versity, and to pay for that Chair in order that those who desire to become members of the legal profession shall be fully trained in the ethics and knowledge of the law. I have already pointed out that all the principal officers of the British Empire are drawn from the legal profession. Whenever it is desired that a man of the highest integrity in the State shall be chosen to conduct a delicate inquiry, the services of a lawyer are requisitioned.

Hon. L. Craig: Or a farmer.

Hon. H. S. W. PARKER: No, not now. If the Bill becomes law, they may go to a farmer in future.

Hon. T. Moore: But they get a lawyer because he is accustomed to sifting evidence.

Hon. H. S. W. PARKER: That is not the only reason; it is because he is regarded as honourable.

Hon. T. Moore: No, it is more because lawyers can sift evidence.

Hon. H. S. W. PARKER: I contend it is because they are honourable and because their integrity is undoubted. I have every confidence that members will not further impugn the dignity of an honourable profession and will vote against the second reading of the Bill.

On motion by Hon. J. Cornell, debate adjourned.

House adjourned at 10.31 p.m.

Legislative Assembly.

Tuesday, 3rd December, 1935.

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

QUESTION—LAND CLEARING.

Mr. HAWKE asked the Minister for Lands: 1, Has any land been cleared for new settlement in the Denmark or any other district during the past twelve months? 2, If so, to what extent, and when?

The MINISTER FOR LANDS replied: 1, No. 2, Answered by No. 1. Note.—The only new land being cleared is on existing Agricultural Bank securities, and this for the purpose of increasing the production of the settlers in and enhancing the Bank's securities.

QUESTION—RESERVES BILL.

Land at Cottesloe.

Mr. NORTH (without notice) asked the Minister for Lands: 1, Have the Cottesloe Council approached him regarding legislation affecting land adjoining Napier-street, Cottesloe? 2, If so, was that done subsequent to the introduction of the Reserves Bill in the Assembly?

The MINISTER FOR LANDS replied: 1, Yes. 2, Representations were made to the Lands Department, but did not come under my notice until the Reserves Bill had been moved in the Assembly.

BILL—RAILWAYS CLASSIFICATION BOARD ACT AMENDMENT.

Second Reading.

Debate resumed from the 28th November.

HON. C. G. LATHAM (York) [4.35]: This Bill was introduced to give the railway officers the same conditions under their Act as the public servants will have under the amending Arbitration Bill, if it becomes law. It provides that effect shall be given to all decisions of the Classification Board and also provides that where the Commissioner of Railways is not giving effect to the provisions of an award or decisions made by the board, a report may be made to the Governor to ensure that the Commissioner carries out the decision. There is very little in the Bill that calls for comment, beyond the fact that the Act has been in existence for 14 or 15 years, and I do not think there has been any reason for complaint during that period.

The Minister for Railways: There have been one or two disagreements.

Hon. C. G. LATHAM: Of course there may be disagreements when a question of interpretation is involved.

The Minister for Railways: And there has been no means of getting to the board.

Hon. C. G. LATHAM: This class of legislation might make it appear that there is a lack of confidence existing between the employees and the Government. In the past we have not legislated to bind the Crown in any way, and here we take an opportunity to say that the Crown cannot be trusted, but that provision must be made in the Act to ensure that the Government are compelled to take action.

The Minister for Works: Did not we bind the Government under the Arbitration Act?

Hon. C. G. LATHAM: We might have done so.

The Minister for Works: We did do so.

Hon. C. G. LATHAM: A similar provision has been made under the Arbitration Act, as I have pointed out, and was also included in the amending Bill dealing with public servants. Although that provision has been made, I do not know that the principle is right. It should not be necessary for us to legislate to compel the Government to do what the Government tell others to do. However, I see no reason why this provision should not be made for railway officers, as it is made for other employees of the Government. On that account I am not raising any objection to the inclusion of the provision in the Railways Classification Board Act. I see no reason why railway officers should be excluded when employees under the Arbitration Court are provided for. Consequently I am not opposing the second reading.

MR. McDONALD (West Perth) [4.38]: This Bill embodies a principle which has previously been assented to by the House, and as it is in accordance with the views of the House that the onus should rest upon the Government to honour the findings of the tribunals appointed to determine matters between Government departments and employees of those departments, I have no comment to offer on the Bill.

THE MINISTER FOR RAILWAYS (Hon. J. C. Willcock—Geraldton—in reply) [4.39]: I have not much to say in replying to the debate. The Commissioner of Railways, the Minister for Works, and Government departments have awards in the Arbitration Court, and not frequently but occasionally there is something not absolutely clear, and a difference of opinion arises as to the actual meaning of an award.

Hon. C. G. Latham: That is not what the Bill says.

The MINISTER FOR RAILWAYS: The same principle will be observed in the procedure under this measure. We have had several cases for the enforcement of an award against the Commissioner of Railways and other employers responsible to the Government under the Arbitration Act. An honest difference of opinion has arisen as to the meaning of the award, and the quickest method of obtaining an interpretation is sometimes to take an action for enforcement. When that has been obtained, the decision of the court has been given effect to. The Classification Board is the court of the railway officers, and if action is brought for enforcement or an interpretation is required, the board will determine it and the same principle will be observed. There is one thing we desire to have as far as possible and that is uniformity of conditions and procedure. Nothing gives rise to discontent more than some difference between conditions operating in one industry and another, whether it be a matter of awards, wages, or conditions of employment. A wide difference between conditions often breeds more discontent than would arise if the conditions were less favourable, so long as they are uniform. To get uniformity in the procedure under boards or courts, or any other tribunal dealing with industrial conditions, we have introduced this provision so that employees, whether inside or outside the Government service, will have the same opportunity to secure redress in matters capable of being interpreted differently from the interpretation laid down by the constituted authority.

Question put and passed.

Bill read a second time.

In Committee.

Mr. Sleeman in the Chair; the Minister for Railways in charge of the Bill.

Clause 1—agreed to.

Clause 2—New sections:

Hon. C. G. LATHAM: In Subclause 3 the board are asked to investigate any complaints made by officers, and then the Commissioner shall act. The subclause provides that the board "may" submit a report of its findings to the Government. If the matter

is serious enough to warrant an application, I suggest it is serious enough to justify a report being made to Cabinet. Therefore I move an amendment—

That in line 5 of Subclause 3 "may" be struck out and the word "shall" inserted in lieu.

A similar provision was made in the previous Bill.

The MINISTER FOR RAILWAYS: I have no objection to the amendment. A similar provision was made in the previous Bill, and we desire to get uniformity.

Amendment put and passed; the clause, as amended, agreed to.

Clause 3—Title—agreed to.

Bill reported with an amendment.

BILL—STATE TRANSPORT CO-ORDINATION ACT AMENDMENT.

Second Reading.

MR. STUBBS (Wagin) [4.47] in moving the second reading said: The principal Act, which the Bill proposes to amend, was assented to in January of 1934. I have no desire to weary hon. members by retailing the debates which took place here when that measure was passing through its various stages. My endeavour will be to point out as briefly as possible that the Act works injustice on many persons. I acknowledge that every statute penalises, more or less, some section or sections of the community. This Act does not differ in that respect from other statutes. I hope, however, that before resuming my seat I shall have convinced a majority of members that a revision of one or two sections of the parent Act is necessary. In the late twenties, owing to the fall in the price of commodities, many people were out of employment, and the Federal Government made grants to Western Australia on a pound for pound basis to enable large numbers of men to be employed in improving the roads of the State. Hundreds of miles of mere bush tracks running parallel with railway lines were improved until they became equal to standard main roads. As time went on, numbers of men who were mechanics and could not find work at their trade purchased motor trucks and motor vehicles of various descriptions and started in the business of carrying goods, principally goods that paid the Railway Department handsomely and thus compensated the department for the carriage of heavy freights such as phosphates and wheat, which did not yield much profit. Strangely enough, while the parent Act was before Parliament I went with the present Premier on a journey of 140 miles, and in less than four hours during that journey we passed at least a dozen motor trolleys carrying anything from 20 to 30 bales of wool each, and fully a dozen other motor vehicles carrying products of all kinds, such as petrol, furniture, and groceries.

The Minister for Employment: Did you notice whether those trucks carried any wheat or superphosphate?

Mr. STUBBS: They did not carry any of those commodities. I am endeavouring to place the facts before the House.

Mr. Sampson: In some parts of the State motor vehicles carry those things also.

Mr. STUBBS: We did not happen to notice anything of the kind on that occasion. It is no wonder the Railway Department lost a large proportion of the traffic showing a profit. As a result the railway revenue suffered severely, until it became a serious question for the Government how to provide interest and sinking fund on the £28,000,000 invested in our State railway system. I do not think any hon. member will deny that by reason of their geographical position numerous producers in Western Australia were hit when the principal Act was passed. It is true that the measure contains a provision empowering the Transport Board to consider the case of any section of the community which would be penalised by rigidly excluding from the roads all forms of motor transport. I ask the consideration of hon. members for an amendment which I think they will agree is fair. Certainly I do not ask the House for anything that is not in my opinion justified. I am one of those who voted for placing the parent Act on the statute-book, because I realised that serious losses were being incurred by the Railway Department and that unless this unfair competition was checked it was only a matter of time when a fresh budget of taxes would have to be imposed by the Government for the purpose of making good the losses on the railways. One section of the Act provides that on and after the 31st December, 1933, any owner of a motor vehicle travelling on a prescribed route could, provided the vehicle had been operating on that route for a period of not less than 12 months prior to the 31st December, 1933, apply to

the Transport Board for a further license. I ask hon. members to bear in mind that it was only persons who had been operating on a route for at least 12 months had the right to apply to the Transport Board for further licenses. No person desiring to compete with the railways by means of a truck had that chance in the absence of those qualifications. The board turned down about 99 in every 100 applications for licenses. Thus numerous people in the Great Southern districts were seriously prejudiced by reason of their geographical position. I do not wish to be parochial by mentioning any particular town or particular district, because that applies to various towns and various districts. If the distance by road from the particular town or district to the metropolitan area was 100 miles shorter than the distance by railway, the producers concerned had to send all their goods by railway. Thus numerous producers who by road were 20 miles nearer the metropolitan area than they were by rail were forced to carry all their goods an extra distance of 80 miles. That was a serious matter to people 80 per cent. of whose production was in the form of wool. The product had to be carried 20 miles by motor truck, and then was penalised by another 100 miles of rail carriage. To producers in that situation the deprivation of motor transport was most serious. The Transport Board refused to grant any person a license to cart wool; all wool had to be transported by rail. I understand that since the parent Act was proclaimed the Railway Department have reduced the freight on wool by 22½ per cent.—undoubtedly a step in the right direction. But even under the reduced rate of freight numerous producers are penalised. The Bill proposes a simple amendment enabling any person who has been refused a motor transport license by the Transport Board to appeal to a local magistrate. Under the Act, the person who wished to appeal had to deposit £10 and the appeal had to be heard by a metropolitan police magistrate. I confidently ask the House to grant the other right of appeal. Can any hon. member mention one other statute giving such arbitrary powers without a right of appeal to a local magistrate, thus avoiding the expense and loss of time involved in coming to Perth for the purposes of the appeal?

Mr. Marshall: I will tell you one Act. Under the Licenses Reduction Act the Licensing Board's decisions are not subject to an appeal of any kind. Within the Act the board can do anything they like.

Mr. STUBBS: I had an idea that one could appeal from decisions of the Licensing Board.

Mr. Marshall: One cannot. There is no appeal whatever of any kind.

Mr. STUBBS: I am not prepared to dispute the hon. member's contention, but I claim that 90 per cent. of statutes of this nature give the right of appeal without entailing the expense involved under the Act here proposed to be amended. The Bill contains only two or three amendments, and I do not think it an unreasonable request that members should peruse the Bill and compare it with the principal Act. I move—

That the Bill be now read a second time.

On motion by the Minister for Works, debate adjourned.

Sitting suspended from 5 p.m. to 7.30 p.m.

BILL—BULK HANDLING.

Second Reading.

THE MINISTER FOR LANDS (Hon. M. F. Troy—Mt. Magnet) [7.30] in moving the second reading said: The Bill before the House is the result of the work of the Royal Commission appointed by the Government early in the year to inquire into the bulk handling of wheat. The recommendations of the Royal Commission, it will be noted from a perusal of the Commission's report, were that the company at present operating as Co-operative Bulk Handling Ltd. should be allowed to continue operations, but under some form of legislative control. The terms of reference submitted to the Royal Commission imposed the obligation to have regard for the system already existing in this State, conducted by Co-operative Bulk Handling Ltd., and to the expenditure already incurred by that company in providing such facilities as existed. In compliance with the terms of this reference, the Royal Commission reported that had it not been for the fact that Co-operative Bulk Handling Ltd. was already established, and had expended moneys on the instalment and equipment of plant, the Commission would have recommended a board similar to the Victorian Grain Elevators Board, which is constituted under the Grain Elevators Act of 1934, Vic-

toria, namely, a board comprised of representatives of the various interests involved in bulk handling in the State of Victoria. I would personally have preferred the Victorian system, which I think would have given better satisfaction to all interests concerned, not only in respect of facilities given to the grower and to other interests, but with regard to the construction of equipment and efficiency. That, however, is only my own opinion. The Government have decided to adopt the recommendations of the Royal Commission, and this measure is in compliance with such recommendations. The bulk handling of wheat has been in operation in New South Wales almost since the war. On a recent visit to Sydney I found no dissatisfaction with the system there conducted. It is controlled by a general manager, under the administration of the Department of Agriculture of New South Wales. After exhaustive inquiries extending over many years the Victorian Government last year legislated for the provision of bulk handling facilities in that State. The system, however, is to be administered by a board composed of representatives of the various interests involved in the handling of wheat in Victoria. There seems to be general agreement that such control will obviate any possibility of friction or undue favouritism. I discussed the subject with public men in that State, and found there was general satisfaction concerning the legislation passed by the Victorian Parliament last year. It is proposed in this Bill to confer on Co-operative Bulk Handling Ltd. the exclusive right to instal bulk handling facilities at all sidings throughout the wheat belt, but with certain definite obligations to the grower and other interests concerned. Up to date there has been no real control of the company's operations. Leases have been secured and equipments installed at 53 sidings in Western Australia. The wheat industry to-day, probably more than any other industry, depends for its success upon cheapness of production, reasonable handling costs, and marketing efficiency. The interests involved are the growers, the millers, the merchants and shippers, and in this I include the voluntary pool. This legislation is introduced particularly in the hope of reducing costs to the grower, but there are other interests concerned, for what was the growers' wheat sooner or later becomes the buyers' wheat, and the buyers are the merchants and millers. These interests have obligations cast upon them to market the wheat to the best advantage, to get the produce to the seaboard, to arrange charters for shipping, and to see that the wheat is got away speedily. Public utilities are also involved to a large extent. The Commissioner of Railways is required to transport the crop. He has to employ whatever rolling stock and facilities he has at his command to get the produce away to the port, and so obviate any congestion or dislocation of the organisation. The port authorities must see to it that the flow of wheat to other markets is not interrupted, and so no measure, which is presented to Parliament on this question, can afford to overlook the interests of any one section. Any authority to which is entrusted the control of bulk handling facilities must have regard for all these interests, otherwise conflict is sure to result which will be very harmful to the industry and to the State. This Bill differs somewhat from the usual run of bulk handling Bills. The reason is obvious. Co-operative Bulk Handling Ltd. has been carrying on, not on a strict bulk handling basis, but more as a mere receiver of wheat in bulk and a transporter to ports and sidings. There is one essential lacking in their operations which puts them out of the strict category of bulk handlers, and that is that they have no facilities of storing at ports. I am not blaming the company for this. No doubt they have simply carried on as best they could with the facilities at their command, but if the Bill is accepted by Parliament these facilities will later on be provided at the main ports in accordance with the recommendation of the Royal Commission. In the framing of this Bill attention has been given to the position as it now exists, as well as to the position as it may exist in the future. The Bill provides, therefore, for a continuation of the present method of bulk handling in this State, subject to proper safeguards. The objective of the Government has been to be fair to all parties. A perusal of the report of the Royal Commission shows that some of the interested parties, in the view of the Government, have asked for too much, and just because an interested section has asked for a certain right, that has been no criterion in

guiding the Government in the policy pursued in the drafting of this Bill. Inasmuch as the Bill concerns a private company, it has a preamble, which sets out how the company came into being, and the objective of ultimately handing over the bulk handling enterprise to the growers. The Act will come into operation on a date to be fixed by proclamation. This will give the Government time in which to get the necessary formalities, such as registrations and other matters, attended to. The key clause of the Bill is that in which the company will be granted the sole right, until the 31st December, 1955, to receive wheat in bulk at railway stations and sidings where the company has installed bins, and the sole right to contract or arrange for the handling, transport by rail, and delivery of such wheat in bulk. Ninety per cent. of the marketable crops must be delivered to the company wherever facilities are provided, but a grower may transport by rail in bulk not more than 10 per cent. of his marketable crops. This provision is similar in terms to the proposition put up in the Bill of 1932, introduced in this House by the previous Government. A further exception is made in the case of the miller. The Bill definitely affirms the right to the miller to utilise his own bulk handling facilities at his own premises. Strictly speaking this is not an exception to the concession granted to the company, but has been definitely laid down so that there can be no argument about the matter. In one locality I know of, a miller has already provided his own bulk handling facilities, and he will be allowed to retain them. A case of that sort is provided for in the Bill. If a miller desires to go into the country and purchase a special milling wheat, he can continue to do so. Very probably he will buy the wheat in bags and have the bags brought into his mill; or he may have the wheat delivered by the farmer in bulk on his premises. A good deal of wheat is already delivered in bulk by farmers. The Bill also provides that farmers desiring to bag their wheat and transport it in bags are free to do so without infringing the company's rights. The company will be obliged to equip sidings with bulk handling facilities where the average annual receival of wheat over a period of five years exceeds 20,000 bushels. I do not think the company will have any objection to that provision. It would not be fair to insist upon the facilities at a siding where less than that amount of wheat was delivered. No equipment for the future is to be installed by the company without the Minister's consent, and the Minister, before giving approval to country installations, must examine the plans and specifications. This will merely give the Minister power to insist upon proper provision being made for the handling of wheat in accordance with the Act. Where, in the opinion of the Minister, any country bin or equipment provided by the company is inadequate for the needs of the district, the Minister may require the company to make such alterations or additions as he deems necessary. This is provided to ensure that the company shall not allow the equipment to get into bad repair or condition, and that additions shall be made to keep faith with the users of the facilities. The company will also be required to take proper precautions, and protect all wheat received and handled from weather, vermin and fungus. That is an obligation imposed upon the company by the Bill. The company and their officers and servants are prohibited from dealing in wheat. I am not altogether sure that this provision goes far enough. It has been urged that the directorate and agents of the company should be prohibited from dealing in wheat; but to prohibit them would, of course, mean putting out the existing board of directors, which is linked up with other companies. The company, as is well known, form part of that family circle which includes Westralian Farmers, Ltd., W.A. Wheat Farmers, Ltd., and the trustees of the Wheat Pool of Western Australia. This is an unsatisfactory feature of the business. Such associations might easily lead to an abuse of trust. I believe nowhere in the world does such a position arise as is the case in Western Australia. The Canadian Grain Act specially prohibits any one of the Board of Commissioners being interested in the grain trade and similar provisions are to be found in the Victorian Act of last session. However, without running directly counter to the Royal Commission's report, we cannot do otherwise than accept the position as it is, and lay down provisions that will, as far as possible, obviate any abuses. This prohibition, however, does not

extend to the buying of wheat to make up a shortage and to the disposal of wheat which represents an excess in the out-turn. The company are not permitted to go on trading with the excess in out-turn, but must carry the moneys resulting to a special reserve fund to provide for future shortages. The company and their officers, servants or agents, are prohibited from giving preference or showing favouritism to persons desiring to avail themselves of the services of the company, or to tout or canvass on behalf of any wheat buyer doing business with the company. Similarly, the company or their servants must not disclose anything relating to the business or transactions of any person doing business with the company to any other person, which might tend to place such last-mentioned person at a disadvantage. It is provided in the Bill that the company are liable for liens against the wheat. The intention of the Bill does not make any alteration in the existing law. At the present time, the company are liable if they should do anything with wheat that is under lien, which would have the effect of frustrating a claim of a lien holder. In addition to this liability of the company, any person who buys wheat from a farmer for putting into bulk and who, in the buying of the wheat, frustrates the lien of any lien holder, also is responsible to the lien holder. Whilst no alteration is made in the existing law, the Bill does authorise the company to set up, from their own resources, a fund for meeting liabilities of that sort. It also gives the company a right of recourse against any person when the company's receival of wheat has been innocent. The company will be liable for failure to deliver wheat from any cause for which the company are responsible, but are not liable in respect of any failure or delay that arises out of an industrial dispute, civil commotion, or war or act of God or for any unforeseen cause not attributable to the negligence of the company.

Hon. C. G. Latham: It is a wonder you even provided for that!

The MINISTER FOR LANDS: The company's liability in the event of failure to deliver is the market price of the wheat, and the relevant time for fixing the market price is the date when the request for delivery was made. If a person entitled to obtain delivery of wheat suffers other damages by the failure of the company to supply, he may by law recover these other damages, but the company are not to be deprived of their toll charge on wheat they are unable to deliver. This is only fair, because the company are liable to compensate the holder of a wheat warrant as if the wheat were actually in their custody, and, therefore, they should be entitled to obtain the ordinary toll charge. It is declared in the Bill that the company shall have no proprietary right or interest in the wheat so as to render the wheat liable to seizure or attachment on account of the company's debts and obligations. The company are merely an agent holding in their custody the wheat, and the creditors of the company have no right to the wheat, which is the property in the mass of those persons who, at any particular time, are entitled to obtain delivery. The Bill preserves to the millers the right, in accordance with established practice, of obtaining supplies of millers' wheat at sidings. In the past, Co-operative Bulk Handling Ltd. have, it is understood, endeavoured, as far as possible, to conserve supplies of millers' wheat at specified sidings in order that millers might obtain a particular district wheat or wheats having special milling qualities. As that is the practice, it is desired that the practice shall continue, and its continuance is provided for in the Bill not as an outright obligation on the company, but so that the company will, as far as practicable, conserve such supplies for millers. In addition to making up any shortages in stocks, the company are required, at their own expense, to insure all wheat from time to time in their custody with some reputable public insurance office to be approved of by the Minister. The insurance payments may be applied towards acquiring wheat to make up deficiencies arising out of damage by fire, flood or other cause, or such moneys may be utilised in establishing a fund to meet liabilites for damages for failure to deliver wheat when it has been injured or destroyed. In the past the company have been in the habit of framing their own conditions in regard to the handling and delivery of wheat. They have, of course, also stipulated the charges which they may make against growers and other persons interested in the putting in and taking out of wheat from the scheme. Under the Bill the company will be carried on as a public utility. It is essential that anyone dealing with the company shall know exactly on what terms their dealings are conducted.

The present documents used by the company are long, involved and complicated, and in a matter of this kind there should be no need for involved and complicated conditions. An obligation is imposed upon the company to exhibit a printed copy of their conditions at every country railway station and siding where they are doing business, and this, I think, is necessary in the interests of all the parties concerned. It will be found, I am sure, more satisfactory than the methods now adopted. The terms and conditions on which all wheat shall be delivered and handled by the company are substantially in accordance with established practice in other States and other parts of the world, and any alteration of the conditions is subject to the Governor's approval. The conditions are laid down in the Schedule to the Bill and, if conditions arise that necessitate an alteration, provision has been made for an alteration with the consent of the Governor, but it is also provided that the company shall not contract out of the conditions laid down in the Bill. The measure provides for the fixing of quality and quantity of wheat before receival and for the issue of warrants for the wheat received. Here, we have the essential record in regard to the first transaction involved in bulk handling. In order to keep warrants of one season distinct from another, no two warrants for the same purpose are to bear the same number, and for identification purposes the warrants must be numbered consecutively. It is essential that persons dealing in wheat certificates shall be able to deal in them without fear of the title of their predecessor or predecessors being faulty. In regard to cheques, bills of exchange and other negotiable instruments, the law is that any person who becomes the holder in due course receives a good title as against any other person. Much the same type of immunity is provided in regard to the holder of the warrant, except that it is provided that on the first receival of wheat from a grower, the person taking the certificate from the grower shall be concerned to see that all liens and encumbrances are satisfied before he pays the grower for the proceeds of the wheat. I am referring now to the case of the grower who sells wheat to the merchant and nomintes the merchant as the first name on the warrant. The same principle will apply where the grower has the warrant in his name and transfers the warrant to another party. The provision in the Bill is that any person taking wheat from the grower as the holder of a certificate, or taking a certificate for wheat on the nomination of the grower, shall be obliged to see to the satisfaction of all liens. After that has taken place, any other transferee or person who receives the document in good faith and for value will be a holder in due course, and will receive an absolutely good title. With regard to the reception of wheat into the bins, the company are placed under the obligation of receiving wheat that is up to grade and are also placed under the obligation of seeing that they do not receive wheat that is unsound and over the prescribed variation from the grade. Provision has been made in the Bill to define the grades in relation to wheat. Hitherto the old f.a.q. system of fixing quality, that is to say, quality for export, has been relied upon. The f.a.q. quality is fixed by the merchants and pools, but frequently, in fact nearly always, not until very late in the season. This system has disadvantages so far as the growers are concerned, and it is not unfair to say that the disadvantages to the grower are advantages to the other interests concerned. In New South Wales provision is made for grades to be prescribed by legislation, and there are two grades in force under the practice there. There are what is known as the f.a.q. grade and the second quality grade, and the regulations made under their Act provide that no wheat inferior to the lowest grade shall be received into the bulk handling scheme. It is proposed in the Bill that until grades are prescribed, the present system of f.a.q. shall obtain, but, as the f.a.q. standard is not fixed till late in the season, "Western Australian standard white" shall be the standard quality until the f.a.q. standard is determined. I understand that "Western Australian standard white" is fixed at 62 lbs. to the bushel and that all other grades are docked. I also am informed that in New South Wales when the f.a.q. standard is fixed at 62 lbs., wheat weighing 61 lbs. is not docked. This is just because the system is based on what is regarded as fair average quality there. When the wheat is received in the country bin, an officer of the company is required to determine whether or not any dockage is to be imposed in respect of such wheat, and he shall assess the amount of dockage and particulars of the dockage shall be stated on the warrant. This is an essential preliminary, ensuring the right of

a holder of a warrant to receive an equivalent quantity and quality of wheat to that which has been put in, and in respect of which the warrant was issued. Should any dispute occur between the owner of the wheat and the company regarding the quality of the wheat, provision is made in the Bill that samples are to be submitted to an officer of the Department of Agriculture, nominated by the Minister, for determination. If the farmer is in the wrong, he pays for the test; if the company are wrong, the company pay for the test. In this connection the Bill adopts the Victorian law. The holder of a warrant is entitled to receive an equivalent quantity of sound wheat of a grade at least equal to that in respect of which the warrant was issued, but, of course, not the identical wheat. That would be impossible because the wheat is in bulk. The holder or purchaser of the warrant requiring delivery shall have the right to take his own sample. This right, I understand, is in conformity with current practice. Shippers' wheat is sampled from the mass according to the running bulk sample in the mass from which it is being delivered, and millers' wheat is customarily sampled on the running bulk sample from the trucks in which the wheat is delivered. With regard to all wheat for shipment, a practice has been in operation at ports of having adjudication by arbitrators who are members of the Shippers' Board. One arbitrator is appointed by the company and the other by the merchant. It is held that this practice is unsatisfactory, and the Bill provides for each party to appoint an arbitrator, not necessarily a member of the Shippers' Board. Sealed samples shall be taken jointly by the parties in dispute and supplied to the secretary of the Shippers' Board, who will cause the samples to be displayed together with the standard sample in such a manner that the identity of any of the samples shall not be known. The arbitrators shall make their award without delay, and in any case not later than 24 hours after the reference. This is necessary so that the loading of a ship shall not be impeded, and the expenses attendant on a dispute by reason of delay and demurrage shall not be inflated. In the event of a dispute as to the quality or condition of wheat tendered to a miller, samples are to be taken in the same way, and the dispute determined by an officer appointed by the Minister for Agriculture. This I understand is the same principle which pertains where disputes arise in connection with the receipt of wheat by the company from the grower, and following the same principle, if the company should prove to be in the wrong, the company will pay the costs of arbitration, and all other costs incurred, such as demurrage, etc., and if the miller be proved to be wrong the miller will pay the costs in the same manner. Provision is made in the Bill for the creation of a shippers' delivery board. This board will be set up to meet a condition which at present exists and which is to be ascribed largely to the lack of storage facilities at ports. This provision is based on existing practice, a practice which has been evolved as the result of, I understand, negotiations between the merchants and the company. Bearing in mind the lack of facilities at Fremantle and other ports at the present time, it has been thought necessary to continue this board. The board to be constituted under the Bill will be more representative than that which has hitherto acted. It will consist of the Commissioner of Railways or his nominee, a nominee of the Fremantle Harbour Trust Commissioners, a nominee of the merchants and a nominee of the company. The chief functions of this board will be to arrange rosters bearing in mind shipping charters, to prevent any disorganisation or congestion in the railway transport of wheat, and to see that adequate supplies of wheat are transported to the ports to meet the demands of shippers.

Hon. C. G. Latham: Quite an unnecessary board.

The MINISTER FOR LANDS: It is a board that has been found necessary in connection with the operations up to date. The board will not be empowered to lay down conditions impossible for the company to comply with. Regard must be had to the facilities available, and consistently with that aspect the company will be obliged to conform to the board's request. Regarding tolls and charges, it has been necessary to place some restriction on the power of the company to make charges for services. In the first place, the maximum of the levy or toll made by the company on the growers as a contribution to recoup the capital expenditure has been fixed at five-eighths of a penny per bushel. The Royal Commission made some adverse criticism respecting this charge. The Commission thought the charge was too high. On the other hand, the company stated that although it was too high,

the company had obtained the acquiescence of the growers on the score that the higher the charge, the quicker the concern would come under the growers' control. In the Bill power is given the Governor to reduce the charge if necessary. The charge for handling has been fixed at not exceeding one and one-eighth of a penny per bushel. This is the present charge for handling. All other charges in addition are subject to Executive approval, and the company are forbidden to make any charges except as are approved by this legislation. This is a vital, but reasonable provision. The company should not be permitted to fix their own charges without restraint, and it is also laid down that once seasonal charges are fixed, no alteration of charges shall affect the holder of a warrant issued before the alteration took place. This gives certainty to transactions, and a man knows exactly where he stands. The company are to have a lien against all wheat delivered into their care in respect of the toll and any other charges payable. The company have an agreement with Westralian Farmers Ltd. under which the latter receives a commission from the former for doing all the administration work. The Royal Commission drew attention to this agreement, and thought that the basis of payment to Westralian Farmers Ltd. was too liberal. No provision is made in this Bill for interfering with this particular commission. I am not sure that provision should not have been made, and it may be necessary to provide that the Governor should approve of payment of commission and allowances to directors and other persons. The company will be obliged to take out a balance sheet and revenue account every year to be submitted to the Minister, who will table it in the House. The company will also be obliged to keep such other records as may from time to time be prescribed. The obligation to keep these other records will establish a check on the company should the company endeavour to pay extravagant fees, bonuses and commission, in the course of their operations. All the persons vitally interested in the conduct of the concern will be kept informed by this process and I do not think there should be any cavilling at that provision. Probably the company will handle between 20,000,000 and 30,000,000 bushels next year and if good times return probably 50,000,000 bushels. As the company will have absolute control of a public utility, and as it will operate on a very extensive scale, the obligation is placed on the company to furnish a bond within three months of the commencement of this Act. This is an essential provision. It is a provision which is insisted upon with most institutions controlling a public utility. It is insisted upon in Canada in connection with any private operator, and is the only means of controlling the company and putting the Government in a position of exercising some sanction if the company should fall down on its operations. The Bill provides that the the company shall procure a bond in favour of the Crown from some reputable insurance company to be approved of by the Minister, and the bond shall be for the penal sum of £50,000, and it shall be for the performance of those obligations and duties under this Bill. The avowed object of the company is to establish this scheme for the benefit of the growers, and it is provided in the Deed of Trust made between Co-operative Bulk Handling Ltd. and the trustees for the growers that the enterprise be handed over to the growers on the 31st October, 1948. That is the promise to the growers in the Deed of Trust. It is provided in the Bill that no alteration shall be made in the memorandum of articles of association of the company, or to the terms of the Deed of Trust, except with the express approval of the Governor. Without this provision the company could alter the terms of their memorandum and so could frustrate the handing over of the enterprise to the growers, as agreed upon in the Deed of Trust. I have dealt with the Bill and its main provisions and while the Leader of the Opposition, by his interjection, has evidenced some displeasure, I contend this is a fair and reasonable attempt to meet the present situation. It gives the company the privilege of monopoly, but no company in this country will be allowed to control a public utility without legislation being framed by the Government to protect the growers' and other interests.

Hon. C. G. Latham: I am surprised at you introducing something to give a company a monopoly.

Mr. Sleeman: Then fire the Bill out.

The MINISTER FOR LANDS: I said in the course of my remarks that personally I would have preferred legislation similar to that passed by the Victorian Parliament last session, under which a board was set up to meet a situation like this, but the Royal Commission, acting under the terms of reference, was obliged to have regard to this company, and the money that had been expended, and the Commission recommended that the company should be allowed to continue. The company will be allowed to continue, and it is provided in the Deed of Trust that this utility shall be handed over to the growers. It is provided also that the company may borrow money and do a lot of things and by borrowing money the time might never come when the utility would be handed over to the growers. The aim of the Government is to get this utility into the hands of the growers.

Hon. C. G. Latham: Do you provide for the Deed of Trust here?

The MINISTER FOR LANDS: We provide in the Bill that the Deed of Trust must not be altered. I move—

That the Bill be now read a second time.

On motion by Hon. C. G. Latham, debate adjourned.

ADJOURNMENT—SPECIAL.

THE PREMIER (Hon. P. Collier—Boulder) [8.14]: I move—

That the House at its rising adjourn until Thursday, the 5th December.

Question put and passed.

House adjourned at 8.14 p.m.

Legislative Council,

Wednesday, 4th December, 1935.

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

MOTION—STANDING ORDER SUSPENSION.

THE CHIEF SECRETARY (Hon. J. M. Drew—Central) [4.35]: I move—

That Standing Order No. 62 (limit of time for commencing new business) be suspended during the month of December.

As members know, the session is drawing to a close. Probably there is only one more Bill to come down from another place, but it is an important Bill and may give rise to a good deal of discussion. It may be possible to close the session next week, while of course it may not. At any rate we have reached a stage in the session when it is necessary to take action regarding the meetings of the House and to secure the suspension of Standing Order No. 62. Usually notice of this motion is given at a much earlier stage in the session, and certainly at this stage it is absolutely necessary.

Question put and passed.

MOTION—WHEATGROWERS, FEDERAL ASSISTANCE.

To Inquire by Select Committee.

HON. J. J. HOLMES (North) [4.36]: I move—

That a select committee consisting of five members of the Legislative Council be appointed to inquire regarding the allocation and distribution, by the State Government, of approximately two million pounds provided by the Federal Government to assist the wheatgrowers of this State during the years 1932-33, 1933-34, 1934-35.