year's transactions. 2, An efficient staff (capable of performing various duties) is employed by the Commission. The salaries paid and conditions of work are in conformity with the Arbitration Court awards governing such work.

QUESTION—AUGUSTA ALLOTMENTS.

Mr. LATHAM (without notice) asked the Minister for Lands: Will he lay on the Table of the House, papers relating to Augusta allotments dealt with in the Bill before the House.

The MINISTER FOR LANDS replied: I have the papers and will place them on the Table now.

BILLS (2)—FIRST READING.

1, Forests Act Amendment.

Introduced by the Premier.

2, Geraldton Sailors and Soldiers' Memorial Institute Lands Vesting.

Introduced by the Minister for Justice.

BILL—EMPLOYMENT BROKERS ACT AMENDMENT.

Read a third time and transmitted to the Council.

BILL—LOTTERIES (CONTROL) ACT AMENDMENT.

As to recommital—Report.

The MINISTER FOR POLICE: I move—

That the report of the Committee be adopted.

Mr. SAMPSON: I move—

That the Bill be recommitted for the purpose of further considering Clause 5.

Motion put and a division taken with the following result—

Ayes	14
Noes	21
Majority against	7

AYES.

Mr. Brockman	Mr. Sampson
Mr. Ferguson	Mr. Seward
Mr. Keenan	Mr. J. H. Smith
Mr. Latham	Mr. Stubbs
Mr. McLarty	Mr. Thorn
Mr. Needham	Mr. Welsh
Mr. Preece	Mr. Raphael

(Teller.)

NOMS.

Mr. Clothier	Mr. Rodoreda
Mr. Collier	Mr. Sleeman
Mr. Hawke	Mr. F. C. L. Smith
Mr. Hegney	Mr. Tonkin
Miss Holman	Mr. Troy
Mr. Kenneally	Mr. Wansbrough
Mr. Lambert	Mr. Wilcock
Mr. Marshall	Mr. Wise
Mr. Millington	Mr. Withers
Mr. Moloney	Mr. Wilson
Mr. Munsie	(Teller.)

Motion thus negatived.

Question put and passed; Report of Committee adopted.

ANNUAL ESTIMATES, 1933-34.

In Committee of Supply.

Resumed from the previous day; Mr. Sleeman in the Chair.

Department of the Minister for Mines (Hon. S. W. Munsie, Minister).

Vote—Mines, £88,578:

THE MINISTER FOR MINES (Hon. S. W. Munsie—Hannans) [4.41]: I am proud to have the honour of being Minister for Mines at this particular period, because of the fact that the mining industry is flourishing in this State.

Mr. Stubbs: It is a good job for Western Australia.

The MINISTER FOR MINES: I hope the industry will continue to flourish for a considerable time to come. With the enhanced value of gold, I do not think there can be any doubt about it, as the price of gold has been so high for the last eighteen months. I desire to pay a tribute to many of the mining companies that incurred a large expenditure in the reorganisation of their treatment plants. Under existing conditions many of the mines, even if the price of gold were to revert to the normal figure, would still be able to continue operations at a profit for many years to come. For that, they deserve every credit. I will not attempt to give members the detailed history of gold mining in Western Australia. We all know pretty well what the mining industry has done for this State in particular, and for Australia in general. It is rather a strange coincidence that on almost every occasion when there has been a fairly widespread depression apparent, even outside Australia, gold mining has come to our rescue. Certainly on one occasion when Australia was in grave difficulties over a considerable period, the gold mining indus-

try proved a great factor in restoring the balance. That occasion was when gold was discovered in payable quantities in Western Australia. I believe the present depression is the greatest that the civilised world has ever experienced and I feel confident that the gold-mining industry will play an important part in the rehabilitation of the British Empire and of the world generally. Statements have been made, and prophecies resorted to, regarding what will happen in the near future, particularly with regard to the gold-mining industry. Economists have indulged in prophecies regarding the future and the results to be anticipated. If I attempted at the present juncture to assume the role of prophet, I am positive I would be in good company, irrespective of the direction in which the ultimate results might lie, because a considerable number are prophesying each way and certainly all cannot be right.

Mr. Stubbs: You believe that a prophet has no honour in his own country?

The MINISTER FOR MINES: I express the opinion that the price of gold may not remain at the present level, but I believe that before it falls it will go still higher. I do not think the peak has yet been reached. If the price does go higher, the industry will be assisted to a far greater extent than it has been in the past. In view of the negotiations proceeding between various countries of the world, there is a possibility that gold will again be standardised; but I am going to make this prophecy, that I do not believe it will ever again be standardised at £4 4s. 11½d. per oz. If the nations do revert to the gold standard, I think the standard will be fixed considerably higher.

Mr. Stubbs: It costs more than £4 to produce an ounce of gold.

The MINISTER FOR MINES: That has been said all through.

Mr. Marshall: It costs more than four times £4.

The MINISTER FOR MINES: I am indebted to Mr. Eustace G. Heal, Secretary of the Bank Officials' Association of South Australia, for information extending over several centuries regarding the fixation of the price of gold. It is no new thing to say that the price of gold will vary, but the standard price has varied. The following figures have been quoted authentically and I have had them checked as far as possible and have proved them accurate. The stand-

ard price fixed for gold in the respective years is given thus:—

Year.	Per oz.	
	s.	d.
1344	22	9½
1351	26	0
1412	29	4
1464	32	9½
1526	45	0
1549	60	0
1604	64	11
1611	70	10½
1663	80	11
1699	86	11¼
1770	84	11½

The standard price to-day remains 84s. 11½d. As I said before, I do not think gold will ever revert to that standard value. The time has come when the fixation of the price of gold will be considered; as a matter of fact, it is being considered, and I believe that when a decision is reached the standard will be much higher than 84s. 11½d. Therefore I am looking forward to a prosperous time for our gold-mining industry. Let me give a brief history of the output of gold in Western Australia. For some years up to 1929 the quantity of gold produced was gradually declining. In that year 377,176 fine ounces valued at £1,602,140 were produced. From that year onward there has been an improvement. In 1930 the production was 416,369 fine ounces; in 1931, 510,572 fine ounces, and in 1932, 605,561 fine ounces, the value of the latter in Australian currency having been £2,572,260. During the first nine months of the present year the production was 469,089 fine ounces valued at £1,992,562.

Mr. Latham: Are not your values in British currency?

The MINISTER FOR MINES: No, Australian currency, not including the premium. The values are calculated at the rate of £4 4s. 11½d. per oz. Adding the bounty, premium and exchange, the value in Australian currency in 1930 was £1,864,442; in 1931, £2,998,137; and in 1932, £4,403,642. Thus in 1932 the value of the premium and exchange exceeded the total value of the gold produced in 1929. No wonder there has been increased activity in the industry. For the first nine months of this year the Australian value of the output of gold was £3,559,358 and the three best months of the year have yet to come. I make the latter statement because, for years past, the last three months of the year have given the largest output of gold. That is only natural because the whole

of the public crushing plants are kept busy during the last two or 2½ months of the year. Many people who do not get a crushing during the rest of the year save up for a crushing just before Christmas, and naturally the last quarter of the year shows the largest output. The Government are doing everything possible to assist the mining industry. A prospecting scheme was inaugurated by the Government and the number of men who accepted the terms of the scheme and went out prospecting, totalled 2,178. The men were distributed in the various districts in the following numbers:—

Broad Arrow district	240
Coolgardie	180
Widgimooltha	190
Larkinvile	125
Menzies	120
Norseman	25
Kalgoorlie, Kanowna, Kurnalpi, Red Hill, Mt. Monger	315
Ravensthorpe	10
Cue	115
Laverton	85
Leonora	66
Meekatharra, Peak Hill	145
Mt. Magnet	100
Niagara	10
Sandstone	16
Wiluna	35
Yalgoo	60
Southern Cross	280

Of the 2,178 men, 161 have returned or have had their sustenance cancelled on account of having found payable gold, or obtained work, or for unsatisfactory operations, leaving 2,017 men at present in the field. Of all the men sent out, only three have been recommended, since two supervisors were appointed, to have their sustenance cancelled. That speaks volumes for the class of men and for their good conduct. The supervisors have dealt with practically all the men sent out under the scheme, except a few in the outback districts. Up to to-day the men have repaid over £600 of the sustenance money advanced. At present there are over 30 parties with parcels booked at State batteries. That does not include parcels that may be booked at private crushing concerns.

Mr. Marshall: Does it include State batteries that are leased?

The MINISTER FOR MINES: No, it relates to State batteries only; not to batteries leased or to those to which subsidies are paid. We cannot get definite information of those. I wish to give a few results obtained by prospecting parties that have gone out and

I see no harm in mentioning the names, as follows:—

McEwen Bros., Higginsville—10 tons: 60 ozs.
Endall and party, Widgiemooltha (2 parcels)
17 tons: 88 ozs.; value £700.

R. Sanders, Broad Arrow—22 tons: 23 ozs.
Mitchell and party, Wannaway (Berdan
Pan)—18 ozs.

Cameron and party, Hope's Hill—10 tons:
10.22 ozs.

T. Conway, Wadingarra—11 tons: 11.75 ozs.

The reports received from the two supervisors are gratifying to the Government and particularly to the Mines Department. There is no doubt that the men who went out under the scheme included exceptionally few non-triers. There have been many men who have not discovered anything of value, but so far as we can judge the great majority are genuine triers. That being so, many of the men who have not yet had returns will make good. At all events, we hope so. There have been some phenomenal returns recently. The following are crushings from State batteries, but not of the ore of men under the prospecting scheme:—

Boogardie P.A. 1618—1 cwt.: 16 ozs. 13 dwts.

Cue P.A.—6 tons: 11 ozs. 15 dwts.

Cue P.A. 2000—8 tons: 12 ozs.

Kalgoorlie G.M.L. 5493—22 tons: 117 ozs. 19 dwts.

Meekatharra G.M.L. 1539—144 tons: 320 ozs. 6 dwts.

On the 26th of last month I received a return from Menzies. A parcel was put through the Menzies battery of 106 tons yielding 318 ozs. Ninety per cent. of the crushings, that have not come from men who are engaged in the prospecting scheme, are from new shows. This indicates that all the gold in the State has not been discovered. Gold is coming from all districts and from places that were hitherto unknown. The possibilities are beyond what can be imagined. The find at Mulline was an exceptional one. The party concerned crushed 50 tons of ore for 1,660 ozs. The option-holder anticipates having his plant erected on the mine and to be treating ore before Christmas, and expects to get out of the ground sufficient gold to enable him to pay the £15,000 in cash, representing the price of the option. I wish the company concerned luck. Some doubt was expressed by several people as to the genuineness of this crushing. It was suggested that it was

faked, and that the gold did not come from that particular show. We therefore requested Mr. Winzar, the Inspector of Mines, to visit the place and report to the department. When the inspector reached the show, he found that both the owners were away at the battery at Menzies, but they had left a man in charge. The inspector explained who he was and what he wanted, and got permission to look over the mine for himself. His report is as follows:—

The present workings are a little to the east of the Lady Gladys line, and these two men, who had been prospecting, were on the point of leaving them. Before doing so, they sank a pothole and got some loams and then came on to rich values. There are two veins of quartz varying in width to 10 inches with stringers intercepting. These veins are nearly flat, with a pitch to the north, and will probably turn and form a reef dipping east and pitching northerly. Sample of quartz dollied showed 1½ dwts. of gold to the pound weight.

That should be sufficient evidence to show that the crushing was genuine, and that the statement as to its being a fake had no foundation in fact.

Mr. Stubbs: Have they found the lode yet?

The MINISTER FOR MINES: They are on the leader from which the gold was obtained. There is no doubt the crushing came from the leader that was broken from a small hole eight feet deep. I should like to read one or two of the remarks made by the supervisors of the prospecting scheme. I had one report the other day in which the districts of Broad Arrow and Ora Banda are included. It says—

There has been nothing of outstanding importance occurring in connection with the scheme since my last report, although there is a considerable amount of systematic prospecting being carried out at the different camps visited. Bardoe in this regard is worthy of special mention. The men are carrying on in a workmanlike manner. There is a tendency among many of our men to start driving and stopping at a shallow depth when values incline to weaken. In such cases I endeavour to impress on their minds that impoverishments occur in almost all ore bodies at various so that an amount of backs might be developed points, and that further sinking is desirable to yield substantial tonnage. There is a good percentage of our men raising battery ore, and in a couple of months' time the State should begin to feel the benefit of the scheme.

As an instance of the activity displayed in connection with the gold-mining industry in this State, it is notable that since Janu-

ary this year 26 companies and syndicates have been registered with the object of working mining properties in this State. Nine of these are foreign companies, particulars of the capital of which are not available, but of the balance. 17. the amounts vary from £300,000 to £2,500, and the aggregate subscribed capital amounts to £1,621,700. This shows that a great deal of capital has been brought into the mining industry. We know of one company with a capital of £300,000, three with a capital of £250,000, one with £200,000, one with £110,000, one with £100,000, and others with capital ranging from £50,000 down to £20,000, and from £15,000 down to £2,500. I have particulars of all the companies registered in Australia, and their capital. I should like to refer to two that have been registered outside Western Australia, namely the Western Mining Corporation. Ltd., and the Anglo Australian Gold Development Ltd. For some time after the present Government took office, the Minister and the department came in for a good deal of criticism with regard to the letting of reservations.

Mr. Marshall: You will get some more to-night.

The MINISTER FOR MINES: Most of the existing reservations were made prior to the present Government assuming office. I congratulate the Minister who let those, for I believe he did the best thing possible in the interests of the industry. I am not saying, merely to escape criticism, that most of the reservations were let prior to the last general elections. Had they not been let, and had I been in office, I would have let them myself under those conditions. I am not making excuses because the previous Government did the letting. The Western Mining Corporation have big areas under their control. Until recently, they had only one area that was a closed reservation. On that reservation, which is south of Southern Cross, no prospector can go, and none can take out a prospecting area or take up any lease. I granted that close reservation myself. I did it knowing the capital that was behind the company, and their object in going to that district. The company believed there existed a great deal of low-grade ore principally laterite. The fact that a company of that calibre was working down there, and carrying out hand boring operations, sinking shafts, and making cross-cuts, was likely to create interest, and I considered

that people would flock there to peg out leases as close as possible to the operations. On that reservation 25 men are being employed to-day. Nothing has yet been discovered to warrant the erection of a treatment plant, but I believe the company will eventually find something to cause them to put up the necessary plant. The company have not been idle. The conditions of the reservation require a deposit of £10,000 free of interest with the Treasury as a guarantee of good faith. These people have to spend £15,000 a year to the satisfaction of the Minister. If that amount is spent in the first year, the company will be entitled to withdraw £5,000 of the £10,000 they have deposited with the Government. The balance of the money will remain in the Treasury, and the company must continue to spend £15,000 a year to the satisfaction of the department.

Hon. W. D. Johnson: What is the area concerned?

The MINISTER FOR MINES: I cannot say from memory. It does not matter where the other area is or what the extent of it is, because any prospector can go upon any portion of it and can take out a prospecting area or a lease, and work it until doomsday. Prospectors have the same right there as if it were Crown land. The only stipulation is that if something is discovered and the discoverers wish to sell it, they must give the company the first refusal. I have had experience of prospecting. If I had had the opportunity of drawing 15s. a week from the Government and wanted to go to any district, I would have chosen this particular locality. I would have asked the registrar whether the company had a reservation there, and if so I would have gone there to prospect. If I had been successful in finding a low-grade proposition, that would have been of no use to me, and that other people would not look at, but which this particular company, with its unlimited capital, would certainly have considered, I would have been in a favourable position. I know that the company would not stop at even £50,000 for a low-grade show. If I found something rich and wanted to work it myself, I could do so as long as I liked. If I did find something that was considered to contain payable gold, all I would have to do would be to convert the prospecting area into a mining lease, which I could hold for 21 years, just as if it were Crown land. Since the granting of

those reservations, the company have more than justified themselves in Western Australia. They have spent a fair amount of money already. So far they have been working in Ora Banda, Pilbara, Hampton Plains, Southern Cross, Coolgardie, Norseman and Jimblebar. The company's actual expenditure for this year in wages alone has been over £12,000. In addition, they have spent just on £90,000 in the equipment of aeroplanes for an aerial survey of Western Australia.

Mr. Marshall: A waste of good money.

The MINISTER FOR MINES: The hon. member thinks that. I personally do not. I am indeed hopeful that when the company have made their aerial surveys, they will have discovered some line of lode not yet known to the people of Western Australia. I have the company's assurance that the aeroplanes will land here about the 14th of this month. They will be marshalled at the aerodrome. The total additional expenditure, other than that for expert officers, will be made here. The engagement of the whole of the ground staff, except the geologist and experts, will be made in Western Australia. The company already have three or four young men employed, and they are being trained for the future work of the company. When previously I was Minister for Mines, I granted these reservations. I granted the Mararoa Company a reservation outside Cue. The Government spent some £4,300 boring the area to test it at a depth. The only stipulation was that if the company continued mining operations, they should repay the Government from the value of any gold won. After the boring the reservation was cancelled, and the ground lay open until about eight or nine months ago. Then representatives of the new company went to the same individual for the purpose of obtaining an option. They asked for reservations north and south, which I immediately granted. Then they started boring. They took a £50,000 option over the property, and they could complete it, either by paying cash, or by paying a certain amount in cash and the balance in shares. The option has been exercised. "The Triton" is the name of the company. They have raised just on half a million of working capital, and they have been responsible for the discovery, by geophysical survey outside the boring done by the Government, of a lode bigger and better in value. I believe that within the next two years at

least 300 men will be working on that mine.

Mr. Stubbs: It sounds like a fairy tale.

The MINISTER FOR MINES: Nevertheless it is true. Without that reservation the ground would probably have lain for the next 10 years without any discovery being made.

Mr. Marshall: How about the Big Bell?

The MINISTER FOR MINES: That is a different reservation. I granted it when last in office. The previous Minister for Mines, presumably on information from England, extended the reservation for six months. Meantime the present Government came into office. Immediately after that the holder of the reservation let an option on the Big Bell to the representative of the Mt. Isa Company in Queensland. They continued the boring, putting down 14 bore holes. During last week they suspended operations. My information, for the absolute accuracy of which I cannot vouch, is that the option holders are perfectly satisfied with the results as regards values. What they want to test from now until about January next is the method of treatment best suited for the ore. However, I cannot absolutely vouch for it, though I believe it to be true. If the Mt. Isa Company exercise the option on the Big Bell, there will probably be another 300 or 350 men employed on the south side of the railway from Cue in the near future.

Mr. Lambert: Where are we to get the population from?

The MINISTER FOR MINES: If the Government can do anything to encourage capital to invest in the Western Australian mining industry, it will be done, and thousands of men can be found to take employment when it is offering. I am not worrying about the time when goldmining here will be so prosperous that labour will be short. Still, I may express the hope that that time is not distant. There has been a good deal of controversy and criticism with regard to the Western Mining Corporation, and my predecessor's action in extending Mr. Mandelstam's option over Tindall's lease at Coolgardie. To some extent that criticism may be justified, but Mr. Mandelstam did have a reservation some nine or 10 months prior to the present Government taking office, and the then Minister for Mines, Mr. Scaddan, cancelled the reservation. Mr. Mandelstam immediately peg-

ged three gold-mining leases along the line of lode, as he was entitled to do. He has held those areas ever since as gold-mining leases. Any exemption that he got he obtained through the warden's court in the ordinary way. On the 27th of last month his three-months exemption expired, but he was able again to go into the court at Coolgardie and convince the warden that it was in the best interests of the industry to let him have a further exemption of three months. The capital he anticipated getting, he failed to secure. I told Mr. Mandelstam when he interviewed me after the exemption had been granted, that in future, unless he secured capital within three months and so proved his bona fides, it would be useless for him to go to the court for any further exemption, because I would not uphold the warden's decision. I thought Mr. Mandelstam had had a fair go. He is now on the look-out for cash, and the Western Mining Corporation have taken up the property. They have a drill boring there to-day. So confident are they about the property that prior to securing the hold that Mr. Mandelstam had over the three centre leases, they pegged two leases on the south end and four on the north end for themselves. Thus they now have the whole line of lode. I hope the boring work they are putting in will prove just as successful as that of the Mararoa Company at Reedys. From a big-company point of view, Tindall's is one of the best abandoned shows to be found in Western Australia. From practical experience and tests I know of none better. Prior to Mr. Mandelstam's getting the ground at all, the Government reserved it on the advice of Mines Department officials.

Mr. Lambert: On my advice.

The MINISTER FOR MINES: No; not on the hon. member's advice. The hon. member is not a Mines Department official. It was done on the advice of Mr. Montgomery.

Mr. Lambert: It was done at my suggestion.

The MINISTER FOR MINES: That may be; but the hon. member's advice did not reach me, nor is there a record of it on the file. The hon. member may have recommended Mr. Montgomery to look at the ground. Three bores were put down at Government expense for the purpose of trying

to induce capital to go into the proposition. As each bore went down, the results were published in the Press to arouse interest. The first bore averaged just over 6 dwts., and the lode was 12 feet wide. To this there was no response. The second bore averaged a little better than 6 dwts. over a somewhat wider body of ore. Still there were no results. A third bore was put down, and the first 2 feet of the lode struck went 6 ounces to the ton, the next 2 feet going 2 ounces to the ton. Those facts were published to the world, and still the ground remained idle. For over 18 months it was open to anybody to take up. Only one company made any inquiry whatever about it. I am pleased to say that a representative of that company, Mr. Vail, of the Lake View and Star mine, came to the Mines Department and applied for copies of the assay results. We gave him copies, because the results had already been published to the world. Even with those results he could not secure capital. Mr. Mandelstam came to me just before leaving for England, when we were in office last time, and suggested that if I would grant him the same reservation as the Government had over Tindall's he would most likely within six months raise sufficient capital to work the mine. I said, "You may have the reservation if no one—"

Mr. Lambert: What were the stipulations?

The MINISTER FOR MINES: The only stipulation was that if anybody worked it and got gold below where the bore had struck the reef, they should reimburse the Government the cost of boring. They could work it for five years. No country ever did so much to try to get capital into its mining industry as Western Australia has done. No other country ever offered equally favourable conditions.

Mr. Lambert: Will the Government be repaid what they have spent?

The MINISTER FOR MINES: Yes. As a matter of fact the company that has taken it up has taken over the obligation to repay the Government. Again, immediately the reservation for Tindall's was let, the row started. I know that just now, with the increased price of gold, people will go anywhere, but I might point out that the Western Mining Corporation was granted 10 reservations in all, one of them an absolutely closed reservation, and the other nine open to the public to go in. The reservations picked out and criticised most are open to-day for anyone to go on, because

they have reverted to the Crown. Two of the reverted reservations were abandoned by the company, because the company did not want them.

Mr. Lambert: Which are they?

The MINISTER FOR MINES: I have not the names here, but one was in the Ora Banda district, the second was at the other side of Kurnalpi, and the third is along the Trans. line. Those three reservations have been abandoned, and if one went to Kalgoorlie and publicly declared, "Here is this ground open. How many men are prepared to go out to it?" I do not suppose we would get half-a-dozen. In this State to-day we still have, not included in the reservations granted to this company, at least six million acres of known auriferous country with not a solitary holding on it, yet open to anybody who might care to go there. If a company, other than the Western Mining Corporation, were to come along and prove their bona fides, as this company did, and want portion of that land still lying idle, they would get it from me; and I believe I would be granting it in the interests of the mining industry. The granting of those two reservations to Mr. Claude de Bernales has been responsible for bringing into the State a million of capital during the last two years. If we relied on the ordinary average man to get capital for the mining industry, probably he could not raise that much in ten years.

Hon. W. D. Johnson: Where did they raise the capital?

The MINISTER FOR MINES: They raised it overseas, and in one instance £200,000 was placed to the credit of the company to work on, and in another instance £800,000 was placed to the credit of the company.

The Premier: And all this country was lying idle for anyone to go upon.

The MINISTER FOR MINES: One reservation taken up not long ago lay idle for over 20 years, with the price of gold at over £6 an oz. Yet immediately someone came along prepared to give it a fly and see if it were worth while, and we granted the reservation, up went a squeal again. I will not encourage anybody to hold up land in this country, I do not care who the company may be. I think I have a little influence with my colleagues, and when it comes to the granting of reservations I say that no company shall hold up land unjustifiably while I remain Minister for Mines.

But I am prepared to give any bona fide company every chance to get capital and create work and employment in this State. That is all I desire. Now just a word in regard to other companies being formed by Mr. Claude de Bernales, who already has raised £500,000 for the purpose of prospecting five of the reservations he holds. At present Mr. de Bernales' company have four or five men employed in the North, in the Pilbara district, on a reservation. Then right at the other extremity of the State, at Ravenshorpe, they have two drills working on another of their reservations. The intention is to test those reservations in turn. The company are spending at the present moment as much money in wages in Western Australia as would pay them to hold on the actual working conditions of the five reservations they have at present. So I am prepared to give them encouragement to go on. I know that some members do not agree with me, but I am firmly of opinion that had it not been for Mr. de Bernales sticking to Wiluna as he did, and getting the capital into it, there would still be a population of from 80 to 100 people in Wiluna.

Mr. Marshall: Nonsense, absolute nonsense! Wiluna would have gone ahead years before if de Bernales had been kicked out.

The MINISTER FOR MINES: It was there for years, open to almost anybody who liked to come along for it. When Mr. de Bernales got hold of it he certainly held it for a time, but eventually he got enough capital into it to make Wiluna one of the most prosperous towns in Australia to-day, perhaps the most prosperous of all. A good deal of that is due to Mr. de Bernales. Again, I want to point out that the leases at the north end lay idle for a number of years, until Mr. de Bernales took a reservation over them. Immediately he took that reservation, the same complaint started about the north end of Wiluna. Anybody who wanted to make inquiries about those mining propositions had only to go to the department to get detailed information.

Mr. Marshall: I have never heard any complaints in regard to that.

The MINISTER FOR MINES: I have, and I have been criticised over it. But there again Mr. de Bernales has formed a company, and there are men working on the property to-day. I firmly believe it will turn out trumps and will produce an immense amount of gold and employ a great number of men on the north end of Wiluna. That

will be through the activity and energies of Mr. de Bernales, and so I say he is entitled to consideration.

Mr. F. C. L. Smith: What is he doing with the Paddington Consols?

The MINISTER FOR MINES: Holding it in reservation; and while he is spending money developing other reservations I am going to let him hold Paddington Consols until he is ready to go on with it.

Mr. F. C. L. Smith: How long has he had it?

Mr. Latham: Any prospector can go in on it?

The MINISTER FOR MINES: No. For 20 years anybody could have gone on to it. It was open when gold was at £6 an oz., but no one went near it until it was granted as a reservation. I believe that with capital it will become an important mine. I know something of it, for I worked underground on it for 2½ years. Because Mr. de Bernales is not working all his reservations simultaneously, they say he should be made to give them up. However, I will not take that attitude. While that or any other company proves its bona fides by spending sufficient capital it can continue to hold its ground, and I believe it will be in the best interests of the country if it does so. I have not a great deal more to say about the industry. I have here all the figures of the gold produced and its total value since its inception, but they have been given so often that I do not think it necessary to repeat them. Every member of the House must know of the benefit that gold mining has been to Western Australia. I am not discrediting other industries. For years past wheat and wool have been the principal industries in Western Australia, but had it not been for gold we would not yet have had one-tenth of the wool or the wheat that we have at present; we may have got it in the years to come, but certainly we would not have had it to-day. It was gold mining that put Western Australia on the map, not only as a mineral State, but as an agricultural State, and so I say the people of the country ought to be quite sympathetic to the gold-mining industry. In conclusion, I want to say a word or two about some other minerals in Western Australia. We have an important felspar deposit out from Coolgardie. The member for Coolgardie is to be congratulated on the way in which things are turning out in that district. That felspar

deposit was taken up many years ago, several times taken up and as many times abandoned. The present chairman of the Coolgardie Road Board has again taken it up, and is employing a few men there. I have not yet seen the results. However, he made application to the Tariff Board through the Commonwealth Government for a duty of £1 per ton on felspar. Unfortunately for the industry, most of the felspar comes in freight free as ballast in ships. In those circumstances, although the felspar coming in is not nearly of the same high grade as the felspar at Coolgardie, we cannot compete against the imported stuff. Consequently a request has been made for a duty of £1 per ton, and I have done everything I could to further the application. If the duty is imposed, I am satisfied we shall have a fairly good industry at Coolgardie from a mineral point of view. Dr. Simpson has analysed the felspar and this is his report:—

There is no doubt as to the value of the felspar deposit south of Londonderry . . . This would give the finest felspar in the world . . . care must be taken in quarrying . . . it would then produce the finest enamelling material in the world.

I do not think anyone will question Dr. Simpson's qualifications. Of all the felspar that has been worked, none of it is said to be equal to the felspar at Londonderry. None is so pure or so free from quartz and other iron stains that are detrimental, as that at Londonderry. We should be grateful that we have such a deposit, and I am convinced that the Government did the right thing in trying to assist the man who is endeavouring to establish an industry there. All that is asked is that a duty of £1 per ton be imposed to prevent dumping from other countries. At present the holders of the felspar lease have a contract for 400 tons and if they could secure the imposition of the duty asked for, they could sign a contract to-morrow for 3,600 tons a year. At the present price it will not pay them to mine it. As far as it lays in our power to encourage the holders of the lease, we intend to do so. There is still another deposit in this State that will in a few years time become very valuable, but which unfortunately just now is lying idle. It is in the Moore electorate. I refer to glauconite. There is a fairly good market for glauconite the world over, but unfortunately the Americans have us absolutely bluffed in respect to this mineral. They have contracts to supply it practically the

world over. If any firm in a fairly big way is desirous of entering into a contract to secure glauconite from Australia, the Americans immediately turn round and say, "If you take it from Australia, which has only a limited supply, you will not get it from us in the future." The result is, of course, that we cannot get orders. We have had this deposit tested to a considerable extent and this is the report—

In a practical test of actual working conditions a firm of Bradford dyers capable of dealing with a quarter of a million gallons, the capacity doubled that of a similar plant alongside which were using the American sand.

America at present holds the market, but in comparison with the American sand Western Australian glauconite has given results $1\frac{1}{2}$ to two times above those of the American.

Inquiries have recently been made regarding the quantities of glauconite available here. American interests have been opposing the Australian trade and pushing their New Jersey products by propaganda to the effect that the Western Australian deposits are of limited quantity, and that the lasting quality of the material is deficient. Both arguments have been proved unsound. The principal deposit here is located at Gingin. The indicated size of the deposits as shown by geological investigation, enables us to estimate that the deposits run into millions of tons.

A private company or syndicate has a plant established for concentrating the processed mineral. The industry will certainly expand to a demand at present prices.

There again with a little judicious advertising that industry could be opened up profitably for the State. Personally I have done everything in my power to bring these deposits under notice, particularly in England. That country is the greatest customer for glauconite. I have every hope that in the not distant future there will be a good demand for the mineral. I have not anything further to say on the Estimates, but I wish to add that I am proud to be Minister controlling the industry that is the most prosperous in the State at the present time. I hope it will continue to be prosperous for many years to come. Anything I can do to help the industry, particularly in the direction of encouraging outside capital to come here to assist in its development, I shall be only too pleased to do it to the best of my ability.

MR. MARSHALL (Murchison) [5.50]: I agree with the Minister to a great extent that his Government, and I believe past Governments, have made every endeavour to foster the mining industry and particularly

gold mining. I also agree that the present Minister is most enthusiastic and above everything most emphatic.

The Premier: I do not think he is that.

Mr. MARSHALL: He undoubtedly possesses those outstanding qualifications. Perhaps I should have said that his enthusiasm is responsible for his emphasis. I express my great appreciation of the attitude of the Government in respect to the scheme to send men out into the country to prospect for gold. The scheme has been a greater success than anyone could have hoped for, even the members of the Government themselves. One could never have expected the percentage of successes that has resulted since its inauguration. It goes to show what can be done with a little courage and determination on the part of the Government. I remember introducing a deputation to the Minister for Mines in the previous Government. The mission of that deputation was to present the possibilities that might accrue to the moral standard of the community, and the success from the State point of view, if men were sent out prospecting instead of their being paid sustenance in and around the city. I was astounded to find that the then Minister received the request with dismay. I remember his reply well. He said, "You ask me to send out prospecting, 1,000 men; if I were to agree to the proposal it would later on be necessary to send another 1,000 men to look for them." It is pathetic that the then Minister did not have a little more confidence in the people of the State.

Mr. Sampson: Were there many miners available at that time?

The Minister for Mines: Do you want them all to be miners before you send them out prospecting?

Mr. MARSHALL: I know of men who have never been employed mining and who went out prospecting.

Mr. Sampson: Are there plenty of qualified prospectors?

The Minister for Mines: Prospecting is a trade. Because you are a prospector, you need not be a miner.

The Premier: It is an industry, like printing.

Mr. MARSHALL: Of course it is. Prospecting to-day is a science.

Mr. Sampson: I am told that it is difficult to get qualified prospectors.

The Premier: What is a qualified prospector?

Mr. Sampson: One who understands what is required.

Mr. MARSHALL: In the early days discoveries were made principally by reason of the exposure of gold on the surface.

Mr. Sampson: Many prospectors have been lost.

Mr. Coverley: It is a pity you were not a prospector.

Mr. MARSHALL: In the early days the mission was to look for alluvial gold and fortunately for Western Australia it was found in abundance. Two of the most courageous prospectors the State has ever known found their way through from the Kimberleys to Nannine. An expedition like that in the early days was anything but pleasant, because there were no known water supplies and there were practically no squatters, whilst the blacks had to be contended with. Very little was also known of the physical features of the country. Yet the prospectors of the time battled on. Those two men made discoveries on the Mainland at Nannine. They were, however, induced to leave there and they led others to believe that they were going in the direction of Kalgoorlie. Instead, they went behind the Island at Nannine and there they picked up about 800 ozs. of alluvial gold. This kind of thing can be said of most of our goldfields to-day. A good deal of gold was found because much was exposed on the surface, and it had been lying there century upon century. It was just a matter of coming along with eyes open, picking it up, and tracing its source. That does not apply to-day. Men have to use tact and they must possess experience. They must loam and coften to follow traces. They have no real clue; they work on judgment. There are thousands of propositions yet to be unearthed and only men of experience and determination will succeed. The prospector to-day requires to have commonsense and courage and most of all he must not be disheartened because he has not been successful at the beginning as were Bayley and Ford and Pat Hannan who found the precious metal before they were out any length of time. Let it be said to the credit of those who have gone out in recent times, that throughout my electorate, prospectors, who are for the most part young, have worked with determination. They are eager and, in all respects, they are credited by the local people,

who are pretty good judges, with being splendid triers.

The Minister for Mines: So they are, taken as a whole.

The Premier: Quite a number of them are young men who possess initiative.

Mr. MARSHALL: And what is more, they are applying it. They are not loafers, but triers. I spoke to one of the inspectors at Nallan a little while ago, after he had passed through the greater portion of the prospecting area and had come into touch with the great majority of those who were operating over the known goldfield there. He told me that out of all the prospectors, there were two only that he thought were not actual triers. He said he was giving them a chance and had not taken any action regarding them. He informed me that they had not made much progress and appeared to have slowed down on the job. He thought it might have been on account of lack of knowledge and experience, and he had therefore given them advice and told them what they should do. He informed me that on his return he would have a look at them to see what progress they had made in the meantime. Those who know the inspector I have in mind, appreciate what a wonderfully good man he is. That inspector was prepared to give even those two men every chance to make good. There is another aspect of the scheme that is to the credit of the Government. It is that these men will learn the nature and freedom of life on the goldfields. They will get a sense of independence that they could never have developed had they remained in the city, in camp at Blackboy, or in institutions, and been paid 7s. a week. The Government's scheme means that there is a possibility of 2,000 young men developing into worthy citizens, whereas, had they remained in the city under the conditions I have indicated, they would have become demoralised.

The Premier: They are imbibing the soul of the bush.

Mr. MARSHALL: That is where both the Premier and I went first. We went to the bush, and we are certainly no worse off because we did so. This particular phase of the scheme alone makes it worth while, and the results achieved have been beyond expectations. I do not think the Minister anticipated such results.

The Minister for Mines: I certainly did not expect the results we are getting to-day. I never dreamed we would get them.

Mr. MARSHALL: No one could have anticipated such results. I had some sympathy with the Minister's predecessor in office, and I thought there might be some trouble. However, when men are willing to go out into the back country and are determined to make good, they generally achieve their objective. When gold was first discovered in Western Australia, hundreds of the men that were attracted to the fields had never before had experience of bush life. Lawyers, doctors, accountants and men of standing from the Old Country, who had never seen a big tree or knew what the bush was, participated in the rush, and made good. They were not men who had had any experience in gold-mining, but they were determined to try their luck. They had the necessary courage and the initiative that enabled them, in many instances, to operate successfully. The member for Nedlands (Hon. N. Keenan) was one of those who walked in the wake of the men who went out, and speculated on their success. Credit must be given to him and to others in the same category because we cannot have prospectors without someone to finance them. It is to the credit of many of our citizens that, although they were losers in the end, they supported the prospectors in their work.

Mr. Patrick: They did not get much back.

Mr. MARSHALL: Unfortunately that is so. On the other hand, they had faith in the State, and proved their citizenship by assisting in the promotion of the industry and backing the prospectors. As I have done in years gone by, I again raise my voice in protest against the treatment meted out to prospectors by the department with reference to the charges at the State batteries. I know I will find myself in conflict with the Minister on this point; I can appreciate his conception of the position. Nevertheless I protest against the battery charges because I regard them as unfair. I will probably receive from the Minister a similar reply to that which was furnished by his predecessor in office. There have been many changes in regard to the charges, conditions and concessions, which formerly applied at the State batteries. The Government have abolished entirely, free crushings of ore from new fields. Even that is not so drastic a change as some others that have been authorised. I shall mention one or two. For instance, there is no rebate allowed now in respect of low-grade ore. That, in my

opinion, is scarcely fair. More particularly is that so when we are sending out on prospecting work men who are not really good judges of the value of ore. It cannot be expected of them until they have more experience. Such men may put a crushing through and the values may be a little lower than anticipated. Should that be the position, the inexperienced prospectors have to shoulder the loss. At one time, a rebate was allowed on low-grade ore below a certain value. That concession assisted in the development of low-grade propositions, but that arrangement has now been cancelled. I know that the Minister will say in reply, that now gold has reached the value obtaining at the moment, prospectors in the gold-mining industry should be able to stand on their own feet. In reply, I would emphasise the point that irrespective of whether gold were to be valued at £20 an ounce tomorrow, prospectors who are not getting gold, or much of it, cannot reap any benefit from that value. That is what is happening at the State batteries to-day. If a man is dealing with rich ore and is able to get a good crushing, it may be said that he is all right and can afford to bear the altered conditions, concessions and charges. On the other hand, the man who is on a low-grade proposition, is merely eking out an existence. He is not in a position to stand the financial consequences involved in the new arrangements. It must be remembered that the prospectors are the chief patrons of the State batteries, and I do not think the Minister has acted wisely in declining to reinstate the conditions and rates that prevailed formerly. There has also been an alteration with regard to the charges for the treatment of tailings. At one time the charge was 7s. a ton, but now it is 2 dwts. 8 grs.

The Minister for Mines: They are worth more now.

Mr. MARSHALL: I know, but that does not say the alteration is right. If there is any argument in the Minister's contention that the increased value of gold justifies the prospectors tolerating the alterations that apply at State batteries, the Minister cannot have it both ways. To my mind, the deductions after treatment of tailings are altogether too great. Then there is a deduction of 20 per cent. for moisture, and the batteries pay only on a 75 per cent. extraction.

The Minister for Mines: They do not deduct 20 per cent. all round.

Mr. MARSHALL: At any rate, in my electorate that deduction is made; it may be that the ore mined is of the type to which that deduction is applicable. I know the deduction is made at practically every State battery in my electorate. I do not think that policy is sound. I have never agreed with it, and have always expressed my opposition to it. Owing to the restrictions making the position intolerable to those who are not getting large returns of gold, we are discouraging people from embarking upon prospecting operations. We have the anomalous position of the Government paying men 15s. a week sustenance in order to encourage them to go out prospecting, and then, when it comes to treating whatever ore they may discover, restrictions and obligations are placed upon them that make their position almost impossible. It must be conceded that 50 per cent. of the prospectors are not getting sufficient gold to enable them to maintain themselves. The restrictions I have referred to are making their position more difficult, and I do not think the Minister can justify the existing conditions.

Sitting suspended from 6.15 to 7.30 p.m.

Mr. MARSHALL: Before leaving the matter of State battery charges, I desire to raise another point in support of my contention. I wish to remind the Minister that for approximately the last three years, the State Batteries Department have had the privilege of having the costs of running their batteries materially reduced. Wages have been reduced under the financial emergency legislation, and I suggest that all requisites necessary for the conduct of the batteries have been reduced in price. The previous Government inaugurated certain alterations to the regulations and the present Government are perpetuating them. The Jimblebar battery—the most isolated battery owned by the State—is about 300 miles north of Meekatharra. One man employed there wrote me that his wages were 14s. per day, and I think the statement was true. That is a positively ridiculous wage to pay a man in that part of the State. That payment would apply generally to State batteries. Notwithstanding the reductions enjoyed by the department, they are still further reducing their costs and

placing on the prospectors the responsibility for making the batteries pay. I do not want the Minister to tell me what his predecessor told me. I am not arguing that those men producing gold in fairly large quantities, or even in payable quantities, should not pay a fair charge, but he must concede that quite a number of State battery patrons are not producing sufficient gold to enable them to bear the burden imposed by the altered regulations. Exorbitant deductions are made for the treatment of tailings or sands. If the Minister advances the argument that the present price of gold warrants the alterations made, he cannot justify the 2 dwts. 8 grains deduction. I suggest that that is a most unsatisfactory basis on which to assess the cost of sand treatment. The men would be far better off if some definite cash charge were made. At one time we had a charge of 7s. per ton, but that has been altered in favour of the 2 dwt. 8 grains deduction. It would be better to increase the charge to 10s. or even 12s. per ton, for then the prospector would know exactly what it was costing him. With the ever-fluctuating value of gold, it is difficult for prospectors to trace what the Government are getting for the treatment. A charge of 7s. per ton for the treatment of sands would be ample. Certain propositions are being treated in this State and, I understand, are paying the capital cost of erecting the plant for treating tailings of less than 7s. value. It is time a strict investigation was made into the ramifications of the State batteries. I argue that the present system has a harmful effect. We pay men 15s. a week sustenance to go out prospecting and then, when they are developing the industry, we place on them such obligations as to make it impossible for them to continue. I wish to ask the Minister—it is the first time I have asked him, though I have preferred the request to his predecessors—to alter the Mining Act covenants regarding the forfeiture of leases. I do not ask that the present system be abolished. If a man desires to apply for the forfeiture of a lease, he makes a search and watches for a period of three days, and when he can prove that the lease has not been worked for three consecutive days, he takes the case to the warden and applies for forfeiture. The Minister knows that quite a large area of land is held up because men hesitate to apply for forfeiture. That is only natural. Most of our goldfields are isolated places; I exclude Kalgoorlie and Boulder which are practically

cities. Away from those cities—north, or west, or east as far as the auriferous country extends—we have small towns where everybody knows everybody else, and all the people are more or less personal friends. If a resident of one of those small towns holds a lease, it is only natural that although someone else might like to get possession of it to work it, he would hesitate because it is held by a friend. In some instances men have had the temerity to apply for forfeiture and the result has been almost a riot. Such men have been declared professional jumpers and men of no principle; all sorts of allegations have been levelled, because application has been made for a lessee to comply with the covenants of the Mining Act. The difficulty could be overcome by altering the Mining Act making it possible for the Government Inspector of Mines to call upon the holder of any lease or prospecting area to show cause why his holding should not be forfeited.

Hon. N. Keenan: You would assume him to be guilty?

Mr. MARSHALL: No, I would not have that on my mind.

Hon. N. Keenan: But you would.

Mr. MARSHALL: Any person desiring to work a lease or prospecting area would have no desire to create consternation in the town and have nasty allegations made against him, but he could inform the Inspector of Mines that a certain lease had not been worked for many months. I do not see why the lessee should not be called upon to appear before the court—to do so would not cost him anything—and show cause why he had not worked it.

Hon. N. Keenan: What would be the proof?

Mr. MARSHALL: There would be no proof.

Hon. N. Keenan: It would be assumed.

Mr. MARSHALL: Yes.

Hon. N. Keenan: Is not that against your principles?

Mr. MARSHALL: No; the owner would present his case and the warden would give his decision on the evidence submitted. Any mining inspector could say definitely whether a lease had been worked within the preceding three days. It would be utterly impossible to work a lease without showing the results; the footprints of the workmen would indicate whether it had been worked. There are leases—some, I suppose in the Minis-

ter's electorate—that have not been worked for months on end. The lessees have not applied for protection or exemption, but are holding in the hope of getting a premium should there be a development in or around the lease. That is quite wrong. I have previously argued along these lines. Quite a large area is held up simply because men hesitate to apply for forfeiture. No injury would be done to anyone if my suggestion were adopted. If I reported to an inspector that a certain block was not being worked, the inspector would not be obliged to take action on my statement. He would ascertain for himself. He might agree that it had not been worked for a considerable time, and would call upon the lessee to appear before the court and show cause why the lease should not be forfeited. That is one reason why I am against the Minister on the question of reservations. I intend to show that his attitude has been the means of rewarding an individual to an extent that I consider is outrageous. If the laws of the land permit of a man receiving an area of country on specific conditions that he will do certain things, and if he fails to comply with the conditions, what right has he to the land? He is not entitled to it at all. The practice has grown up for a man to get hold of a block of land close to where development is going on. Ultimately a large sum of money may be paid for the area on which the development is occurring, and in turn the holder of the other block can demand a big price for that which he holds. Lessees know when they apply for a block what is expected of them, and yet they seem to be able to go on with impunity, evading the law. They do not use their leases themselves but hold them for speculative purposes. In many cases they are able to reap large profits. I hope the Minister while in office will make some effort to overcome that difficulty. The Act should be amended to prevent this jobbing, and stop any person from holding land and breaking the law under which it was granted to him. Just now, whilst huge sums are being paid to keep men on prospecting work, is the time when we should make available to them every area we have that is free. Under present conditions the Government are forced to send the men further out and still further out in search of gold, when probably there is gold to be discovered at their very doorstep. No one, however, can touch that gold,

although the area on which it may be discovered is being held by someone who is not using it. No one should be allowed to retain possession of a lease unless he complies with the conditions imposed at the time he got it. Reference has been made to reservations. I have no complaint to make against those reservations which have been granted under the conditions referred to by the Minister this evening, areas that are being worked, but I do complain about those upon which the holders are doing nothing, when it is impossible for any one to apply for their forfeiture. A reservation should be granted in the same way as any ordinary lease is granted. It should be the subject of an application before the warden. We have sufficient confidence in our wardens to know that they will do the right thing. If a person wants a reserve to-day he goes to the Minister and applies to him for it. No one in the district concerned knows that any reservation has been granted, until something happens. In one case a warden on the Murchison was playing a round of golf. He knew that a particular area had been granted as a reserve, but no one else knew it. While playing golf he saw a man prospecting and asked him what he was doing. The prospector said he had found traces of gold that he intended to follow up. The warden said that he was on a reserve and would have to go. That particular reserve has been held for two years. If the holder had brought money into the country and had developed the area I would have no right to object. Let me instance the case of the Big Bell, a reserve granted by the Minister. With the assistance of the Government the holder of the reserve did some boring. A reserve was also made along the east side of the Big Bell in order to protect the interests of the lessee. He told the present Minister and the previous Minister he was positive he could get a huge sum of money put into the proposition if he could have the reserve held for six or twelve months.

The Minister for Mines: Six months.

Mr. MARSHALL: He held it for 4½ years without doing a thing upon it, and without raising any money for it. The proposition has now been put up to another company, and the lessee is likely to make a huge sum of money by holding this area out of use for 4½ years. If we are going to allow jobbing in our assets let the Government get the profit and not the individual. Take the Quinn reserve. No one can go

upon that, although the area comprises 5,000 acres. People seem to want pastoral leases, not mining leases; and yet two of the biggest gold producers which have paid fortunes to the owners, and out of which the owners provided all the equipment and developmental expenses—I refer to the Fenian and Ingliston Consols at Meekatharra—were only six acres a piece in extent. Every company that seeks to make a start in Western Australia seems to want all the auriferous country to start on. They will not begin operations without a reserve. I have nothing to say against a bona fide company that brings money into the State, but I will not be a party to individuals who, with oily tongues, contrive to get hold of these concessions, and hold them in order that they may derive great profit for themselves. Wiluna was never a reserve. The only reserve there was one that was granted at the north end. The people concerned employed three men to the acre, worked the leases, paid the rents, and fulfilled all the conditions required of them. The other two reserves I have mentioned were only manned for a brief period. I think something was done on the reserve at Day Dawn, but not for long. In the case of the Big Bell no man has ever been employed. I certainly object to these areas being held out of productivity for so long a period. The history of gold mining leases at Wiluna constitutes a long and sad story. They were never thrown open to the public, and it was not competent for any one even to apply for their forfeiture. I have spent hours complaining about the attitude adopted by Mr. de Bernales. He bought the area originally from Bewick, Moreing and Company for a small sum. Shortly after that his assets were put into liquidation. This meant that no one could apply for the forfeiture of the leases, because they constituted part of his assets. A man would have been obliged to apply to a Supreme Court Judge to get the right to make an application for forfeiture. Although Mr. de Bernales failed to comply with the provisions of the Act he could not be touched. Whilst he was in liquidation, he was able to pay £1,400 for the Happy Jack Lease, and put that into liquidation. The men who were working for him prior to that were given post-dated cheques which were never met. Other people could have done what he did if they

had the same law controlling them as he had. The employees concerned had to leave their wives and children to the care of the business people of the town while the bread winners had to walk about in search of work, although huge sums of money were owing to them. Mr. de Bernales' idea was to hold on to the leases until he got what he wanted for them. He was jobbing in the assets of the country. When I got ready a Bill that was to force him to work these leases he began to make a move. He manned and worked the leases, because he was obliged to do so. He could not finance the venture, and sold one of them at a much lower figure that he had originally demanded. Then I am told here that this is a great man. We could all be great at the expense of other people, at the cost of suffering to miners and their wives and children. Other men played a prominent part in the further development of the Wiluna mines once they got possession of those mines. Men in Kalgoorlie who are well known to the Minister were aware of the value of those leases, and probably would have worked them years before, given the opportunity. But de Bernales has always been able to secure protection from Ministers for years past. For 20 years he has held up huge areas. He would never have gone into Wiluna but for being forced either to do that or forfeit. I feel annoyed every time I think of the history of Wiluna. However I am highly pleased that the place is now being developed. I could say much more with regard to Wiluna leases, but perhaps I have said enough. I care not who the Minister for Mines may be, I do not want him to tell me about the value of that individual de Bernales. I wish to take this opportunity to thank all the officers of the Mines Department, without exception. With every respect for the officers of the other departments, who admittedly are all capable men, I must pay a special tribute to the Mines Department officials. They are a wonderful collection of efficient and sympathetic men, and most eager to assist the industry. One who deals with them as often as I do, should take the opportunity to thank them, one and all, for generous consideration of every proposal submitted to them by me. I deeply appreciate the treatment I have invariably received from them. I agree with the Minister that the mining industry will continue on the up grade.

There is no prospect of the precious metal ever returning to the old standard value. That is a most promising feature from the gold-mining point of view. It is true, as the Minister said, that gold-mining is the industry which has developed Western Australia. Even in its days of trial, in its lean period, it has been a wonderful asset to the State. While railway concessions are given to wheat-growers, and various concessions to others, it is the gold-mining industry, and the workers in that industry, that have to finance the concessions. It is unfair that the development of gold-mining should always be retarded in that way. The men working in that industry should not be so handicapped by unduly heavy railway charges. The concessions given to other producers have put them on the plane of success. The Minister for Mines should urge on his colleagues that settlers in the wheat belt and in the South-West who can afford to pay should be made to pay. The mining industry should not be called upon to foot the bill all the time, in lean as well as in prosperous periods. Gold-mining is a great asset to Western Australia, and has been practically its salvation during the depression. Just imagine 5,000 men off the dole at Wiluna alone! Throughout my district every little township is active and prosperous. The Minister is right in his forecast that shortly there will be 300 men employed at Mararoa. I hope the Big Bell will flourish. Around Yalgoo and elsewhere on the goldfields unemployed are rapidly being absorbed. Gold-mining employs men by the hundred, as compared with units employed by other industries. Gold-mining creates a market for other producers. I appreciate the full explanation given by the Minister this afternoon, and I tender to him my sincere hope for a long reign in the Mines Department.

MR. F. C. L. SMITH (Brown Hill-Ivanhoe [S.S.]): In view of the prosperity and activity prevailing in the gold-mining industry, there can be little complaint concerning the amounts allotted to it, except perhaps on the ground of their insufficiency. It is true that the Mines Vote shows an increase of £1,154 over last year; but when it is remembered that the figure for 1933-34 is £16,538 less than that for 1929-30, one must admit that in view of the prevailing activity in goldmining, expenses must have

been cut to the bone in the Mines Department. I believe I am right in saying that a large proportion of the saving shown is accounted for by reductions in the salaries of the departmental officers. I join with the previous speaker in expressing my appreciation of the attention received at the hands of those officers, and my recognition of the ability and efficiency with which they carry out their duties. One can imagine the feelings of those officers, staffing a department whose activities relate to an industry enjoying a prosperity which it never previously enjoyed in the history of Western Australia. These same officers have to make a common sacrifice with other officers attached to departments dealing with phases of industry not exhibiting the same measure of prosperity, and perhaps not calling equally upon the time and energy of those other officers at the present juncture. It is true that the goldmining industry has shown some recognition of the need or desirableness of permitting the workers in the industry to enjoy a share of the prevailing prosperity; but that does not apply, as at least in some measure it should apply, to the officers of the Mines Department. There is one little matter, not of grave importance, but involving a desirable alteration in connection with the Mines Department. I refer to the department's annual report. It would be much more useful and informative to members of this Chamber and the public if it were brought up to the close of the financial year instead of, as at present, the end of the calendar year. The report now submitted to us covers the 12 months ended December, 1932. It was presented to the Minister in March, 1933, three months after the close of the calendar year. A further period of three months has lapsed since the close of the financial year. The Estimates are usually discussed at this period, and I see no reason why the department's report should not be made up to the end of the financial year. It is a gratifying feature of the goldmining industry of this State that out of 889,315 fine ounces produced in the Commonwealth last year, no less than 605,561 fine ounces were produced in Western Australia, or 83 per cent. of the total gold production in the Commonwealth. We have good reason to congratulate ourselves upon that fact. The total gold production of this State to the end of 1932 is valued

at £167,450,165; and on that amount we have received premiums or bounties totalling £5,501,619, representing a total value produced of £172,951,784. Those figures indicate what a valuable industry goldmining has been and is to Western Australia. During the past year not only have more mines come into the dividend-paying list, but the amount of dividends paid has been greatly in excess of that of the previous year. This indicates a wonderful prosperity in those dividend-paying mines, many of which a few years ago were thought to have reached practically the end of their profitable existence. Over all the years that the Chamber of Mines has existed, there has been a continual tendency to cry poor-mouth and to prophesy the end of a number of gold mines; but the prophets that arose every year have been falsified by the result, and to-day we find that the future of the Golden Mile, at any rate, appears to be as sound as at any time during the past 30 years. Last year, the Sons of Gwalia paid in dividends £16,250, the Associated Mines paid £14,884, the Boulder Perseverance paid £24,959, the Great Boulder Proprietary paid £65,625, the Lake View paid £65,000, the South Kalgurli paid £31,250, the Golden Horseshoe returned capital amounting to £55,000, the South Kalgurli returned capital amounting to £62,500, and in addition the South Kalgurli distributed a bonus to their shareholders amounting to £31,250. So in the aggregate, what with return of capital, dividends and bonuses, no less than £366,718 was paid for 1932. We realise that the revival in the industry and the capacity to pay these dividends arise largely out of the increased price of gold, which was not anticipated a few years ago; one would have been looked upon as a madman to suggest the possibility of such a thing. The prosperity in the goldmining industry, I regret to say, is largely due to the difficulties in which other industries find themselves, and undoubtedly is a gift from the gods. It has arisen entirely out of the monetary policy, and what we are pleased to call economic conditions. In 1931, the mining industry recognised that it was enjoying a prosperity having abnormal features, and about March of 1931, when a reduction in the basic wage on the goldfields was declared as the result of an alteration in the cost of living figure, the Chamber of Mines was good enough to ex-

tend a measure of recognition to its employees; good enough to show that it realised that the prosperity it was enjoying should be shared by those who for many years had worked for a low wage because it was claimed that the industry was in a parlous condition. When prosperity came as the result of economic conditions, the Chamber of Mines informed the unions that it was recommending to its members not to apply the reduction in the basic wage. Consequently the mining employees retained a margin of 8s. a week over the basic wage declared by the Arbitration Court. That was in March of 1931. In October of the same year, this margin of 8s. a week was retained to the employees in the mining industry as the result of an agreement entered into between the employers and the employees, but it was not retained without the employees giving something for it. The agreement was arrived at as the result of a deal of bargaining, and the unions had to forego certain privileges in order to retain that monetary margin. For instance, they lost the privilege of taking their holidays en bloc, to them a cherished privilege. And they had to submit to an alteration in the conditions applying to work done in hot places. Previously a working shift was reduced where the temperature exceeded 76 degrees wet bulb. That was a very satisfactory arrangement, and it worked well for years. What I want to point out is that the retention of the existing wage when it was conceded in March, 1931, was greatly appreciated by the employees. It actually meant an increase of 10 per cent. above the basic wage and represented a benefit to the employees commensurate with the increase in the price of gold, for at that time the goldmining industry was enjoying a premium of £1 4s. 9d. For the first six months of 1931 the average premium on the nominal price of gold represented £1 4s. 9d. per ounce, or 21¼ per cent. increase. So whilst the mining companies enjoyed a 21¼ per cent. increase in the value of their product, they extended to their employees 10 per cent. increase in their wages. The employees did not complain about that. Having regard to the attitude of the Arbitration Court and their experience as applicants before that court, they were well satisfied with their position. For many years the employees in the mining industry were the lowest-paid

class of workers in the Commonwealth, and the hardships and the incidence of disease in the industry were never recognised in the wages granted, until Mr. Justice Burnside gave the men a decent award in 1920. That award did not continue for long, because pretty soon afterwards the men had to submit to a reduction of 1s. a day and, a little later, to a further reduction of 1s. 6d. per day. At that time, when they had been reduced 2s. 6d. per day below the Burnside award, the employees in the industry, taking into consideration the nature of their employment, were the worst-paid workers in the Commonwealth. They have no reason at all to be pleased with their experience of the Arbitration Court. The last time the union was before the court applying for an increase on the existing wage, the wage that applies in the industry to-day, the court told them that it could not give them the requested increase, owing to the financial position of the industry. It looked as though the conditions applying to the work, and the nature of the work generally, were disregarded out of consideration for the financial position of the industry. It was specifically stated that that was the reason. Because of that, there has sprung up on the goldfields the opinion that the court's attitude on that occasion arose out of some power existing under the Act for the court to take the prosperity of an industry into consideration when making an award. But the Arbitration Court in this State has not that power. It has never concerned itself with the prosperity of the industry when fixing wages, except in regard to one particular, which is that it has indicated it is of no use fixing a wage higher than the industry can possibly pay. But it has only worked, as I pointed out, in one way; it does not work the other way. I wish to express the opinion, because of the feeling that has grown up as the result of the last decision of the Arbitration Court, that the high price of gold in itself does not justify the expectation that the court on account of that higher price, would grant a higher wage than that now prevailing if an application were made to it. If a record of the court's attitude to employees in the industry is any guide, the belief should be entirely the other way. Notwithstanding whatever viewpoint the Arbitration Court may be guided by, or whatever legislation the court has to follow, it keeps the employees within certain limits, and compels them to accept a small

margin above the basic wage. There can be no question that there is a justification to-day for a higher wage than that existing at present. I have already pointed out that in October, 1931, when the existing agreement was entered into, the mines were enjoying a higher premium than they enjoyed when they first conceded to the employees the 8s. margin. In March, 1931, when that concession was granted, the companies were enjoying a 21½ per cent. premium on the price of gold, but in October, 1931, when both parties entered into an agreement and retained that concession, the mining companies were enjoying a 58 per cent. premium on the price of gold. Taking it on the latter basis and assuming that both sides agreed to the conditions laid down that the £4 6s. base was a fair proposition, as they did agree, when the mining companies were enjoying a 58 per cent. premium on their gold and the employees had a 10 per cent. increase over and above the basic wage, the least the mining companies might do to-day, when they are enjoying an 89 per cent. premium, is to give an increase in the wage over and above the basic wage that will bear a relation between the 89 per cent. they are at present receiving and the 58 per cent. that existed when the agreement was entered into. If they did that, as I think they should do on moral grounds, at any rate, even if it could not be justified legally—our present Arbitration Court does not take into consideration the prosperity of the industry—the employees in the industry should at least be enjoying a 15 per cent. increase over and above the basic wage. I am a member of the Labour Party, and I am supporting a Government that has always been considerate to the gold mining industry. Remembering the consideration that the present Labour Government and other Labour Governments have extended to the gold mining industry in the past—Labour Governments that represent the workers on the goldfields as well as the workers elsewhere—the industry should do a fair thing by its employees and, if anything in the direction I suggest cannot be done, then the Government should reconsider their attitude in respect of any further assistance that may be required. There is another matter I should like to touch on. Last year the present Premier, Mr. Collier, when Leader of the Opposition, introduced

a deputation to the then Minister for Mines requesting the appointment of another workmen's inspector. The Minister replied that he intended to appoint another Government inspector, and he drew the attention of the deputation to the fact that there would be a retirement of an inspector during this year. I understand now that that retirement will not take place. The Minister on that occasion said he had an open mind as far as the appointment of another workman's inspector was concerned, and he promised to give the matter early attention. So far as I know, the subject has not received any further attention. I trust that the present Minister has the subject under consideration. It is only making a farce of the principle of appointing workmen's inspectors to have one workmen's inspector for the whole district reaching from Norseman to Menzies. I hope the Minister will see his way to appoint another such inspector for that particular district. Workmen's inspectors are men who possess ability that is the result of years of experience. The employees themselves have greater confidence in workmen's inspectors whose ability they know is the result of experience. They have more confidence in such inspectors than they have in any of the technically trained inspectors, those who come out of schools after having passed their examinations. The miners have greater confidence in inspectors appointed from their own ranks, men who have had lengthy years of experience. Recently I read in the "Government Gazette" of the appointment of an acting Government inspector. I do not wish to be misunderstood: I am not criticising that appointment. I do not know anything of the qualifications of the gentleman who received the appointment as acting mining inspector, but I think he was formerly superintendent of State batteries. It seems to me that when we want a State Mining Engineer, or an acting State Mining Engineer because of the illness of the gentleman holding that office, the positions should be filled from amongst those who are attached to the mining engineering branch of the department. I should like the Minister to justify the appointment that has been made, to let us know whether the acting State Mining Engineer has the necessary qualifications for the job, and whether the circumstances surrounding the appointment were such that caused men

of long years of experience in the mining engineering branch to be superseded.

HON. W. D. JOHNSON (Guildford-Midland) [8.42]: As one of the early goldfields members, and having come from the goldfields, I can claim to know a little about the mining industry. My desire is to say a few words on the subject of the extension of the system of large reservations on our goldfields areas about which the Minister is so enthusiastic. I take strong exception to the extension of that system. The progress of science resulting in the adoption of better methods of locating gold-bearing lodes, and to an extent the better treatment of reefs found, is being applied to those areas which are being granted on a monopolistic basis. I remember on the goldfields many agitations against any means that would rob an individual prospector of some of his rights and possibly some advantages. In the early days of my association with the goldfields we always saw to it jealously that the leases were not extended beyond a reasonable limit, and at the same time that the requirements of the Act were met. I remember being associated with the opposition manifested at the mere suggestion that companies should be encouraged by huge concessions to the detriment of ordinary prospectors. Labour played a prominent part in trying to limit the powers of capital and the right of capital to monopolise. To-day we are departing from that attitude altogether. The Minister in playing with this principle is likely to involve himself in most dangerous practices. In to-night's "Daily News" we read that Sir George Pearce is still plodding away with his proposal to have huge reservations granted to British capitalists for the purpose of developing part of our north-western areas. The Labour movement has rightly protested against any such proposal. Labour regards such a suggestion as dangerous to Australia, and the Federal Parliament should not take into consideration applications of that description. On the other hand, while Labour protests against any such system, we find a Labour Government adopting the principle in connection with our gold mining areas. I am sorry that the practice of granting reservations was ever inaugurated, but the Minister should have allowed the existing reservations to have provided the necessary experience that would enable us to determine whether or not the practice was of advantage in expanding and developing our gold pro-

duction. As one associated with the Labour movement, I desire to dissociate myself from anything in connection with these reservations, which are wrong in principle, although I know the Minister has imposed certain conditions and limitations. The fact remains that Labour is opposed to the principle involved, and the Government have played with it. Once the Minister agrees to reservations subject to his limitations and conditions, he can no longer contend that he is opposed to reservations on principle. Just as we can make conditions and stipulate limitations, so can the other fellow. Then it becomes not a question whether the principle is right or wrong, but a curtailment of the argument to the point of whether the limitations and conditions are wise or justified. We cannot tinker with such a principle. Once we admit it, our stand goes by the board. I view with the utmost disfavour the present Government being associated in any way with reservations. I was sorry to hear the Minister, who is so cautious in most things, indicate his intentions, because I feel sure that his enthusiasm has carried him beyond the point he should have gone. He intimated that he proposed to encourage the introduction of capital by granting large areas, and I regard that as wrong and unsound. As one who is deeply concerned with the welfare of the State and adheres to the principle I have been discussing, I claim we should not allow the period of depression to encourage us to do what otherwise we would not permit. The Minister contemplates a departure from policy and principle that is wrong. We have suffered already from this sort of thing, and I trust that wiser counsels will prevail regarding the reservations.

MR. LAMBERT (Yilgarn-Coolgardie) [8.50]: I was pleased to hear the speech delivered by the Minister for Mines and to note the optimistic view he has reason to adopt regarding the present position of the gold-mining industry. No doubt much of his optimism is based on the increased price of gold. I do not propose to-night to deal other than briefly with the mining industry. We can well be satisfied with the general administration of the Mines Department. I will not say, as the member for Guildford-Midland (Hon. W. D. Johnson) asserted, that we should be other than cautious regarding reservations granted to mining companies, but so long as we do not lock up

areas from ordinary prospectors and do not work an injustice to anyone else, the Minister, with the exercise of ordinary caution, should be able to encourage people, with the necessary capital and equipment, to explore the auriferous deposits in the State. Western Australia comprises a vast area, embracing auriferous tracts north, south, east and west, all of which are capable of exploitation. As distinct from the position 30 years ago, it is now possible only for those possessing capital, equipment and technical knowledge adequately to exploit the gold-bearing areas. It is fortunate that we enjoy an enhanced price for our gold. As the member for Brown Hill-Ivanhoe (Mr. F. C. L. Smith) indicated, the enhanced price of gold has led to the dislocation of our economic system, and of our currency. However, that is someone else's pigeon. Due to factors I need not labour, our national policy of tariff restrictions and other considerations, has inflicted a blow on the industry. I desire to pay a tribute to some of the officers of the Mines Department. Although we have some very fine officers in the Public Service, I fancy some of the best and most efficient are to be found in the Mines Department. First of all, we have the Under Secretary, Mr. Calanchini, with whom most members are familiar, and it is not necessary for me to say anything about him. The next officer is the Principal Registrar, Mr. Telfer, who occupies a most responsible position, and I think the Government could mete out greater consideration to him from the standpoint of salary. Not only have the activities of the department increased but the responsibilities attached to this officer's position have been greatly augmented. I think the difference in the work compared with what it was when the officers I have referred to were appointed many years ago, should be recognised by the Government. The same applies to the man who is most intimately associated with the Minister. The officer I refer to is the Minister's secretary. There are others I could mention, although I have not been fortunate enough to come into contact with them so much. As to the State battery system, it is remarkable to find that, despite all the growls and troubles we hear of from time to time, wherever there are a few prospectors, the desire is expressed for the establishment of a State battery. Generally speaking, it is

recognised throughout the State that the officers associated with the State battery system, from the superintendent to the battery managers, have all rendered splendid service to the prospectors. It is not my intention to deal with the merits or demerits of the reservations that have been made. I have not followed that matter up closely enough to be able to discuss the circumstances that prompted the Minister in agreeing to them, nor yet the prospects of the companies that received the concessions.

The Premier: The decisions were made by the Government, as well as by the Minister.

Mr. LAMBERT: And they were arrived at in good faith. I have not the slightest doubt that the decisions were arrived at with a full knowledge of the circumstances, and that those who were granted the reservations will be able to do more than anyone else to prospect and develop the areas. I desire to refer to some of our other minerals. The Minister has spoken about the possibilities of glauconite and other minerals, but let me tell him quite frankly that there is no possible hope whatever of dealing with our relatively low-priced minerals on a commercial basis, unless by means of concessions on the part of the State in providing railway or other transport facilities. It is merely so much waste of time and energy to consider that our low-priced minerals can otherwise be worked economically at all. There are two or three high-priced minerals only that it is possible to work. It is as well for the Minister and the officials of the Mines Department to realise the fact. In the North-West we have deposits of tantalite which have been the subject on my part of considerable negotiation with Great Britain and some big concerns on the Continent. Apart from tantalite and possibly tin, when the prices are high, none of these minerals can be profitably dealt with. An attempt was made by one company to exploit a manganese deposit in this State. Members have seen the reports of the Government Mineralogist and the Government Chemist. The deposit I have in mind is the most important in Western Australia and, in fact, is the most valuable and most extensive known so far in Australia. Manganese is as essential to the safety and defence of Australia as is gunpowder. During the war this mineral rose in price from

about 50s. per ton to over £20 per ton. Dalgety and Company Limited, acting on behalf of the British Government had carte blanche to purchase manganese ore for the requirements of the British Government. As soon as the war was over and normal times returned, Russia, true to the five-year plan, was prepared to put 1,500,000 tons of manganese ore on the market per annum. Last year that country exported to England and America no less than 850,000 tons. I have not the slightest doubt that against her organised labour, altered economic conditions, facilities for working and close proximity to the markets of the world, no Australian manganese has any hope of competing. The public of this State, who, in all good faith, put £150,000 into that project, will lose the whole of their money. That is one instance.

Mr. Patrick: Lead is in as bad a way.

Mr. LAMBERT: We do not produce a great deal of lead now.

Mr. Patrick: But we could.

Mr. LAMBERT: Yes, at a price. What can be said of manganese can be said of almost any other mineral we possess. I know lines of felspar that would reach from here almost to the Darling Range. The Minister spoke about the great prospects for Western Australian felspar. I know the Grosmont felspar, which is as pure as any in the world. It is all a matter of being able to produce those minerals at a price that can compete in the markets of the world.

The Minister for Mines: We could do it at £1 per ton.

Mr. LAMBERT: If we had had a bonus of £1 per ton on manganese ore, we could have sent 1,000 tons a week to the markets of the world. It is a matter of geographical position and cost of transport by rail or ship. Everything depends upon the cost of transport. I have a copy of a pamphlet issued by the Mines Department dealing with all these minerals. It refers of glauconites, felspars, gypsums and many others. I do not wish to damp the ardour of the Mines Department, but with the exception of the small quantities usable in Western Australia, unless the Railway Department, by subsidy or bonus from the Government, can carry those minerals at a rate comparable to the transport available in other parts of the world, it is a waste of time and energy and money to try to develop the deposits. We have iron ores, manganese ores, felspars, silicas glauconites, lepidalites, tantalites and

all sorts of "ites," but with the exception of those comparatively high-priced, there is no possibility of their economic exploitation in this State, and the sooner the Mines Department recognise that fact, the better.

The Premier: It is not the Mines Department at all.

Mr. LAMBERT: Then who is it?

Mr. Moloney: Why worry about it?

Mr. LAMBERT: I am not asking the hon. member to worry about it; I am giving unanswerable facts. I have correspondence from all parts of the world dealing with almost every mineral that can be produced in Western Australia.

The Premier: On a commercial basis.

Mr. LAMBERT: Yes.

The Premier: That is the trouble.

Mr. LAMBERT: Take arsenic which has been introduced as a by-product to the recovery of gold at Wiluna. Arsenic is an easily condensable mineral, but it is not possible economically to produce arsenic in any other part of Australia except in similar circumstances.

The Premier: The only place in Western Australia.

Mr. LAMBERT: Long before Wiluna was opened up, there was a mine called the Transvaal outside Southern Cross equipped for the production of arsenic and gold.

The Premier: What quantity?

Mr. LAMBERT: It was owned and controlled by the people who own and control the present production.

The Premier: What quantity of arsenic?

Mr. LAMBERT: The ore had a far bigger percentage content than has the ore at Wiluna.

The Premier: But what quantity?

Mr. LAMBERT: A considerable quantity.

The Premier: Well, what was it?

Mr. LAMBERT: Does the Premier want the quantity in cwt.s.?

The Premier: Yes.

Mr. LAMBERT: The quantity produced at the Transvaal was considerable.

The Premier: That is not very specific.

Mr. LAMBERT: It was produced by way of concentrates.

The Premier: I am not concerned as to how it was produced. What was the quantity?

Mr. Latham: The hon. member had better ask for notice of the question.

Mr. LAMBERT: If the Premier desires to have the exact figures, he should consult the Government Statistician. That officer

seems to have sufficient leisure to be able to inquire into some wheat trouble, according to an announcement in to-day's paper.

The CHAIRMAN: The hon. member is getting away from the vote.

Mr. LAMBERT: No, I am only recommending the Premier to get the information from the statistician.

The Premier: I have no need to do that. You have made a statement.

Mr. LAMBERT: Wiluna has produced many times as much arsenic as the Transvaal, but we do not know what quantity was produced from the Transvaal, nor do we know its content or the gold content. It was concentrated and sent to Victor Leggoe's works at Spottiswoode. That, however, is beside the question. We are not unlike other parts of the world that recover arsenic as a secondary consideration to the recovery of zinc, gold or other metal content. Take antimony referred to in the pamphlet: all the antimony produced in Western Australia could, relatively speaking, be put into the wastecost pocket. Bismuth is found in very small quantities outside Pilbara. The publication of pamphlets of this description, highly and even romantically coloured as to the possibilities, is apt to be misleading. No bismuth is produced in Western Australia. The two ores of lepidalite and amblygonite are mentioned. Thirty years ago, ten or 15 miles out of Coolgardie 5 cwt. or 6 cwt. of amblygonite was found, and during all the succeeding years romance has centred around the few cwt. of amblygonite then found. I was one of a syndicate that endeavoured to find the tail end of it, but it has never been found. Take lepidalite: English and Continental countries have written for quotations and quantities, and samples were sent. The inquiries were sent to the Mines Department but no orders have been received for lepidalite. Those were only feelers as to the possibility of a country like Western Australia competing against known sources of supply. I have a letter dealing with our most valuable ore, namely, tantalite, which shows what the largest users of tantalite think of the prospects of drawing on supplies from this State. Some of the biggest organisations in the world have been unable to mill molybdenite ores and produce molybdenum on a commercial basis. In 1918, during the war, I induced the Government of the day to

put in a concentration plant at the Coolgardie State battery for the treatment of tungstic ore.

Mr. F. C. L. Smith: How much did the Government make?

Mr. LAMBERT: They lost nothing. The plant is still there and the Government hold the assets. In fact, it was a tribute to my memory, if nothing else,

The Premier: At the cost of the Treasury.

Mr. LAMBERT: At a cost of £7,000. Despite the expenditure of that money, the concessions that were given, and the optimistic view that was then held, we have never been able to produce one pound of tungsten, or any of its allied minerals except that some low-grade ores running to about 50 per cent. were discovered and a few bags sent away. It is impossible to mill commercially any of these ores in such a way that people handling them here could make a profit. Take the case of uranium and radium. These merely exist in a small quantity in this State.

Mr. Latham: Is there any pitchblend here?

Mr. LAMBERT: We have uranium and radium-containing ores, but they cannot be worked economically. Platinum merely occurs in small quantities. Corundum does occur in the North-West two or three hundred miles inland, and in one place on the eastern goldfields. The officers of the department know that synthetic carborundum is produced in considerable quantities at the Niagara Falls, and that it is impossible for us under the present economic conditions to produce it to compete with the Niagara Falls production. I am not finding fault with the department. They have every right to be optimistic. It is right there should be scientific investigations into our minerals, but these should bear a close relationship to the commercial possibilities attached to the exploitation of such minerals. I am not condemning the activities of the department, but I do think it is time there was a stocktaking concerning the minerals we can commercially exploit. To that end the department should bend their energies. It would be a good thing if the Minister could induce the Railway Department to carry some of our ores at the same price as some shipping companies bring minerals into Australia.

The Premier: As ballast.

Mr. LAMBERT: That would greatly assist in the development of our mineral resources. Any of our ores that are worth less than £4 or £5 per ton cannot be exported on a commercial basis.

The Premier: That is our geographical disability.

Mr. LAMBERT: I know the Minister is very earnest about his work, but I do wish he would take this matter into consideration before he allows such pamphlets to go abroad, leading people elsewhere in the world to believe that we can produce all these different minerals. The officers should be requested to consider the commercial possibilities attached to these minerals before they feature them in their pamphlets and reports. When people are prepared to work a particular mineral, the officials' scientific knowledge and experience should be made available. In this way a useful service would be performed for the State. It is no use publishing pamphlets at considerable cost. We do not want any romance attached to our minerals. It is right that complete records should be kept of all the minerals discovered in this State, but we should get closer to realities and find out to what commercial use we can put our minerals. There is one mineral of which many thousands of tons are available within Western Australia. When that ore is processed, it is bought at £6 or £7 a ton. The trouble is we cannot get a breaking-down agency for it. It is treated only by the application of heat combined with a certain mineral, but we cannot do it here. It is not a matter of technical knowledge. When one goes to a shipping company to ascertain the freight on ore to the Eastern States, one is told that the lowest price is 30s. a ton. The secondary industries of the Eastern States could take thousands of pounds worth of raw material from us if lower freights were available. The Broken Hill Proprietary Company would not be able to produce a ton of steel if the Commonwealth Government did not allow them to import ferro-manganese duty free. That company had £10,000 invested in the very concern I was speaking of, but they made no attempt to buy manganese from this State. They could bring ferro-manganese from elsewhere. It comes here at a quarter of the cost of bringing deposits

from New South Wales, inclusive of freight, shipping charges, etc. The Minister has mentioned felspar. To-day the Australian Glass Works—the biggest concern of its kind in Australia, built up under the shelter of the tariff, operating here and in every capital of the Commonwealth—are reaching out to purchase felspar for the manufacture of glass. And why? Merely because there is an exchange rate of 25 per cent. operating against them.

The Premier: They are a profiteering concern.

Mr. LAMBERT: Of course they are. I would not care so much if some of these big octopus companies in the Eastern States used Australian raw materials in the course of the trading permitted to them by the Federal tariff. If to-morrow Australia were faced with a war like that of 1914, not one ton of steel could be produced unless manganese ore was obtained from some other country. Not a year had elapsed after the outbreak of war in 1914 before these big Australian companies were looking in Java and the New Hebrides for minerals. Hundreds of thousands of tons of manganese could be produced out beyond Peak Hill, and yet some of the humbugs in the Federal Parliament say, "We must have some regard for our national safety." They have as much regard for national safety as has the biggest tough in Woolloomooloo. Almost every mineral has an economic value and a market price, but can be produced only at a price. Many of these minerals, as well as processed articles, come here in ships' bottoms more or less as ballast. I hope the Minister will accept my statements in the best spirit and consider what I have said. When the advice of his technical officers is available to him he will, I believe, realise that there is a good deal in what I have said. Now that mining has progressed to a plane making it most fortunate in the economic life of Western Australia, I trust the Minister will have some regard for those who have given unselfish and loyal service to his department for many years. I hope he will also give consideration to the cases of young, promising officers. If he does those things he will, I feel sure, be backed up in no small degree by those who are associated with the mining industry of Western Australia.

THE MINISTER FOR MINES (Hon.

S. W. Munsie—Hannans—in reply [9.34]: I thank hon. members for the manner in which they have received these Estimates, and I appreciate highly the fact that so small an amount of criticism has been levelled at the department. There are one or two matters to which I desire to reply. The member for Murchison raised the point of the treatment of prospectors by the State batteries. I am prepared to admit that conditions at the batteries are not now what they were when the first Collier Government went out of office. Alterations have been made during the last three years, and we have not yet been able to revert to the old conditions. I believe I can put up justification for our not having done so. Firstly the member for Murchison protested against the abolition of the rebate on low-grade ore. I admit that the rebate has been abolished. The position as I find it in the State batteries is such that unless I can by some means obtain at an early date another £40,000 for the purpose of erecting additional batteries or duplicating plants already in existence, I am not justified in reinstating the rebate on low-grade ore. At present I cannot find sufficient crushing facilities to treat the ore already being supplied, without the rebate.

Mr. Marshall: But you must confess that the abolition of the rebate retards development, because one never knows when a low-grade proposition will develop into a rich one.

The MINISTER FOR MINES: I quite admit that, but is the hon. member prepared to fix a minimum which we should classify as low-grade ore? Recently we had an example of 108 tons being put through a State battery for a return of 1 ounce 3 dwts. I do not think a much lower grade of ore could be found.

Mr. Marshall: That is rather an exceptional case.

The MINISTER FOR MINES: I admit that. However, we have to stop somewhere. While such ore is going through and more and more people are encouraged to produce low-grade ore, other people are being prevented from getting ore treated that is payable to them and payable to the State; that is, unless I get another £40,000 to expend on batteries. The hon. member's chief complaint was in regard to treatment of tailings. He said that not more than 7s. per ton should be charged for their treatment. I admit that. A firm or company that can-

not treat tailings for 7s. per ton ought never to take on their treatment at all. If the prospectors of this State will accept conditions as they are now in regard to crushing, plus 7s. per ton for the treatment of ore, but wiping out all other concessions, I will treat tailings for 7s. per ton and show an immense profit. It is continually being said that we are charging 2 dwts. 8 grains. We do not do that at all. From the assay value of the ore we deduct 2 dwts. 8 grains. The hon. member from his long experience knows that we never get 100 per cent. extraction from the ore treated. Thus we do not charge 2 dwts. 8 grains.

Mr. Marshall: But you make other deductions as well.

The MINISTER FOR MINES: I admit that. However, we get from the 2 dwts. 8 grains only the extractable value of the 2 dwts. 8 grains. Moreover, the State batteries are treating thousands of tons of tailings of which the total assay value is not 2 dwts. 8 grains. We do not, however, separate those tailings from the others. They go into the one big dump which is treated as a whole. I believe that with the exception of cyanide plants in three instances, there will not be in Western Australia six months from now a ton of tailings remaining untreated at any battery, and this is irrespective of value. In some instances the total assay value of the ore being treated is not 2 dwts. 8 grains. If we were getting 2 dwts. 8 grains from all the tonnage of tailings treated we would be on a pretty good wicket. We do make other deductions as well. For instance, there is a deduction for moisture, as mentioned by the member for Murchison. Again, we pay on only 75 per cent. of the tailings. It is strange that while the hon. member criticised all those matters, he did not once mention the concession recently made. Not so long ago I made an extensive trip through the goldfields, and every deputation which waited upon me from a prospectors' association or from individual prospectors contended that the Government were paying on too low a proportion of the sands. In that respect I have made a concession of 5 per cent. Throughout their existence the State batteries have never paid on more than 85 per cent. of sands. I have increased that to 90 per cent. I admit that a fairly large profit was made last year on the treatment of tailings. However, taking the State batteries system as a whole, even last year, with all

the prospecting, a loss of £9,000 was incurred. I am just as eager and anxious as any one, either inside or outside Parliament, to assist the man battling and prospecting; but I realise that I owe some responsibility to other sections of the community as well as the prospecting section. In existing circumstances, with gold at its present price, the charges at the State batteries are levied upon prospectors throughout the State, and it would be unfair of me, as Minister for Mines, to levy on the outside public for more than £9,000 a year in the interests of prospectors.

Mr. Marshall: What about the prospector who does not get the gold?

The MINISTER FOR MINES: That cannot be helped. What about the prospector who goes out year in and year out and never has a crushing? I worked every day for two years and three months without putting a ton of ore through a battery. I was unfortunate and could not find anything of sufficient value to warrant its being put through. Even if the State batteries had been treating free of charge, I could not have done any good. On one occasion my friend asked did that apply to State batteries leased or subsidised, and I said it did not. In no other country in the world, whether the labour be black, brown or brindle, are the same conditions and concessions offered to the prospector as Western Australia offers through the State batteries.

The Premier: That includes all Australia, too.

The MINISTER FOR MINES: Yes it does. Day in and day out at my office I get letters from people who are patrons of a battery leased from the State. Even with a subsidy of 2s. per ton the prospector, if he gets an ounce of gold from anything treated, is 9s. worse off than he would be at a State battery. So on that showing, there is no serious complaint to be made of the conditions offering under our State battery system. Another point raised by the hon. member to which I will reply is that of the forfeiture of leases. The hon. member suggested that the inspector of mines should have power to bring a lessee or owner of a prospecting area before the court to show cause why his holding should not be forfeited. I confess I have not given that any thought. It is the first time I have heard it put up.

Mr. Marshall: It has been put up here on two or three occasions.

The MINISTER FOR MINES: Then I must have been absent at the time. I am prepared to go closely into that later on, but at present I do not agree with the proposition, indeed I am utterly opposed to it. The next matter the hon. member brought up was in connection with reservations. He mentioned a case at Cue where some man went out prospecting when none but the warden knew that a reservation had been granted. That may have happened. It may have been that the warden got the notification from the Mines department telling him that the reservation had been granted, but that the prospector was not aware of it. On the very day that a reservation is granted in any part of the State, the warden in the district is notified and receives a plan showing the exact position of the reservation on the location, and he is required to post that notification conspicuously in his office. When I learn that someone went on to the area that had been granted, and that none but the warden knew it had been granted, I feel that there was something wrong somewhere. I have not heard such a complaint in respect of any other district, although I have heard the complaint that sometimes the reservation is too far from the warden's office, and that in consequence, a prospector may have no way of learning of it. But in the instance under consideration, the reservation was on the golf links at Cue, which is another way of saying that it was pretty close to the warden's office. How it should have happened that none but the warden knew of it, I cannot think; because, as I say, the plan of the reservation was immediately sent to the warden's office and there posted up. I will have that instance inquired into. As to the other reservation mentioned by the hon. member, the Big Bell, I believe it is true that the first lessee did not spend a pound on the property, other than the subsidy of £ for £ that was found by the Government for the first boring being done. However, he did pay £ for £ up to £2,300 for the purpose of boring. I must give credit where credit is due. While that lessee, to the best of my belief, did not spend anything beyond the amount of the subsidy on the Big Bell, I have seen the documents proving that in a period of two years and seven months he spent in mining elsewhere in Western Australia no less than £28,000. Any man who spends £28,000

in looking for gold or other mineral in this State is deserving of consideration. He did not spend the money on the Big Bell; but he spent it in other places in Western Australia, and I know that of my own knowledge. It may not have been his own money, but he spent £28,000 on mining in this State, and so I say, he was deserving of consideration. The member for Brown Hill-Ivanhoe (Mr. F. C. L. Smith) made only two suggestions to which I think he requires replies. The first was that he hoped the present Government had under consideration the appointment of another workmen's inspector. I have not yet submitted the proposal to the Government, but I can assure the hon. member that as Minister for Mines I recognise that if it was necessary to have two workmen's inspectors three years ago, then, having regard to an increase since then of over 3,000 men employed in the mining industry either on wages or on contract, it is time the Government considered the appointment of a workmen's inspector.

The Premier: Whatever you recommend, the Government will do.

The MINISTER FOR MINES: The other matter mentioned by the hon. member was as to the appointment of an acting inspector. I do not know what exactly he was referring to then.

Mr. F. C. L. Smith: The appointment of an acting inspector in place of the State Mining Engineer.

The MINISTER FOR MINES: The position is that the State Mining Engineer is, unfortunately, ill, and cannot carry out his duties, and so we had to put some one temporarily in his place. Naturally, we selected the Superintendent of State Batteries as being the next highest to the State Mining Engineer, and so we appointed him temporarily. But appointing him temporarily to act in place of the State Mining Engineer compelled us to gazette him as a temporary inspector of mines also. That is why he was so appointed. Recently one of the companies holding reservations was operating two diamond drills at Ravensthorpe. It was neither economic nor wise that we should send an inspector week after week to examine the work that was being done, and report to the department. We have at Ravensthorpe a man quite capable of even supervising that work—the company willingly accepted that man's advice—and so we

appointed him a temporary mining inspector for the purpose of keeping us supplied with particulars of the boring being done on that concession. The member for Guildford-Midland (Hon. W. D. Johnson) said we should not tinker with principle. I have yet to learn where the Government or I have tinkered with principle. I can assure the hon. member that the members of the Government are just as honest and sincere in carrying out their principles as is he himself. I have contravened no principle of the Labour movement. I am where I am to administer the Mining Act, in which provision is made that the Minister may grant concessions if he believe it to be in the interests of the mining industry or of the State. That is provided in the Act, and I would be lacking in my duty if I did not carry out the Act as it stands; so I have not violated any principle of the Labour movement in granting concessions. Moreover, it is not always to rich companies that concessions are granted, as people might be led to believe by the criticism of the hon. member.

Mr. Marshall: I for one know that is not so.

The MINISTER FOR MINES: Concessions have been granted to men as poor as any other man in the State. They have secured concessions from me because I believed they were genuinely endeavouring to do something for the mining industry. If a man can prove to my satisfaction that he is endeavouring to do something in the interests of the mining industry, he can come and ask for a concession with as much confidence as a rich company would be justified in feeling. I hope the time will never come when any man appointed to the position of Minister for Mines will do anything to jeopardise the getting of more capital for the development of the industry in this State. I have never known the member for Yilgarn-Coolgardie to be so pessimistic. According to him none of our minerals is of any use. He picked up a pamphlet to bring ridicule upon the department.

Mr. Marshall: I do not think he meant that.

The MINISTER FOR MINES: The department deserve credit for everything that appears in that pamphlet. It has been issued in accordance with the policy the department have adopted and maintained. Many prospectors who are excellent men in looking for gold may discover some other

mineral about which they know nothing. This may be of no value, but the department encourages these people to send in all these minerals for classification. By this means the department have discovered almost every mineral known in the world. It is not stated that these minerals can be produced in commercial quantities. It is only claimed that they do exist in this State because samples have been seen. That is the right attitude to adopt. Hundreds of men have found minerals of various kinds and sent them in to the department, the officials of which have told them whether or not they are of commercial value. If a certain syndicate in this State had followed that practice they would have been saved an expenditure of about £40,000. There was a gentleman who took two years and four months to walk from Darwin to Derby through the Kimberleys. He discovered what he thought was the greatest deposit of tin ever found in the world. He brought some of the material with him and formed a syndicate. The subscribers themselves thought it was tin. The syndicate obtained a concession and I was condemned for granting it. No one else had ever applied for a mining concession in that part of the State, but immediately I granted this one other people said they had been on the point of going there themselves. One man even chartered a boat and provisioned it to go to the very same spot. Some 14 people applied for concessions around the main area, and I granted them all for a period of six months. The syndicate itself provisioned a boat and put up nearly £40,000 in cash. When the emissaries of the syndicate reached the spot in question, and sent samples down to the department, they discovered that the material was not tin. Immediately upon that none of the other syndicates went on with the concessions. The second boat I spoke of followed the syndicate boat up north, but the latter, after going 100 miles out of her course, evaded the former. Reference was made to tantalite. Were it not for a ring that exists, this State could produce tantalite as profitably as any other part of the world. It is not the production that causes the difficulty but the disposal of the mineral. One lady, who is well known and highly respected in this State, has spent thousands of pounds in the endeavour to find a market for this product. She has sold a good deal but still has

on hand some she bought four years ago. She is employing 10 or 12 men all the year round, and buying small lots of the mineral from outside prospectors. She has been to England and America twice in the hope of opening up a market. I believe the grade of our ore is higher than that in most other parts of the world. The member for Yilgarn-Coolgardie also referred to arsenic. The mine he mentioned at Southern Cross is now being opened up by a company, which hopes to treat the ore for its gold and arsenical contents in opposition to the Wiluna mine. I hope they will make a success of their venture. If Wiluna increases its tonnage another 10,000 a month, it seems likely that it will be able to produce sufficient arsenic to supply the known world. Indeed, I do not know what will be done with it all if any more is produced. Already the requirements of Australia for sheep dip and other things are more than fully supplied. I trust that the optimistic opinions that have been expressed by myself and other members will be realised, and that the mining industry in this State will have a long and prosperous career.

Vote put and passed.

Progress reported.

House adjourned at 10.10 p.m.

Legislative Council.

Thursday, 2nd November, 1933.

	PAGE
Assent to Bill	1680
Bills: Entertainments Tax Act Amendment, 2R. ...	1631
Yuna-Dartmoor Railway, 3R.	1637
Southern Cross Southwards Railway, 3R. ...	1637
Fire Brigades Act Amendment, 2R.	1637
Lotteries (Control) Act Amendment, 1R. ...	1689

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

ASSENT TO BILL.

Message from the Lieut.-Governor received and read notifying assent to the Wiluna Water Board Loan Guarantee Bill.