

The ATTORNEY GENERAL: I move an amendment—

“That in paragraph (d) the words ‘but development work shall not be deemed to include any work in connection with the main shaft’ be struck out.”

As far as an individual who is opening up a small mine is concerned, it has been pointed out to me that the main shaft of a mine is very much like a main road to a farm, without which the mine cannot be developed at all. The small mine-owner is handicapped if a main shaft is not deemed development work, so it is proposed to strike out the words I have mentioned.

Amendment put and passed.

[The Speaker resumed the Chair.]

Progress reported.

#### ADJOURNMENT—SPECIAL.

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

“That the House at its rising adjourn until 4.30 p.m. Wednesday.”

Question put and passed.

House adjourned at 12.26 a.m.

## Legislative Council,

*Wednesday, 15th May, 1918.*

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

[For “Questions on Notice” and “Papers Presented” see “Minutes of Proceedings.”]

#### QUESTION—AUDITOR GENERAL'S REPORT.

Hon. A. SANDERSON (without notice) asked the Colonial Secretary: Will the Auditor General's report be available this week or next week?

The COLONIAL SECRETARY replied: I am not able to answer the question immediately. I will make inquiries.

#### BILL—HEALTH ACT AMENDMENT.

Assembly's Amendments.

Schedule of seven amendments made by the Assembly now considered.

In Committee.

Hon. W. Kingsmill in the Chair; the Colonial Secretary in charge of the Bill.

No. 1—Clause 3: Strike out the clause:

The COLONIAL SECRETARY: I propose to ask the House to agree to this amendment. The clause provides that premises of the Crown may be declared subject to the Act. Personally I have never had strong faith in the clause because it is difficult to compel the Government to do anything in this respect, for the reason that it is not possible to impose any penalty. The idea was that it might act as a lever, or as a little moral pressure, which the Health Department might bring on other departments. The Assembly thinks it is desirous that the clause should be struck out. I move—

“That the amendment be agreed to.”

Question put and passed; the Assembly's amendment agreed to.

No. 2—Clause 46: Strike out the following words in paragraph (3):—“By the deletion of the proviso in Subsection (1) and”:

The COLONIAL SECRETARY: I propose to ask the Committee to agree to this amendment made by the Assembly. The effect is to restore the proviso in Section 242j of the principal Act, which gives a female the right, under certain circumstances, to require one of the examining medical officers to be a female practitioner, and to strike out the proposal for the appointment of an advisory committee. The net result is that this clause leaves the Assembly in the same form in which it entered the Council, with the following additional sub-clause:—

Any person who knowingly gives false information to the Commissioner, with the intention that action shall be taken by the Commissioner under this section, shall be guilty of an offence against this part of the Act. Penalty: Fifty pounds or imprisonment with or without hard labour for a period not exceeding 12 months.

There is also a further proviso that the amendments made by this section, dealing with venereal diseases, shall continue in force until 30th September, 1919, and no longer, after which date Section 242j shall again come into operation. The Assembly has substituted one safeguard for another safeguard which was proposed by this Chamber. Personally, I have no doubt in my own mind that as a safeguard the one put up by this Chamber, as the result of the select committee's inquiries, was far stronger than the one now proposed, but I do not think that either was absolutely necessary; in fact I think the select committee put up the safeguard as a safeguard to meet certain objections. But the people who raised those objections have preference for the safeguard now provided by the Assembly and there is no objection to accepting that. I would like to take this opportunity of saying that, personally, I feel indebted to the select committee for the work they did, and for the thorough manner in which they examined this Bill and materially assisted its passage through the House. The members of that select committee, when they compare the safeguard suggested by the Assembly with the one they proposed, will not feel that their work has been depreciated. The safeguard of the Assembly practically places in this measure what might be regarded as common law rights, but without the inclusion of this section, those sections of the Act imposing

absolute secrecy on the part of the Commissioner might have made it difficult for any person to enforce common law rights. This will remove that. The second safeguard which limits the operations of the measure is acceptable to the department for the reason that if at the end of 12 months, when Parliament is in session, the department is unable to demonstrate that the amendment was a wise one, they will be ready to go back to the old principle. I move—

“That the amendment be agreed to.”

Question put and passed; the Assembly's amendment agreed to.

No. 3.—Strike out Subsections (1a) and (1b):

The COLONIAL SECRETARY: I move—

“That the amendment be agreed to.”

Question put and passed; the Assembly's amendment agreed to.

No. 4.—Insert the following subsection to stand as subsection (1a):—“Any person who knowingly gives false information to the Commissioner with the intention that action shall be taken by the Commissioner under this section, shall be guilty of an offence against this part of the Act. Penalty: Fifty pounds or imprisonment with or without hard labour for a period not exceeding 12 months:

The COLONIAL SECRETARY: I move—

“That the amendment be agreed to.”

Question put and passed; the Assembly's amendment agreed to.

No. 5.—Insert the following proviso to the clause:—“Provided that the amendments made by this section shall continue in force until the 30th day of September, 1919, and no longer, after which date Section 242j of the principal Act as originally enacted shall again come into operation:

The COLONIAL SECRETARY: I move—

“That the amendment be agreed to.”

The CHAIRMAN: This amendment is contrary to our Standing Orders—contrary as a matter of form. Standing Order 174 lays down that—

The precise duration of any Bill, the provisions of which are intended to be temporary, shall be inserted in a distinct clause at the end thereof.

As the temporary nature of this clause is indicated only by the proviso of another clause it is contrary to this Standing Order. This can be remedied by putting in the amendment, if it is agreed to, as a distinct clause at the end of the Bill. In its present form the amendment is out of order.

The COLONIAL SECRETARY: I do not question your ruling, Sir, but the Standing Order refers to the duration of a Bill. This is merely, however, to limit the duration of a clause, and the proviso is inserted at the end of that clause.

The CHAIRMAN: In my opinion that accentuates the fact that the amendment is out of order.

The COLONIAL SECRETARY: You think it should be placed as a separate clause at the end of the Bill?

The CHAIRMAN: Yes.

The COLONIAL SECRETARY: Then I merely move—

“That the amendment be agreed to.”

The CHAIRMAN: It is merely a matter of sending a Message to the Legislative Assembly to say that, as the amendment No. 5 in its present form does not comply with our Standing Orders, it will be necessary to add the amendment as a distinct clause at the end of the Bill. Having pointed out this matter, and as the amendment does not sin against our Standing Orders except as to its position in the Bill, for it should be placed at the end of the Bill as a distinct clause, I will put the question “that the amendment be agreed to.”

Hon. J. DUFFELL: Acting upon your ruling, I should like to move that a Message be sent to the Legislative Assembly to carry out the purpose of your ruling.

The CHAIRMAN: The form the hon. member's amendment should take would be to add to the motion of the Colonial Secretary, “that the amendment be agreed to,” the words “subject to the amendment being put in the form which complies with the Standing Orders of the Legislative Council.”

The Colonial Secretary: I will make that addition to my motion.

Hon. J. DUFFELL: In view of that, and bearing in mind the vast amount of evidence which was placed before the select committee when considering this measure, and in view of the fact that the Bill as amended will only be in operation for 15 months, which I do not consider is sufficient time to prove its merits, I move an amendment on the Assembly's amendment—

“That the figures ‘1919’ be deleted and ‘1920’ inserted in lieu.”

The COLONIAL SECRETARY: I entirely appreciate the arguments used by the hon. member, but on the other hand members will have a lively recollection of the length and bitterness of the debate which occurred over this matter. I do not think it is worth while provoking a further debate for the sake of an extra year's trial. Speaking for the department, I can assure the hon. member that the officers would be quite satisfied with a year and three months, and feel sure that at the end of that time they will be able to satisfy the public that the amendment is a wise one. In view of the importance of the Bill I think it would be a mistake to provoke a controversy which might result in the wrecking of the Bill, merely for the sake of securing another year of trial.

Hon. J. DUFFELL: After the explanation made by the Colonial Secretary I should be glad to withdraw my amendment.

Amendment by leave withdrawn.

Question put and passed; the Assembly's amendment agreed to.

No. 6.—Clause 48: Strike out from the end of the clause the words “written permission of the Commissioner” and insert the words “authority of the Court before which the case was heard” in lieu thereof:

The COLONIAL SECRETARY: Hon. members will recollect that there was a discussion on this clause in this Chamber. We divided in Committee, and the division was a close one. In view of that fact I do not propose to press the wish of the small majority of this Chamber against the decision

arrived at in the Legislative Assembly. The clauses as introduced in the Council empowered the Commissioner to authorise the publication of reports of legal proceedings. In this Chamber an effort was made to give the tribunal, by which the case was heard, the right to order whether it should be published or not. The Council by a small majority decided that it would be preferable to leave that power in the hands of the Commissioner. In the Assembly some members thought that the defendant should have the right to say whether the matter should be published or not. As a compromise the clause was amended so that the right to decide whether the matter might be published or not should lie with the Court. I move—

"That the amendment be agreed to."

Question put and passed; the Assembly's amendment agreed to.

No. 7—New Clause: Insert the following new clause to stand as Clause 5—"Section two hundred and fifty-seven of the principal Act is hereby amended as follows:—(1.) By the insertion in the first line of sub-section (2) between the words "registered" and "shall" of the words "or registered under any other provision of this Act." (2.) By the deletion of the words "to have her name erased from the register" in sub-section (2), and the substitution of the words following:—"to a penalty not exceeding one pound, and on failure to apply for re-registration in each of two consecutive years, to have her name erased from the register." (3.) By the insertion of the following subsection:—(5.) The fact that any woman has been registered and had her name erased under this section shall not preclude her from making fresh application for registration, and if the qualification on which she relies is such that her original application based thereon had to be made within a limited time, then the time within which the fresh application must be made shall be the like period of time calculated from the date of the erasure of her name from the register:

The COLONIAL SECRETARY: The object of the clause was to provide for the annual registration of midwives, but was not previously before the Council. It was in the Bill, but was not one of the clauses which were printed in italics, and was not considered by the Council but moved in the Assembly. In the Assembly the clause printed in the Bill was adopted except that the proposal for the payment of a fee was struck out. I move—

"That the amendment be agreed to."

Question put and passed; the Assembly's amendment agreed to.

[The President resumed the Chair.]

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

Hon. W. KINGSMILL (Metropolitan) [4.48]: Before the next order of the day is dealt with, I should like to say that there seems to me to be a very strange omission in

regard to this Bill. There are many clauses in the Bill which were printed in italics, and these clauses were not dealt with by the Legislative Council.

The COLONIAL SECRETARY (Hon. H. P. Colebatch—East) [4.49]: They were not moved in the Assembly, or if they were moved they were not agreed to. The clauses in italics, to which Mr. Kingsmill refers, had for their object the imposition of new charges in some cases, or increases in charges in other cases. In no instance were these proposals agreed to by the Legislative Assembly; they find no place in the Bill. Certain hon. members took exception to some of these clauses, and I should at once have pointed out to them if they had been passed, but they have not been adopted.

Hon. W. Kingsmill: I am glad to hear it.

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

Assembly's Message.

The Assembly having agreed to an amendment made by the Council subject to further amendments, such further amendments were now considered.

In Committee.

Hon. W. Kingsmill in the Chair; the Colonial Secretary in charge of the Bill.

No. 1.—Add to the proposed amendment the following words:—"and for any loans which may be raised up to the 30th day of June, 1919":

The COLONIAL SECRETARY: In its original form this clause authorised the raising of money at a rate of interest not exceeding  $6\frac{1}{2}$  per cent. instead of five per cent. In this Chamber Clause 3 was amended to read as follows:—"This Act shall apply to all inscribed stock and debentures issued after the commencement of this Act for the redemption of any loans raised prior to the commencement of this Act, and to debentures issued after the commencement of this Act as security for loans raised before the commencement of this Act." The Assembly accepted that amendment, but included after the words "commencement of this Act" the following:—"and for any loans which may be raised to the 30th June, 1919." And they added a new clause to read, "This Act shall continue in force until the 30th September, 1919." The clause as amended by the Council and the Assembly reads as follows:—

"This Act shall apply to all inscribed stock and debentures issued after the commencement of this Act for the redemption of any loans raised prior to the commencement of this Act, and for any loans which may be raised to the 30th June, 1919, and to debentures issued after the commencement of this Act as security for loans raised prior to the commencement of this Act." The Commonwealth Government has advanced to the States in monthly sums pending the raising of a loan on the London market the amounts due under the financial agreement,

and money so advanced is part of war loan money. So far no securities have been issued by the State for the moneys advanced, and no security will be given until the Commonwealth raise the money by a loan. The last loan raised by the Commonwealth was at a cost of about  $6\frac{1}{2}$  per cent., and if the next loan is raised costing the same rate, and the Commonwealth should demand from the State inscribed stock or debentures carrying over five per cent., the State would not be able to issue the security asked for if the General Loan and Inscribed Stock Act Amendment Act of 1918, as amended by the Council, is passed. But under the Act as further amended by the Assembly, stock may be issued. The amendment of the Assembly limits the Government to the issue of inscribed stock or debentures carrying  $6\frac{1}{2}$  per cent. to the 30th June, 1919. Unless power is given to the Colonial Treasurer it will hamper his negotiations with the Commonwealth. No money can be raised under the provisions except money that Parliament has authorised the Government to raise, and the authority for the redemption of loan moneys apply only to the loans raised by the Commonwealth for the State during the year 1919.

Hon. J. W. Kirwan: At what rate of interest is the Commonwealth lending the money?

The Colonial Secretary: At the rate at which they have to pay.

Hon. J. W. Kirwan: I thought that it was  $5\frac{1}{2}$  per cent.

The COLONIAL SECRETARY: That is the rate they have been lending it at. They have asked for no security so far until they raise the loan on the London market, and when they do so they will ask us for the security, which will be inscribed stock at the rate of interest at which they have been called upon to pay. Even at  $5\frac{1}{2}$  per cent. the Government will be precluded from borrowing under the Bill as it left this Chamber. I move—

“That the amendment of the Legislative Assembly on the Council’s amendment be agreed to.”

Hon. J. W. KIRWAN: The amendment made by the Assembly on the amendment of the Council seems to be one of the most extraordinary amendments that one Chamber can send to another. The meaning of the amendment is this: the Legislative Council decided that any money raised at the exorbitant rate of interest of  $6\frac{1}{2}$  per cent. should be limited to money for loan redemption purposes. The Assembly say, “We agree with that amendment,” and they say, “We can raise the money for 13 months and then for a period of three months no money can be raised except for loan redemption purposes, when the Act expires.” So practically the amendment says that for three months, from the 30th June to the 30th September, the Bill will be as the Council desired it. I can quite understand the Assembly disagreeing to the amendment, but to say, “We agree to the insertion of the amendment,” and in the next sentence to put in a direct contradiction to what we proposed

I cannot understand. The Assembly first of all say the money shall be limited to that needed for loan redemption purposes, and then they say “or for any loan that may be raised during the next 13 months,” and they wind up by saying that within three months the Act shall cease to come into operation. Members will remember the circumstances under which the Bill was brought forward, and under which the amendment was agreed to. The Bill was brought forward for a certain purpose. It was stated the immediate necessity of the Bill was to enable the Government to meet a certain obligation. There was a loan of a quarter of a million with a ten years’ currency, and it seems that the Government have been able to renew £120,000 of that loan at the rate prescribed at present, that is, five per cent. But the balance of £130,000 they could not renew except at a higher rate, and we were told the Bill was introduced to enable the Government to raise the £130,000 at the maximum of  $6\frac{1}{2}$  per cent. It was stated that was the immediate necessity for the Bill, and the general impression was that that was the real object of the Bill. On looking through the Bill I noticed that it went further and my object was to limit the purposes of the Bill to the declared purpose of the Government in introducing it. The limitation went further inasmuch as it gave power to the Government to raise money not only to meet the £130,000, but to meet any loans that might be falling due at a rate of interest up to  $6\frac{1}{2}$  per cent. The general feeling at the time was that  $6\frac{1}{2}$  per cent. was a most exorbitant rate of interest. No one could conceive of any work being constructed that would pay interest and sinking fund on money raised at  $6\frac{1}{2}$  per cent. It was with the object of placing a check on the Government borrowing money at this exorbitant rate of interest that the amendment was proposed. I was asked by the Colonial Treasurer for a suggestion as to what ought to be done to meet the circumstances in connection with the Bill, and I told the Treasurer that I was quite sure the Council would readily agree to any Bill of this sort, but they wanted the distinct purposes for which the money was raised specified. Parliament is almost continuously in session and so, if the Committee does not agree to the Assembly’s amendment, I fail to see how it would cause any embarrassment to the Government. It will simply mean that the House will insist on the Government bringing forward a Bill distinctly stating the purpose for which the money is to be raised at this enormously high rate of interest. It is all very well for the Treasurer to say that it will only apply to authorised loans, but one knows well what that means. A Bill comes forward and the House perhaps is not fully seized of this power to raise money at  $6\frac{1}{2}$  per cent., and so the Bill is allowed to pass. To my mind, in view of the enormously high rate of interest it would be better to have the purpose for which the Bill is intended specifically set out in the Bill. I hope the Committee will not agree to the amendment which, as a matter of fact, reads absurdly. I do not believe for one moment that the rejection of this amendment will in any way embarrass the Government. It

will simply be a direction to the Government to bring in such Bills in proper form.

Hon. A. SANDERSON: I feel inclined to agree with what Mr. Kirwan has said, but I would like to go a little more slowly. We ought to remember first of all that if it is at all possible we should not have any unseemly wrangling with the other Chamber over money Bills.

Hon. Sir E. H. Wittenoom: They are wrangling with us.

Hon. A. SANDERSON: I think it would be much better to be perfectly sure of our ground so that we may know what we are doing. I ask the leader of the House to consent to report progress, in order to afford opportunity for most careful consideration of this provision. Again, I ask that progress be reported because I do not trust the Colonial Treasurer. Therefore, while I would accept some proposals coming from certain parties without suspicion as to what those proposals meant, any financial Bill coming to this Chamber from the Colonial Treasurer I shall regard with suspicion and distrust. He has already led us hopelessly astray over the sinking fund business, and in regard to the Insurance Bill which he has brought forward, on the face of it it is one thing and underneath it is quite another. I think the leader of the House with his usual adroitness has put forward a very good point in regard to the importance of being able to hand to the Commonwealth Government the securities they require, but I think there is an answer to him, and I warn the Committee against allowing him to carry us over the boundary, where we cannot get back.

The COLONIAL SECRETARY: I am unable to suggest that it is a matter of importance whether the Bill pass at the moment or in a day or two, and therefore I have no reasonable ground for refusing the hon. member's request, although I do not think there is any necessity for the delay. I would like to remind members generally that we should not be stultifying ourselves by accepting the amendment. Some members might insist upon the amendment of the Council because they desire to put it entirely out of the power of the Government to raise money at the present high rate of interest; but that was not the view of the majority who carried the amendment. Although I voted for the clause, I was greatly impressed by the attitude taken up by those members who pointed out that the clause as it stood would have made  $6\frac{1}{2}$  per cent. a permanent provision. That was the real reason for the position taken up by the Council, so the Council may accept the Assembly's amendment without stultifying itself, because the provision is now given a limited application, and it will be necessary for the Government, if they wish to raise money at the higher rate of interest, to have the provision amended. Another point: the limitation of the rate of interest to be paid is by no means the protection some members seem to think. For when the limitation of interest was four per cent., it was constantly evaded, and can be again evaded by any Treasurer who so desires, by issuing five per cent. debentures and discounting them.

[The President resumed the Chair.]

Progress reported.

## BILL—GRAIN ELEVATORS AGREEMENT.

Second Reading.

Debate resumed from the previous day.

Hon. J. W. KIRWAN (South) [5.27]: This is certainly the most important Bill we have had before us this session, and is probably the most important that has been before Parliament for several years past. The Honorary Minister (Hon. C. F. Baxter) has emphasised the point that it is to ratify an agreement for the preparation of plans and specifications for bulk handling grain elevators, but as I see it the Bill is the beginning of what will prove a huge expenditure in this State. We do not know really where this expenditure will end. It will be the thin end of the wedge, and goodness only knows how much ultimately it might cost the State. Too often in the past the State has been committed in this way to huge expenditure. Bills have been brought forward, the real significance of which and the cost involved have not been realised at the time, either by the country or even by Parliament. I think it will be a great mistake if we do not fully understand what we are about in connection with the Bill. Mr. Baxter seems to think that all that is involved is £9,000 in connection with the agreement, together with other attendant expenses. The Colonial Secretary is apparently satisfied that in the provision for bulk storage £285,000 will be incurred. That is the amount offered as a loan by the Commonwealth for the erection of the storage bins. It is suggested that if the bulk storage and handling scheme be fully completed the cost will be at least £1,000,000, and some people even go so far as to estimate a cost of £3,000,000. Therefore, this measure represents the beginning of what is going to be a tremendously big thing in this State—not only a big thing from the point of view of the wheat producers, but also a big thing from the point of view of the State generally. Unfortunately, it seems that no one, so far as I can learn, has any very complete knowledge of the matter. I am not sure that any member of the Government knows very much about the question, and what I would urge upon the House is that there is no need for haste; that if hon. members accept the advice which has been tendered by Mr. Allen and vote against the Bill, all that will happen will be that the Government's proposal will be delayed and that there will be time for further and fuller consideration of the matter. We have heard from Mr. Baxter and others that this is a Federal proposal, a part of some uniform Federal scheme, and that if the State does not do it the Commonwealth will do it. Personally, I would much prefer to see the Commonwealth do it; but I think that, in the attitude which the Commonwealth have taken up in the matter—and unfortunately the Commonwealth Government cannot be acquitted of adopting a similar attitude on other matters—they have been what is gen-

erally known as bluffing. If this is part of the general Federal scheme, and if, as some people assert, Western Australia cannot help herself in the matter but must join in the scheme, I wish to remind the House that a neighbouring State, and a wheat State too, the State of South Australia, is strongly opposed to bulk handling and storage of wheat.

Hon. C. F. Baxter (Honorary Minister): South Australia has signed the agreement.

Hon. J. W. KIRWAN: The new Government of South Australia are strongly opposed to going on with the scheme. Though the State may have entered into the agreement, there is absolutely no chance of South Australia proceeding with the project. And I would remind the House of another fact which I consider very important. There is one State which is going in for a complete scheme of this character, and that is New South Wales. The estimated expenditure there will be something over £1,000,000. I would urge members to wait and see the result of what is being done in New South Wales. Bulk handling of wheat is something altogether new to Australia. The conditions here are in many respects quite different from those in Canada. I travelled through Canada and saw bulk storage and handling in operation, and I can state that in many respects Canadian conditions are utterly different from ours. Members supporting the system of bulk storage and handling seem to forget the great extent of water carriage that there is in Canada, and which we have not in Australia. Moreover, in other respects conditions will be found vastly different. I think the wise and sound and prudent policy to adopt would be for us to wait and see the result of what is done in New South Wales. The proposed scheme is purely an experiment, and the financial position of Western Australia at present is not such that we can afford to indulge in experiments of this kind, experiments the utility and success of which are extremely doubtful. If we reject this Bill it will simply mean an opportunity for further consideration later on. Again, I would remind hon. members that whilst it is quite true that there is a large congestion of wheat at present in Australia which cannot be shipped away, the ship building yards in Japan and on the western seaboard of America are turning out vessels in numbers. Not long ago there appeared in the "West Australian" a cable stating that Japanese bottoms would be able to transfer all the wheat in Australia to America, where it is needed. The cablegram stated that the wheat could be taken away at the rate of  $1\frac{1}{2}$  million tons per month. The Prime Minister of the Commonwealth, in the course of a recent statement, said that there was something like six million tons of wheat to be shipped from Australia. Therefore it would not be very long, if the promise in the cablegram is fulfilled, before all the wheat could be shipped. I feel quite sure that the submarine menace will be overcome. I feel quite sure that the ship building activities throughout the world will ensure that there will be many opportunities for the transport of this wheat from Australia; and to my mind it would be a great mistake to embark at present upon a pro-

ject of this kind, the limits of the expenditure involved in which are still unknown. A matter which was referred to by Mr. Kingsmill in the course of his speech is also important. It is this: are we quite sure that wheat growing is a commercial proposition in Western Australia? Many of my friends who know more about the matter than I do tell me that it is. But, on the other hand, a very large number tell me that it is not likely to be a commercial proposition. The times just now are abnormal, the future is uncertain and it remains to be proved whether Western Australia is to be a great wheat growing State. The report of the Agricultural Royal Commission, the members of which one would imagine would be sympathetic on that point, shows that they are not at all sure on the matter. I have here the report of the Royal Commission, and it is rather interesting to see exactly what they say on that particular point—

While there are undoubtedly many instances where men are apparently making wheat growing pay, it is generally found that in these cases those who are doing so are fortunately situated in regard to labour available from their own families, or are farming exceptionally good land in a thorough manner and obtaining averages far in excess of those obtained by the majority of farmers. Notwithstanding this, evidence, and figures in support thereof, given by experienced farmers, suggest that even in good districts with a reliable rainfall, cereal growing alone is not a profitable occupation, and to be successful must be carried on in conjunction with stock.

This, I think, ought to cause us to be very cautious as regards what we are going to do on a tremendous work of this nature, which may develop into a question of bulk handling and all that that means. Yesterday Mr. Allen made a speech which, I think, clearly established a very strong case against this Bill. The Colonial Secretary replied to that speech, and it was one of the very rare occasions when I found that the Colonial Secretary was not effective in his reply.

The Colonial Secretary: I replied to only two points of his speech.

Hon. J. W. KIRWAN: At any rate, even on those particular points it seemed to me that the Colonial Secretary showed, by his reply, that there was practically no answer to Mr. Allen. I will refer to some of the points which were mentioned by the Colonial Secretary. He seemed to think that Mr. Allen's reference to rushing the Bill through was not founded. The Colonial Secretary said that there was no rush over this matter, which had been considered by three Governments. He said that the agreement had been approved of by three Governments, and that therefore Mr. Allen's statement was not justified. But Mr. Allen was not referring to anything Governments may or may not have done in connection with this matter. He was referring to what Parliament has done in connection with the matter, so far as it has been before Parliament. There may have

been no rushing of the matter from the point of view of Mr. Colebatch and Mr. Baxter, but we as members do not know what preliminary investigation has been made. This Bill was brought down on the day before the adjournment, and Mr. Baxter fully expected, and indeed asked, that the measure should be put through all its stages in the one sitting. Surely a suggestion of that kind justifies Mr. Allen's assertion that there was an attempt to rush an important matter through the House. The Colonial Secretary in endeavouring to answer Mr. Allen on that point certainly failed utterly. There was another point to which the Colonial Secretary referred. He said that three Governments had approved of the agreement; and Mr. Baxter made a similar statement. We were told that the Scaddan Government, the Wilson Government, and the Lefroy Government, had all approved of the agreement. In order to be quite fair, I think, those two hon. gentlemen might have informed the House of this fact, and it is a very important fact, that when that statement was made in another place there were three ex-members of the Scaddan Government who, one after the other, said that they had no knowledge of this agreement and that it had never come before Cabinet and that it was purely a matter of one man being concerned.

The Colonial Secretary: That is absolutely incorrect.

The PRESIDENT: I must ask the Minister not to interject. There were complaints yesterday as to Mr. Allen's being interrupted in his speech. I look upon it very gravely for a member to be interrupted in his speech when he is going so persistently and laboriously through it. I think it would be more seemly for the Minister to keep silence. He will have a right of reply.

Hon. C. F. Baxter (Honorary Minister): Do I understand, Sir, that it is the custom of the House for Ministers to sit and listen to any statement without speaking?

Hon. J. W. KIRWAN: I am sorry my matter is laborious, but I am extremely glad of the interruption, because it gives me the opportunity to look for and read the exact statements which were made—

The Attorney General: That agreement however, contained certain clauses which did not meet with the approval of the Metcalf Co., Ltd.; and after further negotiations an amended agreement was drawn up, and this was also approved by the Labour Cabinet on the 24th July of the same year.

Hon. W. C. Angwin: I say, no. It was never considered by the Labour Cabinet.

The Attorney General: I will show it to you. The Premier, Mr. Scaddan, however, in view of political affairs being unsettled at the time, allowed the actual signing of the agreement to stand over until the political atmosphere was clear.

Hon. W. C. Angwin: I say the agreement was never considered by the Labour Cabinet after it came back from Sydney.

Hon. P. Collier: I confirm that statement.

Hon. T. Walker: I never saw the agreement.

The Attorney General: The hon. gentlemen interjecting may have forgotten.

Hon. P. Collier: The matter was a one-man job.  
Not only that, but further on—

The PRESIDENT: I wish to draw the hon. member's attention to Standing Order No. 393, which I think he is perilously near breaking—

No member shall allude to any debate of the current session in the Assembly, or to any measure pending therein.

Hon. J. W. KIRWAN: I apologise, but I did not mention where I was quoting the statement from. I said the Attorney General had made certain statements and I was simply referring to the controversy which had taken place. I might add that if hon. members will look up that debate they will find still further confirmation of what I stated. My contention was that when two Ministers declared that three Governments had approved of a certain agreement, they might have qualified that statement by adding that three of the Ministers of the Scaddan Government declared, rightly or wrongly, that the matter had not come before Cabinet, and that furthermore those Ministers had expressed strong disagreement so far as the matter was concerned. In view of that it was rather surprising that I should have been contradicted by the Minister, but he could not have read the debate or he would not have made the statement which he did. I would also like to refer to another matter which was touched upon by the Colonial Secretary. Mr. Allen referred to the agreement as containing similar defects to other agreements so strongly objected to in this House by the Colonial Secretary before that gentleman was a Minister of the Crown. The reply that was made by the Colonial Secretary was that the agreements he objected to were secret agreements and consequently were quite different from this one. I would point out that this is not a question of secrecy of agreements at all; it is a question as to the merits of the agreement before us, and I venture to say that the demerits of this agreement will be recognised by any hon. member who goes to the trouble of reading it carefully. There are all the defects in this agreement which were to be found in the other agreements. One of the defects is that the more the work will cost the more remuneration will be received by the constructor. It is almost offering a premium on lavish expenditure. Then there is reference to the work being done to the satisfaction of the Engineer-in-Chief. The Engineer-in-Chief of this State is either able himself to take charge of this work or he is not. If he is not able to do so then he is not competent to supervise the work of Metcalf & Co., but if he is competent to supervise the work, then why is it that the work, if it be necessary, is not to be carried out in the same way as the goldfields water scheme? I object to the Bill because the de-

tails of the agreement are such that I think no business man in this House who has studied it could possibly sign. I can scarcely conceive that anyone would sign such an agreement in his private business. I would like to sum up by briefly stating the principal objections I have to the Bill as a whole. I say it is the beginning of a huge expenditure ultimately involving the country possibly in millions sterling, and this at a time when the State's financial position is, to say the least of it, very involved, and at a time when the cost of money is greater than ever it was before, and the cost of material is also greater than we have ever known it to be. That is one of the reasons why I will vote against the Bill. Another is that there is no certainty that wheat growing in Western Australia will prove a commercial proposition. The third reason is that the South Australian Government are opposed to the bulk storage of grain and that Government have gone into the question fully. The fourth reason is that New South Wales is committed to a scheme involving an expenditure of over a million and Western Australia should wait to see the result of that scheme and profit by the experience of the Mother State before embarking upon a huge experimental work of this nature. Still another reason that I give is that the storage bins that it is proposed to construct, according to the statement made by the Honorary Minister prior to the adjournment, cannot be completed in time for the coming season's harvest, and that long before they can be provided it is certain that owing to the increased ship building, shipping accommodation will be available to remove all the wheat which is stored in Australia. I am going to vote against the second reading of the Bill for the reasons which I have given and also because I think that to proceed with the scheme would be contrary to the best interests of the State as well as the best interests of the wheat growers themselves.

Hon. A. SANDERSON (Metropolitan-Suburban) [5.53]: I have listened attentively to the speeches which have been made on this Bill. I do not pretend that I know anything about the details of it but the assurance of the Minister led me to assume, wrongly I am afraid, that it was a comparatively unimportant Bill and that it could go through without discussion. After having listened to the debate I put it to myself that at a time like the present, viewing all the circumstances to which attention has been drawn by Mr. Kirwan and other speakers, and which it is not necessary to reiterate, it would be inadvisable to proceed with the Bill. Therefore, I intend to vote against it, but I shall do that not so much with the idea of stopping it altogether, but with the idea of postponing it. The principal reason why I intend to vote against the Bill, however, is that it is in the hands of the Honorary Minister. I am not prepared, speaking as a taxpayer and as a resident of this country, to hand over to the Honorary Minister a scheme of this magnitude. I shall have another opportunity possibly of dealing with that aspect of the question and I do not wish to delay the debate at the present time by alluding to it further.

We have several matters of prime importance before us which demand our attention. As I stated I have been very much impressed by the speeches which have been made on the Bill by Mr. Kingsmill, Mr. Allen, and Mr. Kirwan, and I am more than satisfied under the present circumstances that it would be foolish, whoever the Minister was, even if he were a master of administrative ability, to permit him to proceed with a work of this kind. I hope to be able to indicate to hon. members at a later stage the attitude I intend to take up with regard to the Honorary Minister, but even if the circumstances were favourable I would not be prepared to entrust to his administration a matter of this importance.

Hon. J. NICHOLSON (Metropolitan) [5.58]: I, like many other hon. members in this House, have been fully impressed by the views which have been expressed on this very important question. I agree with Mr. Kirwan that this is one of the most important measures which could come before the House at a time such as the present, and I am impressed also with the importance of the measure by reason of the financial condition of the State. The State will be involved, by the carrying out of this work, in the expenditure of a considerable sum of money and we have to ask ourselves in all seriousness whether we are justified in supporting the Bill at a time of financial stress such as we are passing through. I have been strongly impressed by the many arguments which have been used in the debate, and I think, after a perusal of the Bill, one becomes more than ever strongly imbued with the opinion that its passage into law would be detrimental to the best interests of the State. I would ask to be permitted to refer to some of the clauses in the agreement which form the schedule. It will be observed that the firm of Metcalf & Co. are to be appointed as consulting, designing, and supervising engineers to the Government to carry out certain works which are specified in clauses 1 and 5. In the interpretation clause we are given a certain definition as to works and we are referred to Clause 5 for particulars. It has been stated that whilst the preliminary work may not involve the immediate expenditure of such a large sum of money as over a million pounds, still in the ultimate result it may be found that the works before being completed will run into something over a million pounds. We have had experience in the past as to what works carried out under Government control, or Government supervision, have cost this country and the taxpayer. Whilst we have had that experience, which has thereby been dearly bought, it seems a strange anomaly to me that members of the Government do not profit by it, but leave members of the House to come forward and point out the errors of their policy. It appears to me that they are pursuing a policy which has been pursued by past Governments to the great loss of the country. It would look as though the works which were here to be constructed would resolve themselves into something more or less in the nature of another trading concern. It might be argued no doubt, and with some degree of force, that as the Government have control of the wheat it is only right that they should have the power to deal with it under the



bulk handling scheme. But whether the bulk handling scheme is the wisest method of dealing with the wheat or not seems to me, from what has been stated in the House, to be an open question. Whilst Government works have resulted so disastrously to this country, I think it would be only fitting if the Government paused for a time in connection with this particular set of operations. They will have to guide them the benefit and advantage of the experience which will be gained from other States which are introducing this scheme, and it seems a strange thing that, whilst other Governments are undertaking the work in Australia, this particular work of bulk handling in all other parts of the world, and in Canada in particular, is undertaken, not by the Government, but by private enterprise. I am at all times strongly opposed to the Government undertaking works which would be very much better carried out if left to private enterprise. I think that the doctrine of self-help should come in with regard to a question of this kind, the handling of our wheat, just as much as it would come in with regard to any other activity in life. If we left this question of the handling of our wheat to others to undertake I believe it would be carried out much more advantageously to the growers of the wheat, and would save the Government a considerable sum of money and much trouble. To revert to the agreement. I have alluded to the fact that this particular firm will be appointed in the capacity of engineers, etcetera, to carry out these works. I am opposed to the agreement for one very important reason, namely, that the remuneration will be determined to a very large extent on a commission basis, and on the cost, in some cases, of the construction of the works, and in other cases on the estimated cost of the construction. In the first place, for certain works which are set out here, the sum of £9,000 is to be paid. Then another provision is made where drawings and specifications and estimates for other terminal elevators, or types of country elevators, are required for the payment of three per cent. upon the actual cost of construction. Again, we find that for the supervision and inspection, and the construction and erection of the works the company will receive a commission at the rate of two per cent., payable on the first day of each and every month on the estimated value of all such work executed since the commencement of the said work. That, to my mind, is a most disastrous sort of agreement. We know, for example, that the cost of material has risen enormously within the last two or three years, and it appears to me that the commission which is provided for here, is a commission for which any company or any set of engineers would have been pleased to have undertaken such a work as this, under pre-war conditions and at pre-war rates. Instead, however, of the commission being reduced or some provision being made to provide against this increased cost brought about by abnormal conditions, we find that this company will get its commission assessed on the estimated cost, in this particular instance, that is the present or future increased cost of the construction of the works.

This is a position which is altogether anomalous to my mind, and shows that those in charge of the Bill, or the Government responsible for it, have not, I think, given that due care which one would expect under the present condition of our finances. Whilst there is no provision in the agreement as to the number of qualified men who will act as servants of the company, and there is no definite number of men stated to carry out these particular works, I find that reference is made to the fact that three servants of the company shall be provided with free railway passes, and this would indicate that no doubt the company, when considering this particular agreement, thought that three qualified men would be quite sufficient for their purpose in carrying out these works. I am opposed very strongly to the appointment of agents acting in this way. The men who are appointed will be simply servants of the company, and the company is the responsible entity. That is the body with which we have to deal. I think it is set out here that the services to be carried out and rendered by the company under this agreement shall be carried out and rendered by fully qualified and competent persons to be approved of by the Engineer-in-Chief, and the Engineer-in-Chief shall be entitled from time to time to require and be supplied by the company with the name, qualifications, and any other particulars that the Engineer-in-Chief may require of such persons. One of the previous speakers, I think Mr. Kirwan, said that if the Engineer-in-Chief was not competent to carry out this particular work, how would it be possible for him to supervise the work of the particular servants of the company who may be appointed? It seems to me to be an absolute impossibility, and that the Government are wholly and solely in the hands of the company. If the Engineer-in-Chief himself is not competent to do the work, and, as has been indicated by the Colonial Secretary, has no officers under him possessed of the requisite experience to determine whether these plans and specifications, and which the company have to supply, or which the servants of the company will prepare, are complete, it follows that his officers are not themselves able to supervise or check this work, and why in the wide world need we trouble about an agreement at all? We are handing ourselves almost body and soul over to these people. That is wrong in principle, and I submit that in place of entering into such an agreement as this it is the duty of the Government to endeavour to secure the services of a man who is possessed of the necessary experience which would enable him to carry out these works under the direction of the Government, and a man who would be subject to the control of the Government, and in the employ of the Government, not a man who would be employed on a commission basis. We want an expert who would come here on a definite salary, and we would then know what our expenditure would be. At present any remuneration payable in connection with these works has simply to be estimated, because it is practically all fixed on a commission basis. We must, therefore, in ar-

living at the cost of the services of this firm, who have been referred to as a high-class firm, and this I do not doubt, accept its estimate. The principle is wrong. If we have no men in the State employ who can check the work done by this firm, then it is unwise to employ any experts under the terms of an agreement such as this. If we have no men in the State service who are capable of checking the work of these men, there is no need to employ this firm to carry it out. It would be a foolish policy on the part of the Government if they entered into an agreement such as this, and it would be wrong for us, as members of this House, to authorise the Government to enter into such an agreement, when we were told here last night that the Engineer-in-Chief had not on his staff men who were capable of doing the necessary work. I understand that this is what was said.

The Colonial Secretary: Not in those terms.

Hon. J. NICHOLSON: I understood from the Colonial Secretary that the Engineer-in-Chief stated that he had no engineer on his staff capable of carrying out that work.

The Colonial Secretary: No one with the necessary experience.

Hon. J. NICHOLSON: If there is no man possessed of this experience in the State service, then it is time for us to get a man.

Hon. W. Kingsmill: If the Government are going to carry it out.

Hon. J. NICHOLSON: If we get that man we will then be in a position to carry out the work without calling to our aid a firm, which will be paid on a commission basis.

Sitting suspended from 6.15 to 7.30 p.m.

Hon. J. NICHOLSON: Before tea I was dealing with the point as to the difficulty the Engineer-in-Chief will be placed in if he himself or his officers are unable to check the work of this firm or their servants. The remarks I have made I think apply with increased force when one refers to certain other paragraphs of the agreement. In paragraph six, for example, it is provided that, "the said inspection shall be made and the said plans, drawings, specifications and estimates shall be prepared to the satisfaction, and subject to the approval of the Minister." I notice the agreement originally provided that these should be prepared subject to the approval of the Minister or the Engineer-in-Chief, but the Assembly has struck out "Engineer-in-Chief"; why, I cannot understand. This leaves the responsibility of approval on the Minister, omitting the Engineer-in-Chief entirely, the very man to whom we ought to look for guidance and assistance in a matter of this nature, where technical knowledge and experience is absolutely essential. All these plans, drawings, and specifications and estimates have to be prepared to the satisfaction of the Minister. What I have said with regard to the difficult situation, the Engineer-in-Chief would be placed in, applies with greater force to the Minister. If the Engineer-in-Chief is not able to check this work, how is it possible for the Minister who is not possessed of technical knowledge which we believe the Engineer-in-Chief does possess—how is it possible for the Minister

to give approval to such important documents as these? One might go further and criticise this agreement on various other grounds, but I would call the attention of members to paragraph 11 wherein, in addition to the remuneration provided in paragraph 9, some extra remuneration is to be provided. There it states—

If any country elevators are built for which the sets of plans above referred to cannot be used without alteration, other than the variations in country elevator foundations above mentioned, the company is to prepare plans and specifications and estimates therefor; but no such alterations of plans, specifications, or estimates under this clause shall be made except at the request of the Minister. If such alterations involve only changing portions of the work of a construction cost of not exceeding twenty-five per centum of the total cost of the elevator affected, the company shall be entitled in respect thereof to an extra remuneration of two per centum of the construction cost of the alterations only. If such alterations involve changing portions of the work of a construction cost exceeding twenty-five per centum, but not exceeding fifty per centum of the total cost of the elevator, the company shall be entitled to an extra remuneration of one per centum of the total construction cost.

and so on. The whole responsibility for carrying out this agreement must lie on the shoulders of some one or other, and we must look to our technical advisers for guidance and not to the Minister. The very fact of such a provision in the paragraph, where this company have to be paid an extra remuneration for certain works, makes it all the more necessary that we should have among our expert advisers men who can check any say whether these works are necessary or not. I call attention to paragraph 12 wherein it is provided—

The company shall furnish a bond or guarantee to the satisfaction of the Minister in the sum or to the extent of one thousand pounds for the due performance by the company of the terms and conditions of this agreement.

In a colossal work—and I call it a work, because the remuneration in various ways will amount to a very large sum before the work is completed—the only guarantee we are going to have is a bond for £1,000. Having regard to the amount involved in the construction of these works and the remuneration these people are going to receive this is altogether inadequate. There is another important paragraph which I desire to refer to and that is paragraph 13. There it is provided—

If the Engineer-in-Chief shall be of opinion that the company is not carrying out its duties or rendering its services under this agreement in accordance with the terms thereof (as to which the Engineer-in-Chief shall be the sole judge), he shall be at liberty to terminate this agreement by giving to the company one month's notice in writing in that behalf, and upon the expiration of such notice the company's duties and services hereunder shall forthwith cease, and this agreement shall be at

an end: Provided that this clause shall not affect works in hand or under order, and the supervision thereof, as to which (except as to matters for which other provision is expressly made), Clause 11 shall apply.

I have sought to emphasise, and I doubly emphasise the importance of this paragraph, because if the Engineer-in-Chief should determine an agreement for any cause which might be proved by those experts to be inadequate and insufficient, then the Government would find themselves in a position of probably being defendants in an action for damages for wrongful breach of contract. I am sure the Government do not wish to find themselves in a position such as that, but the whole agreement is one which, whilst carefully drawn in some respects, leaves open many questions which can only be properly settled, provided we have the competent expert advisers. Having regard to the position of our finances I say in a work such as this, carried out under such conditions as are laid down here, we shall, in my opinion, simply add another pile to the mountain of costly failures of the past. It will mean adding another monument to the incapacity and inefficiency if the Government does not change their policy. Now, how can we possibly hope to retrieve the position in which we are placed? I say emphatically we must look to the Government for a change of policy of the past if we hope to put ourselves in the position in which we should be. There is one paragraph I omitted to refer to, that is paragraph 4. It is important because it provides—

All duties and services to be carried out and rendered by the company under this agreement shall be carried out and rendered by fully qualified and competent persons to be approved of by the Engineer-in-Chief, and the Engineer-in-Chief shall be entitled from time to time to require and be supplied by the company with the name, qualifications and any other particulars that the Engineer-in-Chief may require or such persons for his consideration and approval. The Engineer-in-Chief may for reasons assigned by him and communicated to the company, cancel his approval already given of any person, and thereupon the company shall forthwith employ some other qualified and competent person, subject to approval as aforesaid, in the place of the person whose approval has been cancelled.

There is not a provision as far as I can see, right through the agreement, assuming there is some person to whom the Engineer-in-Chief objects and who has been removed from the work—there is no provision as to abatement of the remuneration to be received by the firm. Their remuneration will go on and obviously the work must be carried out by someone, but by whom it does not say, and no provision is made for abatement. That is undoubtedly bad and the whole trouble comes forward again and seems to emphasise what I have been endeavouring to emphasise, that the Engineer-in-Chief should be capable of judging of those men or having someone on his

staff capable of doing so. I have finished with my comments of this agreement. There is one other point, however, to which reference has been made by previous members in this debate, and that is a very important one, namely, the future of the wheat-growing industry in this State. I have been assured by one member in another Chamber that the future of wheat growing is assured. Strange to say, to-day in discussing certain matters with a gentleman who has arrived here from the Eastern States, well versed in farming and other pursuits, I learned from him of many instances where men who had been engaged in wheat growing had, in consequence of the condition of affairs which had been created by the cost of producing wheat, have been forced to cease growing wheat and turn their holdings into grazing farms. I have been told also that similar instances have occurred in this State, and if that be so, at this early date, with the future risks that we have, and bearing in mind also the effect of this industry and that the price of the wheat will be regulated by the price to be obtained in the world's market, bearing that important fact in mind, we may possibly discover that we are no longer able to profitably carry on the business of wheat growing. That would be a calamity indeed for a State such as ours, possessing such great resources as we have, such splendid country, with the desired rainfall and other favourable conditions; it would be indeed a calamity if we saw that primary industry cease or diminish in this country. If ever an industry required to be encouraged and its development expanded, I say this farming industry should be encouraged to the utmost; because in it we shall find there lies the backbone of our country. One cannot but fear from the signs that there is a grave risk that the industry may suffer; and should it suffer, what will be the use of this huge pile of buildings that is to be erected? No; I say it would be wise for the Government to hesitate before incurring this large expenditure.

Hon. H. CARSON: They have hesitated too long.

Hon. J. NICHOLSON: It would be wise for the Government to hesitate, to profit by the experience of other States, and if they find that the future of our industry is assured, then we might consider the measure with greater hope. I have endeavoured to express my views by way of opposition to the second reading, and I regret the necessity which compels me to that course.

Hon. J. J. HOLMES (North) [7.47]: I approach the Bill with a perfectly open mind and an anxiety to further the interests of the primary producer, particularly the wheat-grower in this State. But I want candidly to tell the Minister in charge of the Bill that he will have to produce some very strong arguments to convince me of the necessity for going on with the measure at the present time. First of all, we were given to understand that bulk handling of grain in Australia was a Commonwealth rather than a State matter, and I was under the impression that the Commonwealth proposed to take it up. Now it appears the

Honorary Minister has butted in and taken it out of the hands of the Commonwealth, presumably under the impression that the State Government can handle matters of this kind better than can the Federal Government. Personally, I hold an altogether different opinion. I am convinced that the scheme means the committing of this country to bulk handling, and to an expenditure of at least a million of money, while after the remarks of the Colonial Secretary this afternoon I feel certain that the money is going to cost the State  $6\frac{1}{2}$  per cent.

The Colonial Secretary: The money is specially provided by the Commonwealth Government.

Hon. J. J. HOLMES: We are told that the only way in which we can get money is from the Commonwealth, and the Commonwealth proposes to charge  $6\frac{1}{4}$  per cent. I am convinced the money will cost the State  $6\frac{1}{2}$  per cent.

Hon. C. F. Baxter (Honorary Minister): They undertake to provide the money at 5 per cent.

Hon. J. J. HOLMES: Well, even 5 per cent. is far too high. I am perfectly certain that in this State wheat-growing alone can be profitably carried out in only a very limited area. It is the combination of wheat, sheep and wool that will save the country. We have evidence of people going out of wheat production and into wool and sheep, and I venture to suggest that the wheat produced in this State during the last three years, even at 4s. a bushel, will not realise what it cost to produce it.

Hon. H. Carson: Not with the loss which has been sustained.

Hon. J. J. HOLMES: The loss sustained and the high cost of labour, together with the labour conditions. I do not believe that wheat at 4s. will pay for the cost of production. If we are to load the industry with charges as suggested, we will be going a long way towards killing wheat production. I make bold to assert that the cattle industry in the far North has been killed by high costs and the excessive expenditure on the Wyndham Freezing Works. Let me illustrate what has happened in connection with those freezing works: The private contractor undertook to carry out the works for £150,000. Under Government methods that sum has been raised to half a million. The Government announced this year that they were prepared to begin canning at Wyndham, and that they proposed to utilise 12,000 head of cattle. They told the squatters of East Kimberley that the best price they could give for the cattle, consistent with a fair profit, was  $2\frac{1}{2}$ d. per lb. The growers wanted to know why private-enterprise works in Queensland could pay 4½d. per lb. and still make a profit, whilst the State Government could pay only  $2\frac{1}{2}$ d. per lb. The growers said, however, "If you can convince us that  $2\frac{1}{2}$ d. is the best you can do, we are prepared to meet you with the price." The Government said that the first charge was interest and sinking fund, which, on not the whole of the works, but merely on the canning portion of the works, represented £25,000. That meant penalising the people of East Kimberley £2 per head on the 12,000 cattle to be utilised. It has killed the meat industry, and I am afraid this proposed enormous expenditure on grain ele-

vators will kill the wheat-growing industry in the same way. And the Government, although they had completed the freezing works at Wyndham, and were prepared to buy other people's cattle, sold their own bullocks to the number of 1,500 to go to Queensland for treatment. I am afraid the Government by dabbling in this wheat elevator scheme will kill the wheat industry in the same way as they have started to kill the cattle industry. Of course it was the predecessors of the present Government who made the mistake at Wyndham, but I am anxious that the present Government shall not make a similar mistake in connection with the grain elevators. Another matter largely lost sight of by hon. members is the scarcity of shipping, and the obsolete ships which have been brought back into active service, and which will be used in carrying wheat and other products to and from Australia for some years to come. Quite a number of these old ships can carry wheat in bags, but cannot carry it in bulk. Again, when we start shipping wheat in bulk we shall find that there are only certain ports to which we can ship it in that form. Thus, we limit the ports with which we can trade, and we limit the buyers and the price, because the wheat in bulk can only be sold in certain ports, where bulk handling facilities obtain. I do not suppose one ship in ten that has left Australia with bagged wheat knew to what port she was going. She picked up her information on that score at the other end. With bagged wheat she could go to any port almost, but when we come to bulk wheat it can only be sold at ports where it can be handled in bulk. Another point: if the scheme is proceeded with, we should see to it that there is no recurrence of what has obtained in the past—it should not be so arranged that the more the work costs the more these people are to get out of it. Also it should be made clear that there shall be no day labour about it. All the work should be done by contract. Unless these two points are attended to it will be a poor lookout for the State.

Hon. H. STEWART (South-East) [7.58]: It is surprising to me that members should evince such a poor knowledge of bulk handling and the necessity for it, because the subject has been before the people of the State since 1913, the year of the appointment of the advisory board which in 1914 recommended the inauguration of bulk handling. In my first speech in this House I took the opportunity of pointing out two reasons why it was so important, one the tremendous economy in man power in the handling of the wheat, and the other the immense saving in waste in the form of screenings and foreign matter in the grain, which, on our crop of 1915-16 of 440,000 tons represented some 22,000 tons of shipping space at a time when freight was costing £5 per ton. I regret that I have been unable to procure in this Chamber a copy of the report of the bulk handling of grain advisory board, so that I might quote from it. On that advisory board were Mr. Pearce of the Public Works Department, Mr. Stevens of the Fre-

mantle Harbour Trust, Mr. Lord of the Railway Department, and Mr. Sutton as representing the agriculturists. The members of the board unanimously reported in favour of the immediate inauguration of a system of bulk handling, and they recommended an expenditure of £260,000 for the purpose. Had that recommendation been carried out, the capital cost would have been already saved. However, the scheme was held up owing to change of Government; the Liberal Government went out of office, and the succeeding Minister for Agriculture was unsympathetic to the scheme. In spite of the recommendations of that advisory board hon. members of this House have evinced an ignorance of the subject. The Bill now before the House is to provide for a system of bulk storage. Mr. Allen in dealing with the matter talked of the completion of a whole system of bulk handling as though it were to be inaugurated at once. The Bill, however, merely proposes to provide storage at the sea ports in order that the wheat may be there ready for delivery when ships are available. The wheat cannot be stored at the ports and protected from weevil unless stored and treated in concrete silos. The immediate intention, therefore, is to provide storage, and not a complete bulk handling system, although we hope and fully expect that the latter will come in due course. At present, however, it is impossible to procure the machinery and accessories needed for the inauguration of a complete system. My own belief is that the farming community would not care to be saddled at the present stage with the inauguration of a complete system in view of the price money is costing. Later on it is proposed that the silos now to be constructed shall form part of the complete scheme. In introducing the Commonwealth Wheat Storage Bill to the Federal Parliament, the Prime Minister gave some sound arguments to show the necessity for suitable storage of our wheat. I will quote from his speech—

The Commonwealth Government is the financier. The State Governments will carry out the work, and will pay us interest on the money borrowed at a rate to be fixed, which will be that which we pay for the money. It is proposed to debit the wheat with a charge sufficient to create a sinking fund that will extinguish the liability in 10 years, and it has been calculated that a charge of one-eighth penny per bushel per month on the wheat stored will do this. But the charge will be debited not only against the wheat stored, but all wheat; and, as we propose to store only one third of the crop, it will be one twenty-fourth of 1d. per bushel.

In this connection I wish to say, as a representative of the agricultural industry, that if the agriculturists are called upon to pay sinking fund, they are quite prepared to pay it, but only on this condition, that the silos be handed over to them when they have paid for them through the sinking fund. That is a simple matter of justice. In connection with any scheme which is introduced, I be-

lieve all members representing the agricultural industry will take the stand that when the State Government have paid for the silos through the sinking fund charge which is to be initiated, then the people who have really provided the money, that is to say the wheat growers—the deductions having been made from the price of the wheat—shall be entitled to the possession of the silos and to the right to run them. Mr. Hughes further says—

This expenditure of £2,850,000, which is the sum that is being allotted to this wheat storage scheme, spread over the tremendous asset it will cover, which will be 50 millions sterling in February next, and over the aggregate value of the wheat crops for the next 10 years, is really an insignificant amount. At any rate, it is a premium for an insurance against risk. It is a necessary corollary to our Wheat Bill. It is impossible to finance wheat crops which we cannot ship, unless we can preserve in good condition the asset on which the money is advanced. It is an essential part, too, of our policy for the vigorous prosecution of the war that we should on our part do all things necessary to conserve this invaluable asset, without which Britain and our Allies will be most grievously handicapped.

In order to emphasise the point made in that quotation, let me urge the necessity for creating a better state of affairs than has prevailed in the past with regard to the preservation of our wheat from the ravages of weevil. To that end it is necessary to provide as soon as possible a system of storage which will enable us to overcome that really unnecessary wastage.

Hon. J. Duffell: It is transport you want; not storage.

Hon. H. STEWART: Certainly transport is required, but as transport is impossible to obtain we have to store our wheat in some manner, and we should store it in the best possible manner. The Commonwealth Government have adopted a certain attitude in regard to this matter. They have decided that the scheme shall cover the whole of the States, and I consider there are excellent grounds why uniformity should exist. If there is uniformity throughout the Commonwealth it will mean reduced cost in the installation of the plants in the various States, and more particularly so as some of the machinery required for the complete bulk handling scheme is extremely intricate and difficult to manufacture. Uniformity will certainly mean reduced expenditure in connection with the extension as well as the inauguration of the scheme. The recommendations of the Engineer-in-Chief as to a suitable basis for inaugurating the scheme, namely, the supply of plans and cross sections and longitudinal sections, giving local conditions, and calling for open tenders and allowing all reputable firms to submit designs and estimates in competition, is one that has my most hearty approval. I say candidly there has been too much extension of Government control in this State, and I for one would be glad to see a reduction in that respect.

Hon. A. Sanderson: Hear, hear!

Hon. H. STEWART: We are told that we have not the men in this State to carry out the work. On the other hand, Mr. Allen has given it as his opinion that we have such men. Further, that hon. member gave a little bit of personal experience of his own in the Eastern States. As he has done so, perhaps I may be excused if I act similarly. In Australia, while we have institutions for training professional men and particularly engineers, we do not provide them with the opportunity for utilising their knowledge. The result is that men trained in Australian universities are occupying some of the highest positions in the engineering profession in other parts of the world—in Great Britain, the United States, South Africa, and the Malay States. In those countries our graduates hold the highest positions in electrical work and in metallurgical work. That shows that what our engineering graduates need is merely opportunity. Without any vaunting of myself, I may say that landing as a stranger and a junior engineer in South Africa in 1902, I was given the opportunity, after six weeks' trial in the office of the borough engineer of Pietermaritzburg, to prepare estimates for a sewerage scheme. The work which I did occupied me five months, the estimated cost was about £200,000, and the scheme was carried out. I was offered the position of engineer in charge of the sewerage scheme; but it was not good enough for me, as I could do ever so much better. I offer that personal experience as an illustration of the fact that what engineers in Australia require is opportunity. In our own Public Works Department there is an engineer of whose qualifications I know nothing in detail. He has been associated with bulk handling in this State on behalf of the Government from the very inception of the scheme. Since 1913 he has, under the Engineer-in-Chief, been directly associated with the work. He assisted the bulk handling of grain advisory board, since when he has been employed preparing various designs and estimates relating to bulk handling. In fact, bulk handling has engaged the greater part of his attention for a period of four years. If at this stage that engineer is not worthy of being entrusted with very responsible work and competent to do a considerable amount of supervision work in connection with the scheme, I say he is not competent to be in the Public Works Department at all. The Government now have that officer in the Eastern States for the purpose of giving local information to the engineers who it is proposed shall provide the designs for this scheme. The Government's attitude is illogical, if they keep a man for four years in the department with all the text-books and designs now available, and then refuse him the opportunity to take an important part in the proposed work. Sir Edward Wittenoom has asked why, if bulk handling was an important matter, the silos and the complete system had not been installed sooner. I think I have shown that the delay is due to the fact that the recommendations of the advisory board on bulk handling on which four responsible officers of high position in this State sat, and which considered the matter impartially and carefully, were not carried out.

They were not carried out because of the political difficulty of getting the scheme inaugurated. Sir Edward Wittenoom has also stated that if the scheme were installed new railway trucks would have to be provided. That was one of the minor points brought up before the Royal Commission, and it was proved by experiment that the trucks which we already have on our railway system are suited for the work.

Hon. Sir E. H. Wittenoom: I am very glad to hear it.

Hon. H. STEWART: The Agent General for this State recently wrote to our Government on this matter, giving the result of his investigations made while passing through Canada. He refrains from making any recommendations, recognising that it is purely a matter of policy involving large Government expenditure; but, in case the Government decide to adopt the principle of bulk handling, then he would strongly urge special attention to the information contained in the reports of the Co-operative Elevator Company of Saskatchewan. The condition of the farmers in Saskatchewan a few years ago, he states, was very similar to that of Western Australian farmers to-day. The Agent General's report continues—

Marvellous growth had attended the effort. The constitution of the society, not only covered the handling of the grain, but also the buying and selling of the wheat, and of all other requisites needed by the farmers.

I wish to say that the experience of the grain growers in Canada is that it is only when the producers have control of the marketing of the produce and also the handling of it that their condition can be improved in the way in which they desire.

At the time of the formation of the society the Saskatchewan farmers were quite in the pioneering stage, and were not so far advanced as the wheat farmers in Western Australia to-day, while the condition of the majority of them was such that they were forced to go to the banks for even the small advance to enable them to take their necessary share, which amounted to less than £10. That was an important point to bear in mind, inasmuch as it satisfied him that the formation of a similar society in Western Australia was quite possible. The society was purely co-operative, and no individual shareholder was permitted to have a big holding. The maximum holding was a very modest amount, nevertheless the majority of the farmers of Saskatchewan were to-day embraced in its numbers. His opinion was that if Western Australia was to adopt bulk handling it could undoubtedly be successfully handled at the farmers' end by following the lines of the Saskatchewan society and erecting wheat elevators by co-operative societies. He also emphasised that when the elevator question was settled at the country railway stations, the matter was settled from the wheat field to the port of shipment. He was agreeably surprised to find that the railway rolling stock would not need any great or special expenditure to handle the wheat in bulk.

That is the point I wish to emphasise owing to the remarks of Sir Edward Wittenoom.

The ordinary trucks were used in Canada. In some class of trucks it was necessary to put in a temporary light wood lining, which was quite inexpensive. One idea impressed him which he thought was of the utmost importance, viz., that, whatever the cost, a report on the economical lay-out of the wheat elevators should be obtained from a thoroughly experienced man. At Montreal, which had the best elevator equipment and conveyor system in the world, the total cost from the time the wheat was taken possession of by the Harbour Trust until it was landed in the hold of the ship was only one cent. per bushel. Mr. Connolly added:—  
“Just imagine the good position of the Canadian farmers having their wheat handled as cheaply as this, whilst they are receiving well over 9s. per bushel for it.”

I would like to emphasise that particularly as following on the remarks of Mr. Holmes, who spoke about the average price of wheat in the pre-war years being from 2s. 6d. to 3s. 3d. I think it is beyond question that we can say it was appreciably over 3s. Under the Wheat Marketing Act as administered the 4s. guarantee to Australian farmers does not appear as if it was going to realise more than 3s. 3d. We have to remember, too, that there has been a very big increase in handling charges, in the cost of super and labour, as well as of over 50 per cent. increased price of spare parts made in the Eastern States. Then to that increased price there are added the difference of 9s. per bushel and cheap travelling enjoyed by the Canadian wheat farmer in comparison with the 4s. f.o.b. guaranteed to the Australian farmer here, and on top of the accumulated price another 50 per cent. is added and we get altogether a total of over 75 per cent. above pre-war costs. Mr. Kingsmill had two objections to offer to the Bill. One was that the Government were not the people to do the work. He said the experience of private control in Canada in connection with the bulk handling was a failure, and in that I believe he was quite right.

Hon. W. Kingsmill: I did not say anything of the sort.

Hon. H. STEWART: Mr. Kingsmill took exception to the Bill on the ground that the Government were not the people to do the work, and I am in sympathy with him so far as that is concerned. But under the present conditions, it seems to me that at any rate the Government are the people who should have authorised the bringing in of a scheme to-day, because on them lies the responsibility for the wheat, and to see that it is properly handled and that there is no waste. But we cannot wait any longer than is absolutely necessary for storage provision. The experience of Canada in connection with elevators has been as follows: In the first instance many of the elevators were under the control of mercantile firms, and under that system the condition of the Canadian wheat growers did not improve at all. The Government took control of the elevators, hoping to improve the condition of the wheat farmers, but in that they were quite

unsuccessful, and they then made it possible for the wheat growers, by the formation of co-operative companies, to acquire the elevators by charges over extended periods of years, and as soon as the growers got control over the handling and marketing of the crop their position improved, until a state of affairs prevails as described by the Agent General in his letter. Mr. Kingsmill drew attention to the state of the wheat growing industry, and several other hon. members spoke in a pessimistic tone in regard to wheat growing. Mr. Kingsmill seemed to indicate the likelihood of wheat growing being supplanted by stock production. That is not what is going to take place, or what is taking place to-day. In certain instances people are reducing the areas under cultivation because the cost of production under war conditions has increased considerably, and the price under the guarantee which is being realised is not the price which pays the farmer to produce unless he gets more than the average yield. Then the money is paid to them in dribs and drabs over an extended period of time. In connection with the 1916-17 harvest, the farmers have only had 3s. per bushel, and they have been promised another 3d. in the near future. It is desirable that hon. members should realise that farmers are not getting 4s. a bushel for their wheat under the guarantee. They will handle very little over 3s. 3d. after expenses are paid. It would be a most regrettable state of affairs if there was a danger of wheat growing in this State disappearing, and the State losing its reputation as a wheat producer. If wheat growing is pursued as a business, in a businesslike way, in association with stock, then ours will be certainly a good sound field for investment.

Hon. J. Duffell: It is being killed by legislation.

Hon. H. STEWART: It is a matter of surprise to me that it has taken such a long time for those engaged in the industry to realise that it is necessary for them to associate the grazing of sheep with their wheat growing. It would have paid in many instances if they had spent less capital in connection with wheat growing and put more into stock. Mr. Nicholson referred to Government control. I am in sympathy with the objection he raised. He instances the excessive cost of the Wyndham freezers. I deplore that also, but I do not think that that will justify hon. members in voting against the second reading of this Bill. Hon. members will be able to take the opportunity when the Bill is in Committee of submitting amendments to the agreement so that it will be in a form which will safeguard the position as regards the inauguration of the wheat storage scheme. With regard to the payment of engineers connected with the scheme on a commission basis, that I believe is a recognised principle. All professional men, architects or engineers, who are engaged in the preparation of plans and on supervision receive remuneration on a percentage basis, and the people who are having the designs and estimates prepared decide what they will have done, and in consequence limit the expenditure accordingly. It is up to those controlling works with means at their disposal, to declare what amount is to be

expended, and consequently limit the sum which will go to the professional men who may be engaged. I am in sympathy with the suggestion of the Engineer-in-Chief that in matters like this it would be much more desirable if plans, sections, and specifications showing the local conditions were provided, and the opportunity given to the best of firms to submit designs and estimates in open competition. It seems a peculiar state of affairs, as Mr. Nicholson pointed out, that under Clause 9 of the agreement, plans, drawings, and specifications, and estimates, are to be prepared to the satisfaction and subject to the approval of the Minister. Even if the Minister was a highly competent engineer, he would not be the proper person to control these works. I should say that the Engineer-in-Chief is the man with whom the approval of such things should rest. I may be informed that this is simply a formal way of providing for such a matter in the Bill. That is quite likely, but if the Honorary Minister had interjected when Mr. Nicholson was speaking, this would have obviated my comment upon the matter. The point put up by Mr. Nicholson with regard to paragraph 4 of the agreement, as to its being necessary to have the approval of the Engineer-in-Chief for all persons employed by the firm, to my mind indicates that if the Engineer-in-Chief is able to say whether the men coming from outside are competent or otherwise, he surely ought to be able to supervise if necessary some imported officer, or otherwise some other officer in the department who has been associated with the work. It seems to me that, if the Engineer-in-Chief was not prepared to supervise an imported officer or one in his own department entrusted with the work, he cannot be considered suitable to safeguard the State as to the representatives of the firm of Metcalf & Co., who are to do the designing work for the Government, and to say whether those representatives are competent or not to carry it out. I did not follow Mr. Nicholson when he argued that the company would be drawing their money when they had not an officer here doing the work. It seems to me that the clause provides that if one officer is dispensed with, on the recommendation of the Engineer-in-Chief, another officer has to be appointed to fill his place. I take it that no interregnum, during which a representative of the firm would not be present in this State, would be allowed to exist, in which case the company would not be drawing remuneration without having a representative here. In conclusion, I would point out that members can, if the details of the Bill do not meet with their approval, modify them in Committee. This bulk handling is a thing which has been reported on by an independent board, which, after a thorough investigation, showed that it was necessary. The point has been made that the cost of material has risen considerably. It has gone up in price, but it ought not to be forgotten that the material for the erection of concrete silos has not risen to the abnormal figure that bags have risen for the farmer. The proportion of increase in the cost of material for this class of work has not been in proportion to the

increase in the cost of bags, which represents a considerable amount to the farmers. Before the war we were paying 5s. a dozen for corn sacks. To-day, at the ship's slings, we are informed that the Commonwealth Government have arranged for the bags for next season at 9s. 2d. a dozen. That means that it will cost the people who use them over 9s. 6d. per dozen in the country. That is a cost which has to be incurred every year. In connection with the establishment of silos for the storage of wheat, according to the Prime Minister's statement, the charge would be ½d. per bushel collected by deduction from wheat payments. There would be only one third of the crop passed through the wheat silos, and this charge would cover the cost and sinking fund distributed over a period of 10 years, but if spread over the whole of the wheat, as it will be, the charge will be only 1/24d. per bushel. That shows what an important economy it is to the wheat farmers in comparison with their expenditure in connection with bags, and it will give members an idea as to how they will look for the completion of the bulk handling system to enable them to do away with bags altogether.

Hon. W. Kingsmill: Does that show that Metcalf & Co. should erect these works, or prepare plans, or be concerned in them?

Hon. H. STEWART: There is provision being made for constructing silos at other points in the State of a similar design to that which is to be immediately erected at Fremantle. It is particularly regrettable that silos cannot also be erected at, say, Albany, which is the finest port in the State, and at Bunbury and Geraldton. The State steamer "Kangaroo" last year was only prevented from loading wheat in bulk at Geraldton because of the port disabilities. Now, in connection with the inauguration of the silos under consideration, I believe it has been put forward that a considerable amount will have to be spent in harbour works before similar silos can be erected at other out-ports. I hope that this will not be found to be the case. We find in Europe that bulk handling can be inaugurated in almost any place. Facilities for the handling of grain without bags are now so extensive, and almost universal, that expedients are provided for the loading and unloading of ships even where they cannot be brought close up to wharves, or the storage silos. The point has been made that if silos are to be erected they should be built of timber, a product with which we are well provided in this State. Silos built of timber would not meet the requirements at present, and that is to store the grain in a condition in which it can be kept in a f.a.q. state and be protected from the ravages of weevil. If weevils get into the wheat in such silos the grain cannot be economically treated so that they can be killed and the grain kept at marketable quality. I will support the second reading of the Bill.

Hon. E. M. CLARKE (South-West) [8.40]: It was my intention to move the adjournment of the debate until Tuesday evening.



I have listened closely to the speeches which have been made on this Bill. There is one question which I think we have overlooked. We have, so to speak, for some years past been living in a fool's paradise. Money was easy to obtain and we obtained it. I think I am safe in saying that we owe something like £96 per head of the population.

Hon. J. Ewing: No, it is £116.

Hon. E. M. CLARKE: So much more for my argument. This has to be found by a certain section of the community. In short, we have borrowed until it appears we can borrow no further. When we look at what we have got for that, we find that for every 90 odd of the population, we have a mile of railway. I think that the nearest to that is South Australia with 140 individuals to a mile of railway. We have borrowed as we thought for the betterment of the country in which we live. I have tried to find any one thing which has been an unqualified success in Western Australia. The things that have been carried out have been of very little good. The harbours, of course, have been good, but I am particularly dealing with railways. How many miles of our railways are payable? We have spent money lavishly and foolishly. I have held this opinion for a good many years, and it may be thought that I have no confidence in the country to which I belong. I have confidence in it, but have none in the way in which it has been administered. To my mind to run the affairs of a State like this requires a Cabinet made up of the very best brains that Western Australia can find, and there are plenty of brains in this State, but Governments have gone into socialistic matters in a lavish way. The phrase that Parliament is what the people make it is particularly true. I do not want to blame any particular Government. There was great talk years ago about going in for various industries, such as implement works, machinery works and things like that. The Government did everything. When the late Labour Government came into office they expected, I believe, to get 28 seats. They actually secured 34 seats, which was tantamount to saying that they could do just as they liked. They announced their policy that they were going in for certain works, freezing works, etc. They did go in for these works and had a perfect right to do so, because the people gave them a mandate to that effect. Things went on, but what do these works amount to now? What are the freezing works going to cost? What did the sanatorium cost? What did the Transcontinental railway cost? For everything we have paid more than we ought, and we have done it on borrowed money. We are now talking about what this scheme is going to cost. The Commonwealth Government, we are told, are going to pay for it; but we may take it that they will get the money out of us. It is high time we called a halt straight away. I am absolutely in sympathy with the wheat growers, but I will point out that we are going faster than we should. I do not know how we are going to get the money and

come off later on. I am satisfied that when this war is over we in Western Australia will be in a splendid position as far as meat and wool and timber are concerned. We shall be better off than any other part of the world; but when it comes to wheat, we shall not be in it because we cannot produce wheat as cheaply as it can be produced in other parts of the world. There will not be for years to come sufficient ships to carry the wheat to other parts of the world and, taking the whole thing into consideration we shall be in a sorry plight, and the sooner we set ourselves to work to economise and rectify the financial position of Western Australia, the better it will be for us at large. The first thing we have got to do is to realise that we are in a sorry plight, and then set to work, the same as an ordinary individual would, to rectify the whole thing. Let it be clearly understood that I feel that the idea, not only of elevators but of every means of getting wheat to the markets of the world in the cheapest possible way, is right, but I am not satisfied that it can be done. I am sure that if the elevators are built, by the time the war is over we shall be in a sorry plight indeed. I am sorry to have to speak in this way, but it is up to us in Western Australia to realise our financial position and to ask ourselves what industry we have that we can look at. Look at the meat; there we have one of the finest industries. The place is ready to start work with but we cannot start. Take the shearing; there we are penalised; we are penalised in every direction. We must take notice of these things, and the sooner we realise the position and act on it the better for the place to which we belong. I am sorry to have to speak in this way but it is my duty, as an old settler of Western Australia, to give a warning note and see if something cannot be done. I cannot conscientiously vote for the Bill and I do not care who knows it. I am not satisfied with the way in which this work is going to be built. We have seen so much of these things and we are sure to be taken down. I am sorry to say that I shall have to vote against the second reading of the Bill.

On motion by Hon. V. Hamersley, debate adjourned.

## BILL—WHEAT MARKETING ACT AMENDMENT.

### Second Reading.

Debate resumed from the previous day.

Hon. H. STEWART (South-East) [8.50]: In connection with the Wheat Marketing Bill I wish to refer to the Government control and I agree with my colleague, Mr. Greig, in saying that I think if an executive committee was appointed in this State to have control of the wheat marketing, and if they were assisted with a continuous audit by an outside firm, an efficient, sufficient and adequate safeguard for the better working of the wheat scheme in the State would be provided. The working of the wheat scheme would be carried out in a more economical way, and the

interests of the State fully protected. As an illustration of the effect of Government control in relation to construction work, I would like to mention what took place recently in the South-East province in regard to cool storage. We have at Albany a cool storage works that cost the Government £18,000 to erect and on which an annual loss is being made. At Mount Barker tenders were called for the erection of cold stores for the preservation of fruit and a tender for £15,000 for a work to store 40,000 cases of fruit, a much bigger concern than the Government one at Albany, was received. The people were told by the tenderers that they required six months in which to construct the works. A co-operative association in Mount Barker brought over an expert and in two months they erected a cool storage plant for £12,000. In connection with this Bill, it seems to me if there is an agreement for the marketing of wheat and auditors properly qualified were carrying on a continuous running audit, they could see that everything was right and in accordance with the agreement. There is not the necessity for a Government department to be built up, and the present indications are that the present department is being enlarged and extra expense to the wheat pool and the farmers results in consequence. With regard to the wheat pool, my colleague seems to indicate that we were not properly appreciative as growers of the benefit the pool has been to the growers, but I think we fully realise that it would have been a sorry day for the farmers if there had been no wheat pool in Australia. There is no question about this, in comparison with other parts of the world, that 4s. guaranteed f.o.b. is a price incomparably low to that which wheat growers in other parts of the world are getting. The letter which I read from the Agent General instances the remarkable difference there is between the Canadian grower, who is getting 9s. a bushel, in comparison with our 4s. f.o.b., and in the last two harvests our farmers have only received 3s., and that a little at a time. During my recent visit to the South-East province I saw a number of the wheat stacks both inside and outside the sheds under Government control. Last year the farmers were given the assurance that the silos would be built in time to take part of the wheat from the 1917-18 crop direct from temporary stacks. No provision until quite recently was made for the stacks at the sidings being covered, because the Government felt confident that they could have all the wheat in the sheds by the 30th April. But there are hundreds of thousands of bushels of wheat still out in the open country which have had a considerable amount of rain on them. Any one who inspects can see that for these stacks are discoloured and the wheat is shooting. That is an instance which, taken in conjunction with the instances given by my colleague yesterday, shows the management of the wheat pool has not been efficient. I believe it would have been more efficient had it been conducted in the way we suggest by an executive committee, and a check being kept on the agents by a continuous audit of their books.

It is not only the stacks at the sidings that have suffered but the grain in the sheds. The sheds were not roofed in when they should have been, when the iron was not here in December. The wheat scheme offered sufficient iron to cover the sheds at a price lower than the iron was sold at. Subsequently those who were making the offer had to wait a month before receiving a reply from the Government in which they proposed terms which were not acceptable and which were not so remunerative to the seller as those which were obtained for the material after the Government had declined to purchase. Sir Edward Wittenoom yesterday protested against the sole agency being held by the Westralian Farmers. In this connection I may say that when the original Bill went through the House, the hon. member was not present when the leader of the House made a definite statement as to the position. I am very pleased that the hon. member is in his place to-night, so that he can hear a brief statement of what was the actual position of affairs in connection with that contract. We have heard some very severe criticism of the Honorary Minister, and I say in this connection, although I myself may criticise Government control and the department of the Honorary Minister, I recognise that in the Honorary Minister we have a gentleman who has the strength of his convictions and is not to be driven by any one section of the community, even by those behind him. I have been at variance with the Minister since I have been in this House, but I respect the strength of purpose with which he clings to his conviction. In this connection the Honorary Minister has withstood the attempts of members representing different sections of the community, not the Country party representatives, but representatives of country districts who make claims on him, and which have the sympathy of representatives of some other parts of the country. But the Honorary Minister took up the attitude that until he had the information available from responsible officers, and formed his judgment on the evidence submitted, he would not be forced into the position of giving an answer, even although the utmost power was brought to bear on him by certain parliamentary representatives in another place. I instance this in fairness to the Honorary Minister. Whether he is in sympathy with my views or not, I will always recognise where credit is due and will be only too pleased to give it. I realise that the Honorary Minister is at least doing the best he can according to his lights. In connection with the protest by Sir Edward Wittenoom in regard to the sole agency for the marketing of the wheat being given into the hands of the Westralian Farmers, Ltd., the Government called upon the mercantile shippers' agents and the Westralian Farmers to submit prices for the handling of the recent season's crop. Last year the rate of commission was 3½d. per bushel; this year the price finally agreed upon was what is called in the aggregate 2¼d., or in other words it is from 2d. to 1¾d. Those figures show there is a considerable reduction in the cost of handling. Even with the unnecessary expense involved

in the Government control, in having a general manager conducting the department, checking every wheat certificate or interim receipt or bill of lading that comes in, even with that expense I still think there will be a substantial reduction in the cost of handling as against that of the two previous seasons. In response to a request from the general manager of the scheme for prices, the mercantile shippers' agents offered to do it at from 2d. to 1½d., but they stipulated that it should be done under the zone system. They tried to fasten on the Premier the responsibility of having said in his policy speech that the wheat would be handled under the zone system; but if they examine the Premier's policy speech delivered at Moora they will see that he did not bind himself to the inauguration of a zone system, but emphatically stated that the co-operative societies throughout the State would be protected from having their existence imperilled. The zone system was this: that the wheat-growing areas should be split into a certain number of zones, with one agent to operate in each zone.

Hon. R. J. LYNN: Why flog a dead horse? All this is past history.

Hon. H. STEWART: When a gentleman of the standing of Sir Edward Wittenoom protests in this House against this sole agency, I think it is only right that a representative of the wheat-growing industry should also put on record the actual state of affairs, which shows that this matter was handled in open competition and makes it clear that it was purely the mercantile shippers' agents themselves who cut themselves out of the business by stipulating unfair conditions, imposed with the intention of ruining the co-operative movement in this State. In comparison with the offer made by the mercantile shippers' agents the Westralian Farmers offered to do the work at from 2d. to 1½d., and offered to do it in open competition. The first offer was declined by the department, and the mercantile shippers' agents and the Westralian Farmers were written to and asked if they were willing to do the work at from 2d. to 1½d. in open competition or, failing to agreeably arrange to have the competition eliminated, to do it at 1½d. to 1¼d. The mercantile shippers' agents replied that they were only prepared to do it on the zone system, and the Westralian Farmers expressed their willingness to do it either at the higher price in open competition or at the lower price if means could be arranged by which the competition might be eliminated. The offer of the Westralian Farmers was provisionally accepted on the 27th October, and each of the mercantile shippers' agents was written to and offered the right to come in and do the work at the same price as the Westralian Farmers if competition could be eliminated. The mercantile shippers' agents did not accept that provisional offer, and the Westralian Farmers did accept it and, of course, got the work. After the Government had made this provisional acceptance of the Westralian Farmers and made the same offer to the mercantile shippers' agents, the mercantile shippers' agents then made an offer to the Government to do the work at 1½d. to ¾d. at a price which they previously said was unpayable; and when they

offered to do it at this price it was only on condition that they should have absolutely no responsibility at all.

Hon. J. DUFFELL: The Government would have saved a lot of money had they accepted it.

Hon. H. STEWART: And would have ruined the interests of the State. Those people meant to impose on the Westralian Farmers a condition such as this: in the first year this matter was being dealt with the Westralian Farmers as a new firm in open competition secured one-seventh of the harvest. In the second year they secured four-ninths, and in the third year we who were watching the trend of affairs felt confident that they would get eight-ninths of the business. But, as Sir Edward Wittenoom said yesterday, the zone system proposed by the mercantile shippers' agents was that the zones should be divided up on the basis of the two previous years' business. That would have limited the amount of business the Westralian Farmers could have done to probably less than two-fifths of the whole, whereas they were justified in anticipating that in open competition they could secure eight-ninths of the business. I take this opportunity of placing on record a clear statement of fact as to what was done in an open way. It is well known that no members of the Westralian Farmers accompanied the deputation that waited on the Minister or had anything to do with the business. As further instances of the failure of connection with Government control—besides those already given in regard to the wheat not having been shifted into the sheds as the Government said it would be by the 30th April, besides the sheds not having been covered before the wheat could be damaged, and those instances given by Mr. Greig—there is the failure of the Government to provide dunnage as they agreed at the stacking sites, and to provide sites free from weevil in time for the wheat to be stacked as it came in on the farmers' wagons. I also agree with Sir Edward Wittenoom when he mentions that the marking of bags involves a certain amount of time and expense. When we consider that in connection with the bulk handling the wheat comes in in boxes or box wagons and is simply dumped and weighed in two and a half minutes and all identity of the material is lost, it seems an unnecessary expense that each individual bag should be earmarked when it is going into the immense mass in the stacks. I will support the second reading.

Hon. A. SANDERSON (Metropolitan-Suburban) [9.43]: We have heard a lot about wheat to-night and I think it is somewhat unseemly and possibly hardly fair, and almost irregular to go on girding at the Honorary Minister in connection with these matters. Personally, I should much prefer to have a straight-out issue. Here in this Bill is another agreement with the Honorary Minister and certain other parties. My objection to the whole performance is that I have no confidence in him. If we could get rid of the Honorary Minister and the Treasurer, I think there would be some hope for the country. Twice in six years I have been unfortunate enough to come under your gentle correction, Sir, in regard to speaking to the

point. I am going to try to mend my ways during the next six years, and I hope I shall not in the last few hours of the expiring term signalise its passing by trespassing over the line. But I say the essence of this thing is not the Bill, but the Minister. Get rid of the Minister and we shall know where we are. That Grain Elevator Bill has gone; so much is evident from the discussion. Now can we not induce the Minister to go after it? That is what I want. I should prefer to have a straight-out issue. When I look round this House and see the members of this Chamber, and when I think that into the hands of the Honorary Minister are entrusted these millions of money, and when I think of the issues in connection with this matter and the responsibility that rests upon us, it is a perfect outrage that our personal feelings should carry us away and that we should allow the Honorary Minister to take charge of this scheme. I believe we have an elective Ministry. Very well. Then let us elect someone. Who elected the Honorary Minister? If it is a selected Ministry, as far as this Bill is concerned—we saw the Honorary Minister repudiating on the other Bill any Cabinet responsibility—presumably here is the Honorary Minister making this agreement on his own. If we sanction it, we take part of the responsibility.

Hon. Sir E. H. Wittenoom: We must sanction it.

Hon. A. SANDERSON: Let anyone correct me if I am wrong. I do not presume to be an authority on the question. But, so far as I understand it, the outline is this. We have the Federal wheat pool. The Federal Government are running the pool. I speak subject to correction, and shall welcome correction if I am wrong. In each State the Commonwealth Government have delegated to a Minister the control of the scheme in that State. I believe that is correct. If it is not correct, the Honorary Minister will be able to explain the position when he replies. I wonder is this correct, that as far as this State is concerned the Honorary Minister has control? Certainly, listening here and making inquiries outside, that is the conclusion at which I have arrived.

Hon. Sir E. H. Wittenoom: It looks like it, because he can make that agreement.

Hon. A. SANDERSON: Exactly. I am glad the hon. gentleman has dotted the i's and crossed the t's for me. Leaving out all the other States, it looks to me as if we have the Federal wheat pool, with the Honorary Minister in charge so far as this State is concerned. What are we asked to do? To ratify and confirm an agreement with the Westralian Farmers Limited. That brings in a pretty wide subject. I do not know that this is the time or the place to deal exhaustively with that phase of the matter, but will the Honorary Minister or anyone else tell me the exact connection—I ask hon. members to note this question particularly—between the Country party, the Farmers' and Settlers' Association, and the Westralian Farmers Limited? I put them all together, and I say the Honorary Minister is the representative of

those three organisations. He will be able to reply on that point. And who got this contract? The Westralian Farmers Limited. I am putting specific instances, and I want replies as to the connection between the three parties. I allege that the Honorary Minister is the representative of all those parties. I have asked myself, and I have asked other people, if an independent person like myself had been the Honorary Minister would I have made this contract with the Westralian Farmers Limited? One thing is pretty obvious, that it was as a result of this agreement with the Westralian Farmers Limited that three or four important firms have been knocked out of the wheat business. I suppose this is the way the Country party stimulate primary industry. Bell, Dreyfus, Darling, and Dalgety have been knocked out of the wheat business.

Hon. H. Stewart: They knocked themselves out.

Hon. Sir E. H. Wittenoom: They were put out in spite of the assurance given them by Mr. Hughes.

Hon. A. SANDERSON: The question before the Chamber is the second reading of this Bill. I have asked certain questions, which I do not wish to repeat. I will, however, give my opinion—and I believe it is the opinion of a great many people outside this Chamber—that if a person absolutely independent of all party bias had been dealing with the matter, the Westralian Farmers, Ltd., would not possess the monopoly they have at the present day. My own view of the matter is that the more people of the standard of Bell, Dreyfus, Darling, and Dalgety we can get into the country, the better it is for all of us here. If we are going to have a monopoly—let the Honorary Minister mark this, and this will be one of my principal reasons for asking members to carry a vote of no-confidence in him—I am going to join the Labour party and we will have a State monopoly dealing with these matters. The importance of the issues involved in this question seems to me to be difficult to exaggerate. That we people here—and I could not wish for a more representative audience than from yourself, Mr. President, to the youngest member of this Chamber, representing as we do the truest and best interests of Western Australia—should at a critical juncture like this be asked to hand over to this member of the Country party the important issues dealt with in this Bill, is outrageous. I should be wanting in my duty to myself and to anyone I represent if I did not enter the strongest possible protest against the performances which are going on. The Constitution has been knocked edgewise by this Country party; and when one comes down to a concrete proposition like this Bill, and the Bill which we shall reject to-morrow, the Grain Elevators Bill, it seems that we are to be asked to hand over to the Honorary Minister the control and management of our affairs. If I can get three or four members to support me, I shall be glad to divide the House in order to see who is responsible for handing over these powers to the Honorary Minister. My next point refers to the millers, and the third point is the amendment, or the indica-

tion of an amendment, by Mr. Greig. The Minister, it appears, is to be authorised to enter into agreements with millers. Are the members of this Chamber prepared to let him have that authority?

Hon. Sir E. H. Wittenoom: He has done it. He has got the authority.

Hon. A. SANDERSON: Then this is a farce. According to Clause 4 we are going to authorise the Honorary Minister to do something that he has done already. That will be another paragraph in the indictment which I hope I shall have a full-dress opportunity of bringing before the members of this House. If members will glance at Clause 6 they will see a very shocking proposal—any person who without the written authority of the Minister grists any wheat for any other person after the commencement of this Act shall be liable to a penalty of £500. Is that in operation? Is that a serious proposal on the part of the Minister? Is the object to stimulate private enterprise? We know that the Government are robbing the insurance companies of nearly a quarter of a million of money to stimulate private enterprise, taking that money from the companies by a forced loan. And here in this Bill, for what reason I do not know, any person who sets to work to grist shall be liable to a penalty of £500. If I understand the scheme aright, it is the Federal pool, with the authority, as far as this State is concerned, handed over to the Honorary Minister. That is the thing as I understand it. And this is the production that he hands us to approve of. If hon. members tell me that Clause 4 purports to give authority to make gristing agreements which have already been made, it is a most discreditable performance to do these things and then ask for our approval of them.

Hon. Sir E. H. Wittenoom: Our confirmation.

Hon. A. SANDERSON: Very well, confirmation. I will let hon. members deal with those points. I am told the agreement is already made. The last matter is Mr. Greig's amendment. If I understand that aright—I have not had an opportunity of perusing the official report—Mr. Greig wishes to have an independent board to take control of this thing. If this is his proposal, I am entirely in agreement with him. It is very difficult to credit that members of this Chamber, representing the interests they do, are going to permit the Honorary Minister to take the powers that he seeks in this Bill. It is painful, and perhaps unseemly, to be constantly girding at the Minister, and it may be that I stand alone in the views that I hold on the question. But I should much prefer to have in these public matters a full-dress debate. You, Sir, will prevent, and it does not need your intervention to prevent, any personal issues coming into this matter, because we know very well that personal issues do not exist inside this Chamber. But it would be preferable to have a full debate on the subject, and then, if I were defeated on the question of confidence in the Honorary Minister, I should say "Very well; I have done my part; I have made my protest; we know now who are responsible for allowing that Minister to continue these performances."

Then the Honorary Minister would have no more criticism from me on that score. Until we have that full-dress debate, and until members settle the responsibility in regard to a Bill like this, and the Bill we have just been dealing with, I shall be compelled every time I deal with these measures, just as I deal with financial measures, to refer to what I maintain is the incapacity of the Honorary Minister here and the Treasurer in another place.

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

## BILL—SPECIAL LEASE (GYPSUM).

### Second Reading.

Hon. V. HAMERSLEY (East) [9.32] in moving the second reading said: The object of the Bill is to enable a special lease to be granted of 5,000 acres of land situated in the Lake Coweowing district, close to the railway line which runs from Wyalkatchem to Mt. Marshall. It is pleasing to know that somebody is prepared at their own expense to carry on an industry which is not being fathered by the State. I understand that a company have been operating for several years past in trying to build up an industry at this place, and for the information of hon. members some samples of the production of this company are at present on view in the corridor. I am quite satisfied that anyone who looks at what has been produced from the gypsum deposits must realise that some good is being done with the gypsum which is to be obtained at those lakes. It might be argued that this area of 5,000 acres is a very large one, but the company have already held the same area under a lease from the Lands Department with the object of manufacturing fertiliser. The company, however, found that under the section of the Land Act under which they held the area they had not the right to manufacture plaster of Paris. They do not ask for an increased area, but they want this Bill to go through as the only way by which they can obtain the right to mine for gypsum for the purpose of manufacturing plaster of Paris. I understand it is necessary to have a fairly extensive area for this purpose, because the 5,000 acres do not all contain the gypsum deposit. It is only on the fringe of the lakes where the best quality can be found. It is necessary for the company to go to great expense in the development of this area and they only want to manufacture from the very best gypsum. I understand that the Government have no objection to the measure. The company have already expended a considerable sum of money on the property. They have already manufactured a large quantity of plaster of Paris within the State and it has been put on the market. I understand that if they are given this opportunity it will probably mean the building up of an industry, which will be of great value to the State, and it will bring something by way of freight to the railways and will certainly be the means of keeping with-

in the State some of the money which from time to time, we regret to say, has to be sent to other parts of the world to obtain this product. I trust hon. members will view the Bill in a reasonable and kindly spirit and help to place it on the Statute book and so give these people an opportunity of prosecuting the industry they are engaged upon. The lake area is practically barren except on the fringes where there might be some feed for stock, but if the same area were leased, for grazing purposes, the State would not get the same rental which they are obtaining from the company in question. A reference to the agreement which appears as a schedule to the Bill will show that. In addition, a royalty has to be paid on the production. I understand that there can be no monopoly because there is an abundant supply of gypsum in various parts of the State. There is no reason at all why this lease should not be granted. The interests of the State are well safeguarded. I have much pleasure in moving—

“That the Bill be now read a second time.”

Question put and passed.

Bill read a second time.

#### In Committee.

Hon. W. Kingsmill in the Chair; Hon. V. Hamersley in charge of the Bill.

Clauses 1, 2—agreed to.

Schedule:

Hon. J. NICHOLSON: Provision is made in the schedule for the payment of a rental of £10 per annum with a royalty of 1s. per ton on all plaster of Paris or manure manufactured. I think that provision should be made for an increase of the royalty. I do not know how that appeals to the mover of the Bill. Of course I do not want to do anything to discourage private enterprise but we might in this case increase the royalty, say, after 10 years.

Hon. V. HAMERSLEY: I hope the hon. member will not press the suggestion. I feel that this industry requires to be encouraged and the royalty is only being paid as a pepper-corn rental. When these people are inclined to put their capital into this concern, we at least might give them an opportunity of prosecuting the industry, and we can only hope that they will be successful in such a way as to encourage others to go in for it also.

Hon. E. M. CLARKE: These deposits have been lying in this locality for thousands of years. It would be a good thing for the State if all these things were developed and something made out of them. If there is no direct benefit to the Crown, there must be a benefit to the people of the State.

Hon. A. SANDERSON: I hope Mr. Nicholson will not press his suggestion. I believe that there are millions of tons of this material in other parts of the State which can be utilised, if these people can show us how to do so.

Hon. J. NICHOLSON: I made the suggestion merely by way of ascertaining whether the industry could bear some extra amount.

I do not intend to press the matter. I would point out that no provision is made for the inspection of books. It should be understood that the Government are entitled to inspect them and verify the quantities of material which are removed. I move an amendment—

“That the following words be added at the end of Paragraph (d) of the schedule:—‘with power to the Minister for Lands, or any officer appointed by him, to inspect the books of accounts or records of the lessees from time to time and to take extracts therefrom.’”

Hon. V. HAMERSLEY: I have no objection to the amendment, though I think it is hardly necessary in view of the powers already given in the schedule.

Amendment put and passed; the schedule as amended agreed to.

Preamble:

Hon. J. NICHOLSON: I move an amendment—

“That the word ‘grant’ in the sixth line be struck out and ‘lease’ inserted in lieu.”

Amendment put and passed; the preamble as amended agreed to.

Title—agreed to.

Bill reported with amendments, and the report adopted.

House adjourned at 9.55 p.m.

## Legislative Assembly,

Wednesday, 15th May, 1918.

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

[For “Questions on Notice” and “Papers Presented” see “Votes and Proceedings.”]

### BILL—FIRE BRIGADES AMENDMENT.

Introduced by Hon. R. H. Underwood (Honorary Minister), and read a first time.

### LEAVE OF ABSENCE.

On motion by Mr. ANGELO, leave of absence for two weeks granted to the member for Claremont (Mr. Stewart) on the ground of urgent private business.

### BILL—RABBIT ACT AMENDMENT.

Select Committee's Report.

Mr. PIESSE (Toodyay) [4.47]: I move—  
“That the select committee's report be adopted.”

Question put and passed.