

work for a number of years, and signed by the leader of the Opposition, was withheld from the select committee, and that subsequent action was taken by his Ministers who telegraphed to the Premier repudiating what he had done, and asking that it be withdrawn. It is the official documents bearing on this, and which were vital to the inquiry, that I want produced. The leader of the Opposition will have the opportunity he desires of meeting me in my electorate within the next twelve months. I invite him to meet me there, just as I did last December to justify his actions in connection with the Nevanas business. He did not then accept my invitation and I repeat it now. He can get his candidate ready for the election which must come about within twelve months. There are other points that were raised during the debate, but I do not propose to discuss them at this late hour, in view of the friendly reception which has been given by the House to the motion.

Question as amended put and passed.

House adjourned at 11.33 p.m.

Legislative Council,

Thursday, 9th November, 1916.

Papers : Kimberley Cattle, Government Purchase .. Page 779

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

PAPERS—KIMBERLEY CATTLE, GOVERNMENT PURCHASE.

Hon. J. J. HOLMES (North) [4.35] : I move—

That the contract for the purchase of 12,000 Kimberley cattle for next season's delivery, and all papers in connection

therewith, be laid upon the Table of the House.

To a number of people this motion would appear to be a simple one, but to the people I represent in the North Province it is a very important one. A number of people I have met are of opinion that I am out after some contract which has been made by the Labour Government, and they are astounded to find that the contract I am looking for is one made by the Wilson Government. I shall endeavour to put the position before the House and the country as it affects the people I represent in the northern province of this State, which takes in the whole area between Geraldton and Wyndham. The matter is urgent. Therein lies my reason for endeavouring to debate the subject before the production of the papers. If I waited for the papers, delay would occur and the thing would be allowed to drift on. I do not even know that we shall get the papers, but I think, by the time I have finished, the House will insist upon the production of these papers. I understand that the contract is for the purchase of 12,000 head of fat cattle delivered in Derby between April and September of next year. I understand, too, that Emanuel Bros. are the vendors and that the Wilson Government are the purchasers. If I am wrong I am not altogether to blame, but I think that the information which I will give to the House this afternoon is not very wide of the mark. I have demanded, in the presence of a number of North-West squatters, the production of this contract. I have stated that this is a public matter, and that in the interests of the public it should be made known. No one, however, but the parties concerned—Emanuel Bros. as the sellers and the Government as the purchasers—know the exact details of the contract. This purchase controls the policy of the State steamship service for the next 12 months. This is very interesting, in view of the fact that the Premier has announced that he is going to sell or scrap the State steamers at the earliest possible moment. The only justification for establishing the State steamship service on the north-west was to burst up the combine which existed on the coast, and has existed for the last quarter of a century. The combine consisted of four Singapore boats

and one, two, or more of the Adelaide Steamship company's boats, and the space in the holds of these for the last quarter of a century has been at the disposal of Emanuel Bros. It will thus be seen that for a number of years Emanuel Bros. have controlled or had first call upon the whole of the space on the vessels trading along the north-west coast. It was to get over that difficulty that the State steamship service was established. I do not blame a privately owned company for selling the whole of their space to one firm. What are private companies formed for but in order to make money? It is in the interests of a private company to do this, but it is not in the interests of the country that they should let the whole of their space to one firm, and get paid for it, whether it is availed of or not. Consequently, I do not blame a privately owned steamship company for doing this. Hon. members will see the position that it places every other grower in along the north-west coast under such a condition of affairs. I do not blame Emanuel Bros. for getting control of the whole of this space. They are a big firm and are in a big way. They could, if they so wished, take up the whole of that space, and this is perhaps excusable in their case where it would not be a legitimate thing for the Government to do. I am a great admirer of Emanuel Bros. I have known them for the last 20 years. They are honourable, upright, and straightforward men. There is nothing wrong about their taking the whole of the freight, chartering steamers, and sitting on the box seat and dictating terms. No one in the country has had a greater opportunity than I have in coming to a conclusion as to the Emanuels. I have had deals with them to the value of tens of thousands of pounds. I was general manager of one of their branches for a number of years. Mr. Isidore Emanuel was the managing director, and a more honourable, upright, and straightforward man I have never had anything to do with. He is a smart, shrewd, business man, and all his transactions are carried out in an honourable way. This is a secret contract. It has been made for some months and I, as a representative of the North Province, have demanded that publicity should be given to it, but up to now no publicity has been given to it. This is

all the more interesting because the Scaddan Government were hurled out of office for secret contracts and incompetent administration. The Wilson Government came in to put down this policy of secret contracts, and show the country how it was to be properly administered. Yet in face of that it would appear that they were hardly a week in office before they made this secret contract which was to control the destinies of the State steamship service for the next twelve months along the north-west coast, and tie up the whole of the cattle there and place them at the disposal of one firm. The contract is, I understand, for the sale of 12,000 fat cattle delivered at Derby between April and September of next year. These cattle are not necessarily to be Emanuel's cattle; they may be anyone's cattle, so long as they are fat. Let us consider that for a moment. Emanuel Bros. may not lift any of their cattle at all, and probably they will not do so. We know that Emanuel's are wealthy people and are not bound to sell their cattle. Cattle in the North-West are increasing in price every year. If the Government buy 12,000 head from them for delivery next year Emanuel's can hold up their cattle, they can dictate terms to the other people and buy from them at their own price. That is a nice position in which to place the cattle growers of the North-West. Every cattle grower is immediately placed in the hands of Emanuel Bros. because if other people have to turn their cattle into money Emanuels have only to put their own price upon them, or they will not be in a position to sell at all. If Emanuels bought from these other people they would buy at a price which would enable them to sell the cattle at a handsome profit to the Government under this contract. We cannot blame them, of course, but we can blame the Government for putting the people of the North-west in such an unfortunate position. The cattle are to be carried by the "Kwinana" and "Moir," and they are to be delivered at Fremantle at the rate of 700 a week. These vessels will make fortnightly trips and the "Moir" will carry 600 and the "Kwinana" about 800. Emanuel Bros. will be delivering 700 cattle a week between April and September of next year. It is necessary to inquire as to what other steamers there are on the coast. The "Bambra" ought to

be on the coast, but she is not. She struck an uncharted rock a little while ago and had to go to Singapore for repairs.

The Colonial Secretary: She is on her way back.

Hon. J. J. HOLMES: The Singapore service has been reduced from four to two, and those two steamers are the others that are on the coast. I understand that their programme for next year will be a monthly service between Fremantle and Singapore. That brings us to the position as to who is to have control of the other three steamers. The Premier tells me that the "Bambra" is at the disposal of all other shippers in the North. For many years past the two other Singapore boats have been at the disposal of Emanuel Bros. What is to happen next year, I do not know. The contract will disclose it, but I may assume that the other two boats will be at the disposal of Emanuel Bros.

The Colonial Secretary: That is not the case.

Hon. J. J. HOLMES: Then I am not to blame, because I have not seen the secret contract. Assuming they are at the disposal of Emanuel Bros., this firm will be delivering to the Government at Fremantle to the end of September 850 bullocks a week. The only boat I know of which will be available to serve all the other ports from Geraldton to Wyndham is the "Bambra." She can deliver 50 bullocks a week, provided, of course, she does not break down. She has to go along the coast to Port Darwin carrying passengers and cargo. Last year the "Bambra" delivered 1,151 bullocks. I am assuming that this year, with better luck, she will be delivering 1,500 bullocks, in which case, with 10 ports to call at, and, say, 10 shippers to serve, it will mean five bullocks per port per trip, or half a bullock for each shipper. That will give an idea of the position of affairs in the North. It will put Emanuel Bros. in a nice position at the expense of the other people in the North. I would like to point out here that Emanuel Bros. have never had a bullock or a sheep carried on any of the State steamers. It did not suit them to patronise the State steamers and I do not blame them. Why should they sharpen the axe which was likely to fall on their heads? It might be suggested that I

am annoyed over this matter, but I wish to tell the House the position in which I stand, and that, as a matter of fact, I have cause to congratulate myself. People must give me credit for knowing something about the cattle trade and the manoeuvring which has been going on in the North for the past 25 years. I do not know how the Government are going to carry my firm's bullocks. If they are not under a legal obligation to do so, they certainly are under a moral obligation to carry them. When the Wilson Government were in office some years ago they sent a circular to the cattle growers in the North wanting to know whether, in the event of the Government putting steamers on the North-West coast, we would patronise them. My firm replied that they would, and that we would ship 1,000 bullocks per annum to carry.

Hon. J. E. Dodd: Were they going to put on State steamers?

Hon. J. J. HOLMES: In the event of the service being inaugurated we were asked whether we would patronise it and we replied in the affirmative and stated the number that we were prepared to ship. We shipped every year approximately 1,000 bullocks, and the State steamship service put them where they liked. Our application for space for a thousand bullocks for next year went in months ago. That is the difference between a privately owned company and the State owned service. A private company will not deal with a number of individuals. The State calls for applications from all owners of stock so as to allocate the space amongst them, and the stock owners have to take what is allotted to them or make exchanges, bearing in mind that the ship's space has to be filled. One application went in months ago, and here I am prepared to exonerate the present leader of the House for having any direct interest in this contract.

The Colonial Secretary: Do you suggest I have any direct interest in it?

Hon. J. J. HOLMES: Direct interest not in the making of the contract, but as a member of the Wilson Ministry, I hold the Colonial Secretary responsible for the acts of his colleagues. The Colonial Secretary is the Minister controlling the State Steamship service and that service has had appli-

cations for space from all shippers who have been patronising it since its inception. The question of the price to be paid for the carriage of these bullocks has never been raised, but that is a matter which is entirely in the hands of the Government. The people want to utilise the space and they have never asked what price they had to pay for it. It has to be remembered also that the Colonial Secretary was somewhat in a dilemma owing to the announcement by the Premier that those steamers were to be disposed of at the earliest possible moment. They were to be scrapped or got rid of. The hon. member can shake his head, but before I finish I will show the House that a number of people, including the shipping kings of Australia, thought so too, and they were here with the object of getting possession of the State steamers. I will, however, come to that in due course. In my opinion, the Colonial Secretary, who is controlling the State steamship service, was tied up and he did not know what was going to happen to the steamers and he could not book in the usual way for next year.

Hon. J. M. DREW: Has no one booked up yet?

Hon. J. J. HOLMES: Yes, Emanuel Bros. have and that is the point. The Colonial Secretary or the manager of the service could not book up because they did not know what was to happen to the steamers. Then somebody got ahead of everybody else and through the Lands Department effected the sale of 12,000 bullocks, practically monopolising the space for the whole of next year, whilst all the loyal shippers were waiting for their allocation. They were told that nothing could be done until the policy of the Government had been defined. Yet a contract was made which not only defined the policy of the State steamers for next year, but tied up 90 per cent. of the freight. In connection with my action, if it has never been understood, I hope it will be understood before I sit down. It took the last Ministry some time to understand it, but they eventually gave me credit for what I had done. The Colonial Secretary had a good deal to say about this State steamship service and the people who patronised

it. He went out of his way also for political purposes to introduce names of individuals, which he said appeared on the manifest. These names, however, did not appear on the manifest, but that is only by the way. The hon. gentleman was pretty severe in his criticism in April last as to what was being done. He introduced my name when he should have mentioned the name of my firm. I suppose, however, for political purposes he thought it would be better to mention my name. The Colonial Secretary's criticism was so severe that it called forth a reply from Mr. Drew, who was then Colonial Secretary and had charge of the State steamship service. Mr. Drew, dealing with all shippers, said with regard to Holmes Bros. it might not have appeared to be generally known that the Wilson Ministry wrote to Holmes Bros. some time prior to the advent of the Labour Government to inquire as to the number of stock that they would be prepared to send to the market in the event of the Government providing steamship facilities. The firm replied to the Wilson Government undertaking to ship 1,000 bullocks per annum. When the State steamship service was established by the Labour Government, Holmes Brothers felt under an obligation to fulfil that promise; and I am pleased to say that the undertaking has been loyally kept by Holmes Brothers. I should like to say here, and I feel sure the hon. Mr. Drew will bear me out, that my association with the State steamship department during the last year or two entailed my giving valuable time. I had one object in view, to keep that service going in the interests of the producers of the North. I think Mr. Drew will bear me out if I claim that I was a sort of honorary Minister for State steamships. My advice was always readily available to the Government, and I challenge Mr. Colebatch to produce any file which will show that I misrepresented the position or gave the Government any advice which was not in the interests of the community. I leave the decision on that matter to those who know best. It has been said, and it is true, that in this matter I am looking into the future. I have in mind the future development of the North which will result from any little sacrifice that is now made

in order to establish proper transport facilities to the North. Such proper transport facilities must be of benefit to everybody who has any interest there. The good old Book instructs us, "Cast thy bread upon the waters and thou shall find it after many days." I hoped that we might have found something this year; but unfortunately someone has got the meat and we may get the bread. So far as I am concerned, I am prepared to make this offer, if it will assist the Government, to reduce our contract for space from 1,000 to 500 head; or, if the Government prefer to buy the cattle, they may do so on the same terms and conditions as the 12,000 head were bought from Emanuel Bros., whatever those terms may be. I believe, too, that Emanuel Bros. would be inclined to do something along the same lines. If so, that would relieve the position; their 12,000 head would be reduced to 6,000, thus providing space for 6,000 more cattle for anybody else wishing to secure space. I honestly believe that if the facts were placed before Emanuel Bros. they would agree to such a proposal. They are 16,000 miles away and perhaps not in touch with the doings of their managers. I urge that proposal on the Colonial Secretary as a way out of the present difficulty. From my knowledge of Emanuel Bros.—and no one has a better knowledge of the characters of those men—I believe they will do this. Emanuel Bros.' dealings in the cattle trade and their business dealings in connection with steamers which they charter is a different matter altogether. As business men they naturally make every post a winner. But I refuse to believe that Emanuel Bros. desire to secure a monopoly of the Government steamers to the detriment of the interests of the North country. It has to be remembered that Emanuel Bros. themselves 25 years ago battled along in the North carrying their lives in their hands, alongside those who are still battling there, who have been less fortunate than they. I believe that if this proposal were put before the management of Emanuel Bros. in London they would agree. Some people claim that the Government should not have made this purchase of cattle. It certainly is an experiment; but I think it will not do

any harm to let the Government butt in and see how they can handle 12,000 head of cattle, whether they can handle the business better than the people in the trade. A number of people also urge that there should be an alteration in the Government's business methods. The Government fix their price per head and carry for anybody; but the trouble has been that the rate of freight fixed was too low.

The Colonial Secretary: Did the honorary Minister for State steamers fix it?

Hon. J. J. HOLMES: I had nothing to do with the controlling of the policy, my only connection was in matters concerning the movements of boats and how they were to be filled. I have told both former Ministers and present Ministers it was never a question of price of freight with the North-West, but one of facilities for getting their stuff away. If the freight had been raised, the steamers would have made profits, but the Labour Government stated that the service was inaugurated in order to cheapen freights, and they were not prepared to put up the price. I said just now that I thought there would be no harm in the Government making an experiment; but his experiment is difficult to understand. While the Government has purchased 12,000 cattle we find that the Minister for Works announces the closing up of the Government brickworks. The Government apparently are of the opinion that it is not one of their functions to make bricks even for Government buildings; they intend to give private enterprise a look in and have accordingly shut down the brick works. Presumably the Government will buy the bricks it requires at the manufacturer's price. Then we have the astounding announcement that the Government is going into the cattle business. As I have already pointed out the worst feature of this is that the Government have given a monopoly to one firm, and in doing so they have placed every grower of cattle and sheep between Geraldton and Wyndham in the hands of one firm. Assuming that it was necessary for the Government to buy these cattle—I do not think it was—they should have done so by announcing in the Press that they were prepared to buy up to 12,000 head of cattle and would take delivery at stated ports and stated times. They

should have bought the 12,000 cattle from anybody and everybody, then they would not have been doing very much harm. But under the procedure adopted, whilst shippers were engaging freight through the Colonial Secretary's department, one firm secured practically the whole of the available space through another department. I put that aspect of the question to the Premier some time ago and he replied that if the Government announced its intention of buying cattle all the cattle growers would put their heads together. I said "I am not a fool, and I do not think you are, and it is no use talking nonsense like that to me." I told the Premier that they were the only people controlling the freight space. They had space for 14,000 head; that being so they could fix the price; they would pay on the cattle. I also asked him what was proposed to be done about the remainder of the cattle in the North, and he said the Government would buy all the cattle. To that I replied I had nothing further to say, but he added, "on one condition, that we can get freight to lift the cattle." The cattle growers are not fools and I told the Premier that if he thought they were prepared to tie up their cattle for, say, six months in order that the Government might ascertain whether they could lift them, he was making a mistake. In my opinion that was an untenable position for the Premier of any country to take up, I care not whether he is Liberal or Labour. I belong to a non-party House and my sole desire is to see this country run properly. When I think that is not being done I consider it is my duty to put the facts before the country. It is suggested that a proposal has been put forward that the "Kangaroo" shall go into the cattle trade next season. I ask, where is the "Kangaroo"? Does anybody know? I would further ask what it will cost to fit her up for the cattle trade; and it has to be remembered that she is earning good money at the present time. Assuming that she does go into the cattle trade next year, how is she to be fitted up with frozen space insulated chamber, etc. by March, 1918, when she will be required to enter the frozen meat trade. If she is to go into the cattle trade next season she will be engaged between April and September of next year;

then she will have to go Home to be insulated, which will take months and cost thousands of pounds. I understand that the reason for the purchase of these cattle is the profit made out of some cattle purchased last year by the Labour Government. There was, I believe, a big profit made on those cattle. It was made either out of the producer, or out of the consumer, or out of both. The cattle were bought at Derby and sold at Fremantle, the Government acting as middlemen. Thus the Government either got the profit which the producer should have made, or they rooked the public. It was not an unusual thing to see a thousand bullocks held up at Fremantle for a week; held up by the Labour Government, and also later by the Liberal Government, at a cost of one shilling per day per bullock, or £350 per week. It was a conspiracy between the private shippers and the Government to put up the price, in order that cattle transactions might be made profitable. That system was adopted by both Labour and Liberal Governments.

Hon. W. Kingsmill: What about the condition of the cattle?

Hon. J. J. HOLMES: Undoubtedly they were in condition, but that did not matter to the Labour Government or to the Wilson Government. By such means last year's profit was made, and that is the justification for making the deal for next year. That is where the Wilson Government's troubles are going to begin.

The Colonial Secretary: Do you not think it is a justification for altering the method of last year?

Hon. J. J. HOLMES: The action of holding cattle is a perfectly justifiable one on the part of the private shipper; but neither the Labour Government nor the Liberal Government have the right to hold cattle in order to force a higher price from the consumer. If the Government get the "Kangaroo" going next year with 1,500 bullocks—

The Colonial Secretary: Twelve hundred.

Hon. J. J. HOLMES: Very well. 1,200: the "Kwinana," 850; the "Moira," 650; that gives a total of 2,700. Now, assume that these three boats get into Fremantle at one time, as they are likely to do, because, no matter

how one starts boats on that coast, they may all arrive together. Let hon. members imagine 2,700 Government cattle held in quarantine at one time at Fremantle, and the Government standing between the hungry public and cheap meat. Then the Government's troubles will really begin, and Ministers will wish they had never been born. Private owners will not protect them next year, but will blow the gaff on them. Let hon. members think of 3,000 bullocks in quarantine to be fed. When such a position arises, the Government will begin to know something about the meat trade, and will wish that the Wilson Ministry had never come into existence. In order to show how the trade has drifted during the last two or three years, let me point out that in 1915 27,000 cattle were shipped from the Northern ports, of which 14,000 came to Emanuel Bros. and 13,000 were for account of other shippers. In the last season, 1916, there were 18,000 cattle shipped from the Northern ports, of which 9,000 were for Emanuel Bros., sold to the Government, and 9,000 on account of other shippers. The other shippers began to get a look in last season, handling half the cattle. Prior to the war, Emanuel Bros. had the first call upon the Adelaide Steamship Co.'s boats and the Singapore steamers. After the outbreak of war, some of the steamers were withdrawn. In this last season of 1916 the Government booked all the space with their usual loyal shippers in the usual way. I cannot say what happened between Emanuel Bros. and the Adelaide Steamship Co., but the Adelaide boats did not go on that coast; and three of the Singapore steamers went off. As I say, I do not know what happened; but I know the cattle business, and I know that Emanuel Bros. know the cattle business. I think they did what I would do under the circumstances. Emanuel Bros. probably said, "How can we charter an Adelaide boat at an exorbitant rate, paying £5 10s. or £6 per head for cattle, when all the other men are getting their cattle carried for £3 to £3 10s. per head?" That is a reasonable position for any business man to take up. The Government have booked all the space at £3 and £3 10s. Accordingly, Emanuel Bros. sit back and await developments—people could starve down here for want of cattle, but that was not

Emanuel Bros' fault. I heard it rumoured that Emanuel Bros. intended to leave their cattle on the station for a year or so, where they would grow bigger and heavier. Probably they may do the same this coming season, and ship other people's cattle. Eventually the Government took up the position of saying "Something will have to be done to cheapen meat." They tried all round Australia for a cattle boat, but they failed. Ultimately, the difficulty was overcome by the Commonwealth commandeering the "Moira." The Commonwealth could not commandeer the "Moira" for Emanuel Bros., but they could commandeer her for carrying cattle for the Western Australian Government. There is some legal point involved, as to which I am not quite clear. I have already told the House how Labour and Liberal Governments alike struggled to keep up prices after the "Moira" was brought into the trade. The result of the waiting game on the part of those who knew the business, was that the Government had to come in. The Government had to secure the "Moira" and buy a lot of cattle from Emanuel Bros. The profit made on that occasion, I understand, has induced the Government to go into the trade for the next season. In connection with the purchase of the 12,000 cattle, I believe I am safe in presuming that delivery is at Derby, and not at Fremantle—an important point in view of the scarcity of tonnage, which prevented Emanuel Bros. from undertaking the business and certainly would have prevented me from undertaking it. Delivery, I understand, is at Derby; and in making a contract for the delivery of 12,000 head of cattle from one firm at Derby the Government have excluded practically all other shippers—shippers who have loyally stood by the State Steamship Service since first it was established. Although the Colonial Secretary has called the pioneers of the North hard names which they do not deserve—

• The Colonial Secretary: I have not called people hard names.

Hon. J. J. HOLMES: The people of the North have been called hard names. They have been called beef buccaneers and beef barons. But they are the people who have kept the State Steamship Service going, and they have paid every penny of freight

for which they have been asked. It is no fault of theirs that freights are not up. They have not asked for cheap freights. Some of those men have been engaged for the last quarter of a century in developing the North. Some of them came over from Queensland 30 years ago with their cattle, spending two and a half to three years on the journey, camping at one water hole for as long as six months. They came to develop East Kimberley thirty years ago. Some of them have had sons killed on the battlefield; some have sons fighting for the Empire to-day. And these men are not mourning over the non-shipment of their cattle. They are not even worrying much about it, except that they must have something to keep the pot boiling. These are the people who have been practically turned down by the Wilson Government, who tell them, "You have served your purpose in developing the North; and, as far as the State steamers are concerned, we do not know that you have any right to exist, or to bring down cattle to this market." In view of the conditions, such conduct is pretty near to adding insult to injury. These men, I am sure, would gladly say "Take our stations, take our cattle, take everything we have; but give us back our sons." We cannot do that, but it is at least our duty to see that these men receive justice as regards the stock they produce after a battle of a quarter of a century in the North. I wish to show the House that the cattle growers and those interested in the cattle trade were alive to the position. Before the Labour Government went out of office, I introduced a deputation to Mr. Drew; and it was pointed out to that gentleman that there was a possibility of a change of Government, and he was asked what were the proposals about cattle freight for next year. Mr. Drew said there and then, "If I were remaining in office—the Government are not sure of their position—I should straight away book up cattle in the usual way for next season. But I am probably going out of office, and I do not want to commit the Minister who has to follow me. I propose, therefore, that you go and see Mr. Frank Wilson." We went to see Mr. Wilson at his private office, and told him that we came to him from Mr. Drew.

Mr. Wilson promised these people that for the next season they would be treated just as they had been treated last year. I do not wish to labour the point, except to say that the whole of these people have been left at the post. They cannot get any space. They know from the man in the street that there is a contract with the Government through which some other firm has secured 90 per cent. of the space. Whether they are to participate in the other 10 per cent. they do not know and cannot find out. Let me now point out some of the difficulties which the Government will find themselves up against in taking delivery of the 12,000 cattle purchased. I understand the contract specifies delivery at Derby. In the event of the "Kwinana" or the "Moira" striking a rock on the North-West coast, what will be the position? Twelve thousand cattle delivered to the Government at Derby are to be carried south at the rate of 700 per week during five months of the year. If one of the boats happens to strike a rock, what are the Government going to do with the cattle of which they will have taken delivery at Derby? That is the trouble shippers are always up against. To show the extent of the trouble, I may point out that the "Eddystone," "Colac," "Karrakatta," "Mildura," and "Koombana" were wrecked on that coast. In 1914 the "Kwinana" struck not a rock but an island—La Crosse Island—and she stayed there for ten days with 850 bullocks aboard.

The PRESIDENT: I am sorry to interrupt the hon. member, but the Standing Orders require that the Orders of the Day must now be called on.

Resolved: That motions be continued.

Hon. J. J. HOLMES: This year the "Bambra" struck an unchartered rock and had to abandon all her live stock engagements and go right out of the trade to Singapore to dock. What will be the position of the Government if the "Kwinana" or the "Moira" strikes a rock?

Hon. J. Cornell: It will be an act of God.

Hon. J. J. HOLMES: No. The Government will be carrying their own cattle. The contract is for delivery at Derby. I do not know what the Government's position will be. If they are carrying for private

owners then, in the event of a breakdown, it would be an act of God and the Government would be relieved, the loss being spread over, perhaps, the whole of the North. But I am afraid that if anything happens to the ship the Government's position will be that they must take delivery.

The Colonial Secretary: No.

Hon. J. J. HOLMES: Well, I stand corrected. I know what happened when the "Mildura" struck the North-West Cape with 600 bullocks on board. She had been chartered for 10 trips, and on her first trip she hit a rock and was abandoned, bullocks and all, it being found impossible to get the cattle out of her. The loss of that ship would have ruined the charterers that year—there was no redress against the ship, because it was an act of God—but for the fact that the "Mildura" was a combine ship, and immediately she struck one of the other companies found a ship to take her place and so saved the situation. Ships cannot be found to-day to take the place of one meeting with disaster. That is why the North-West lends itself to a shipping combine, and why the State should control the service so that in the event of a vessel being lost she will be replaced. There was a time when one could charter foreign boats for that coast, but it was impossible to get other ships to replace them and in consequence private owners would not charter foreign ships, but preferred to pay the combine their price and be on a safe footing. However, the Government have stepped in and are carrying the cattle, buying the bullocks on delivery at Derby. There is no doubt Emanuel Bros. considered that aspect of the question. They could not get a boat in Australian waters at a reasonable price and probably could not get one anywhere. They knew their business, but the Government did not. In the case of an accident no other steamer is available to replace the one injured, and Emanuel Bros. were satisfied to take a lesser price at Derby, and shift the responsibility on to the Government. Consider the difficulties of the other cattle-owners. At Derby they will be entirely in Emanuel Bros.' hands. The small owner has to sell his cattle somehow. He has to pay his rent and expenses, and if he cannot sell his cattle it may be that

the Industries Assistance Board will have to take over his Crown rents and provide him with assistance. The Minister for Lands says that Emanuel Bros. were not anxious for this contract. I know the Minister for Lands to be one of Nature's gentlemen, the soul of honour. A more upright man I never met. But he is not in touch with 1916 methods of business; and while I regard him as the soul of honour I am bound to say that he must have been the soul of simplicity to have been bluffed. Of course Emanuel Bros. assumed an independent attitude and professed to be indifferent as to the contract. The unfortunate part of it is that Wyndham, which serves the East Kimberley district, seems to have been left out altogether. The "Kwinana" and the "Moira" are to run direct to Derby and so serve West Kimberley. The freezing works were to have been ready for the East Kimberley cattle in 1918, but what is to be become of the fat cattle in the meantime? They will be bought by the Government if they can get freight, but, if not, they will be left. That is what the Premier says. What about all the other shippers between Derby and Fremantle? What about the ports, Carnarvon, Onslow, Sampson, Port Hedland and Broome, all with cattle and sheep to be shipped to Fremantle? I understand these two boats are to run direct from Fremantle and back. If this is so all the intermediate ports will be cut out, not only in respect of live stock, but also of mails, provisions, and passengers, in order to run a direct service between Derby and Fremantle.

The Colonial Secretary: That is not so.

Hon. J. J. HOLMES: The direct service must be run. A mob of 850 bullocks cannot be kept hanging round Derby while the boat is calling at other ports and remaining a day putting out cargo. It will be impossible to lift the cattle by two boats in the prescribed time if the direct service is not run. It may be that there will be three lots of bullocks on the road travelling to Derby in order to arrive on given days, and the boats must run a direct service to keep time. Also, I believe there is in the contract a provision that whilst the delivery is at Derby a number of cattle have to be weighed at Fremantle, and a certain

shrinkage allowed for as between the Derby weight and the Fremantle weight. Now it is not so much on the high seas as in port where the shrinkage is made, and if the boats are to call in at all these different ports it will mean increased shrinkage of weight and will be contrary to what I understand to be the contract, namely, that the cattle are to be taken direct to Fremantle. I think the Colonial Secretary is wrong in saying that it was not so.

The Colonial Secretary: I suggested that the statement was incorrect, that we would stop all passengers and mail services during that time.

Hon. J. J. HOLMES: Most of the other boats have gone off, and we have only got the "Bambra" and have no control over the other two steamers. The only boat that the Government have to serve the other ports is the "Bambra" and she is a cockleshell which may go off the coast at any moment. That would leave the pioneers up there without mails, and in some instances perhaps without food. Only the other day the "Minderoo" should have gone to Derby *en route* for Singapore, and at the last moment cut out Derby. The "Kwinana" was going to Wyndham and she would not have been going to Derby. She was passing with a cargo for the Wyndham Freezing Works, and I have to thank the Colonial Secretary for having steps taken which enabled her to call in at Derby in place of the "Minderoo." If the "Kwinana" and the "Moirra" have to carry cattle direct to Fremantle, however, the Colonial Secretary will be unable to bring pressure to bear upon the other people. He is entirely in their hands. The squatters will be in a worse position than that which existed before the State steamship service came into existence. This is astounding, in view of the fact that the State steamship service was brought in in order to remedy an evil which had been going on for so long. The private companies were bad enough, but the Wilson Government are creating an intolerable position. As I have said, I do not blame the private shipping companies for giving all their freight to one firm, but I do object to their trying to hoodwink people. The agents (Messrs. Dalgety, Ltd.) controlling

the Singapore boats tried to hoodwink me last year. In November, 1915—the season did not begin until April, 1916—Messrs. Dalgety, Ltd., as agents for these boats, wrote to Messrs. Holmes Bros. asking what cattle they had and what space they required for the 1916 cattle season. We replied that we wanted space and asked for a schedule of rates from Wyndham, the approximate date of shipment, the price per head and also the approximate amount of space available. Dalgety, Ltd., replied that they did not include Wyndham in their itinerary. The reply, bear in mind, of Messrs. Holmes Bros. was "Quote freight from Wyndham all ports south." Messrs. Holmes Bros. replied to Dalgety asking for the rates for all other ports. In December Dalgety, Ltd., advised that they would go into the matter and see what they could do. Messrs. Holmes Bros. interviewed Dalgety, Ltd., and it was agreed that Holmes Bros. should stipulate the number that they had to ship. We did this under protest. It was not for us to stipulate for we could not be buyer and seller. We agreed that if we were to stipulate the number they would give us a definite reply within 24 hours. After 24 hours, however, no reply was forthcoming and we waited for 48 hours, and after several telephone messages we got a letter from Dalgety, Ltd., to the effect that their London agents, or owners, had instructed them not to book any sheep or cattle for any date after the 31st March. It was a very simple letter to those who did not understand the business. No one, however, wanted to ship before the 31st March, and cattle boats are not required before that date, as the season does not begin until the 1st April. They said the London owners had advised them not to book any freight after 31st March. Holmes Bros. replied asking to be allowed to participate in any freight when the owners had fixed the itinerary of the ships. Dalgety, Ltd., replied that they would be pleased to advise when the owners' instructions had been received. In February, 1916, Dalgety, Ltd., as agents for these vessels, advised that they were in a position to quote rates for cattle and asked Messrs. Holmes Bros. to advise the number they had to ship, and also the number that they had booked elsewhere, and that on re-

ceipt of that information the application of Messrs. Holmes Bros. would receive favourable consideration. Holmes Bros. replied that they were not prepared to comply with these conditions. We knew all along that we were being bluffed. We stated that we were not prepared to submit an estimate of our requirements, nor what we had booked elsewhere, nor to supply the information to enable Dalgety to give the application full consideration. The fact remains that they opened up correspondence themselves with Holmes Bros. and that we did not ask for it. The whole of the Singapore boats went to Emanuel Bros. as usual. We knew this all along, but thought that as they had opened up correspondence, this correspondence would be useful some day. I have kept it, and in dealing with the State steamship service in the North-West I find it is useful because it shows what has been going on for many years past. What happened when the Premier announced that he was proposing to sell the State steamship service? All the local agents of the companies here were falling over one another to get in first. They endeavoured to see if they could buy the steamers or take them over and run them, and whether they could run them either on account of the Government or on their own account. The shipping kings of the East, the heads of the firms, came to Western Australia in order to see if they could work it. This is interesting, in view of the fact that they have always claimed to be anxious to get off the north-west coast. Their sole consideration, they state, has been for the poor pioneer whom they wanted to help. Their policy was to help Western Australia, but when they heard of the big freights in other parts of the world, as the result of the war, these steamship companies, whose only consideration was the pioneer of the North, cleared out like rats from a sinking ship and went elsewhere to participate in the high freights. As soon as this announcement was made by the Premier, however, they rushed along to see if they could buy or run the steamers on behalf of the Government. Now the House will understand how it was that I support State steamers for the North-West. We cannot have that part of the State in the hands of

an octopus of this description. These two shipping companies for the last 25 years have sat between the producer of the North and the consumer in the South. We cannot give railways to the people in the North, or transport facilities except by sea, and this State cannot afford to leave such transport in the hands of private enterprise. That explains my action some years ago when I exposed the early administration of the services by the Labour Government. I could see that unless the State steamship service was properly administered, it would have to be abandoned. I was misunderstood by some. If the people of the North have to go back to the old condition of affairs, these shipping people will soon get square with them. The result of my exposure was that organisation of the service was put on better lines. The Government are bound to carry on that service in war time and to carry it on with existing boats. They should never have tied up this service in the way they have done. If the Government have the welfare of the country at heart, when the war is over they will buy or build at least two suitable ships which can be put upon that coast. Two suitable ships can be employed not only for the local trade but for the island trade, which must not be lost sight of. Coming South, these boats could bring passengers, frozen meat, live cattle, sheep, wool, shell, copper ore, etc., to Fremantle for local trade and also for export. We must come to the time when we shall have to place these people in the North in direct connection with the big ships coming to Fremantle, in order to take their exports to the outside world. Going North these vessels could be used to take up passengers, mails, general supplies, and provisions along the coast, frozen meat, cattle, sheep, flour, and fruit for the islands—quite a nice little business.

Hon. Sir E. H. WITTENOOM: Where would you pick up frozen meat?

Hon. J. J. HOLMES: At the last port of call going out, namely, Wyndham. I am talking about after the war, somewhere about the year 1918, if indeed it can come then. If, however, the "Kangaroo" is engaged in carrying livestock this would not be so easy. It would be a good business for the country

if we could get flour, fruit, and meat up to the islands. The itinerary could be worked so that two or three ships could be continually leaving for the north-west coast and the island trade with flour, fruit and other goods, and coming back they could carry pearl shell, frozen meat, etc. to the big ships at Fremantle for export.

Hon. Sir E. H. WITTENOOM: Do you think it would pay?

Hon. J. J. HOLMES: There must be money in it somewhere otherwise the shipping people would not be falling over one another to get hold of the broken-down service which they have always condemned. It could be made to pay by charging decent rates of freight, and if the Government bought better ships they could make a handsome profit. It matters not if they did not make a profit at first. One may ask how many of the agricultural railways that we have built, and which have had the support of the Colonial Secretary, have paid from the beginning? Some of them will possibly never pay, and others will not pay for a number of years. We do not want to make money out of the people but to help to develop the North. We shall never develop that portion of the country if we allow the people there to remain in the hands of the shipping combine. To my mind those in the shipping combine are like vultures gathering together over their prey. The Colonial Secretary has insinuated at times that I have not always been seized with the importance of the North-West position so far as the State steamers are concerned, and it is due to the House and the country that I should make my position clear. I will explain what has happened between my firm and the State steamship service. The public will probably wonder why my firm tolerated the position. There is only one explanation. We reckoned that a reformed State steamship service for the North would be better than the old conditions, and we were prepared to put up with some inconvenience in the hope that some day a proper service would be established. In 1915, in accordance with the arrangements made, my firm booked four lots of cattle of 250 for each shipment at Wyndham by the "Kwinana." The first shipment was cancelled by the State steamship ser-

vice because they could get no other cattle to fill the steamer on that voyage. The "Kwinana" carries 750 head of cattle, and because they could only get 250, the State steamship service would not send the vessel up to Wyndham. On the second trip there was a mortality of 139 out of the 750 and we had to bear our proportion of the loss. On the occasion of the third trip there was a fortnight's delay in consequence of engine troubles. In 1916 we booked three lots of 250 each. The State steamship service subsequently asked us whether we would exchange one lot of 250 from one trip to another because the Government wanted to ship 500 on that particular occasion. We effected the exchange and they came along and said they only had 700 bullocks, would we then supply the remaining 50. We supplied the other 50. In the third trip they said they would not send the "Kwinana" for the 250; they explained that Queensland people had been in the East Kimberley district buying cattle, and a lot of the small people had gone back on them, and if we did not make up the shipment to 750 they would not send the "Kwinana" to Wyndham. We had to make up the shipment from 250 to 750. We had to purchase cattle from nine different owners in all parts so as to make up the total, then we accidentally discovered that the "Kwinana," which was intended to go north direct for those bullocks was calling in at Brown's Island, Point Sampson, and sundry other places on the way up. I inquired about this and the reply I got was that the people interested were constituents of mine and they had to be considered. We had to hold 750 bullocks at Wyndham without feed or water for several days and consequently lost anything from £200 to £300. We purchased a number of these cattle at £6 a head, and the freight and shipping charges came to another £4, and a big proportion of this lot of cattle was sold at Fremantle for less than £5. This happened within the last few months. We do not mind that because the service is disorganised owing to the war and other unfortunate conditions, but we have not had a favour of any description from the State steamship service. Last year the "Kwinana" was booked for four trips for bullocks from Derby to Fremantle.

I noticed that the top space of the "Kwinana" could be used for carrying sheep. I said that I would take the top deck for the four trips at £125 per trip, whether my firm wanted the space or not. A proviso was made that the State steamship service had to find fodder and arrange the insurance. When we began to fill the space with Derby sheep, which are very small sheep, the State steamship service discovered that we were putting more than 800 in the space we had secured, and they said that they had based their calculations on 800 sheep and fodder and insurance on that number. I replied that they had let the whole of the space, but I told them that I would make this arrangement. The space was ours and I held that we could put what we liked into it. Nevertheless we agreed to pay for fodder and insurance for everything over 800 sheep. That is how we treated the State steamship service although we were not bound to pay more than £125 per trip. I might also refer to the 1914 shipments. The first was in March, when we shipped 304 bullocks. The weather was very hot and the Government put 350 bullocks on the vessel when she was only capable of carrying 750. They hung to the Wyndham wharf too long—everyone knows that there is a rise and fall of tide at Wyndham of between twenty and thirty feet—and on leaving the wharf the "Kwinana" was run on to a bank and she stayed there until the next tide. The result was that she threw 150 bullocks overboard in the first twenty-four hours. Our loss was 91 bullocks. There was £1,000 gone—an act of God, I suppose. On the third trip in 1914, the "Kwinana" was loading at Wyndham with 850 bullocks. The Government, when they realised that they had that number of bullocks on the vessel, extracted a written statement from our drover at Wyndham that he was satisfied with the space allotted to the stock. The drover did not know anything about the contract, but the Government were anxious to protect themselves by getting a written statement from him to say that he was satisfied. On that trip the vessel came out at ebb tide. She got out of hand and finished on La Crosse Island and stayed there for ten days. The Government of the day should have sacked the captain for put-

ting the vessel on the island, but they gave him a bonus of £100 for taking her off. They knew that if they dismissed him for running her on the island the owners would have put in a claim against the State for negligence. Then the Government took the captain from the "Kwinana," put him on the "Western Australia" and sent him home, hoping, no doubt, that he would strike another island on the way home and thus dispose of the "Western Australia" for ever. In 1916 the "Kwinana" brought down 7,856 head of cattle out of a total of 17,900; nearly half the number shipped from the North-West to southern ports. The State steamship service has been reformed and the steamers are now engaged on work that it was intended they should do. I claim some little credit for having helped to put the service on something like a satisfactory basis. It may be assumed that in doing that I was working in my own interests as a cattle-grower in the North, but what suits me suits every other producer there as well. If the Government doubt my sincerity in connection with this matter or any of my transactions with regard to the State Steamship Service, they can appoint a Royal Commission; they can make any kind of investigation—

The Colonial Secretary: There has never been any doubt or suggestion.

Hon. J. J. HOLMES: If any investigation is carried out I will insist on one stipulation only, and it is, that whoever is conducting the investigation shall be permitted to present a report and not do as was done by the Labour Government when they appointed a commission of four gentlemen to prove that my utterances were without foundation and who, when it was discovered I was proving my own case, were not permitted to complete their inquiry and to present a report. I have outlined what I believe to be facts, and I do not think, in what I have said, I am wide of the mark. The country is entitled to see the contract which has been entered into and to know who was responsible for it. I am satisfied that the House will insist upon some action being taken. I have done my part. I have brought the matter forward at the earliest moment, and with the utmost confidence I commend to the House the motion which I have moved.

On motion by Colonial Secretary, debate adjourned.

House adjourned at 6.17 p.m.

Legislative Assembly,

Thursday, 9th November, 1916.

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

PAPERS PRESENTED.

By the Minister for Works: Dog Act, 1903, Regulations.

By the Honorary Minister: Health Act, 1911-12, Model by-laws adopted by the Wagin Municipal Council.

QUESTION—GOLD MINING INDUSTRY, PROPOSED CONFERENCE.

Mr. TAYLOR asked the Minister for Mines: Has he taken any action to carry out the promise made for the holding of a conference between the Chamber of Mines, the Miners' Unions, and the Prospectors' and Leaseholders' Associations, with the object of putting the gold mining industry of this State on a more prosperous footing?

The MINISTER FOR MINES replied: Yes. Suggestions have been personally invited by me from various associations and

unions, and from persons interested. Many have already been received. The conference will be held at a time convenient to those concerned as soon as Parliament rises.

QUESTION—INDUSTRIES ASSISTANCE BOARD.

Storekeepers' Accounts.

Mr. PIESSE asked the Minister for Industries: 1, What amount of money has been certified as owing to storekeepers by settlers under the control of the Industries Assistance Board? 2, What amount has been paid off same under Sections 7 and 8 of the third schedule of the Act?

The HONORARY MINISTER (Hon. J. D. Connolly), for the Minister for Industries, replied: 1, The amount of money certified as owing to storekeepers by settlers is not available, and to ascertain it would involve considerable labour and expense. The total amount of creditors of all classes, and certified to by settlers, totals approximately £600,000. 2, The amount paid to such creditors in the distribution of surplus proceeds, totals £48,646 5s. 9d. This figure covers the full amount of dividends declared to outside creditors under the Third Schedule, embracing Sections 1 to 8.

QUESTION—RAILWAY FREIGHTS, INCREASES.

Mr. E. B. JOHNSTON asked the Minister for Railways: 1, What is the estimated additional revenue per year which the Railway Department expect to raise from the latest increases in railway freights? 2, What is the reason for imposing these increases? 3, Are the Government aware that the increases will press heavily on all persons engaged in our primary industries? 4, Were the probable effects of these increased charges, in the direction of accelerating the existing tendency of population to leave the country districts for the City, and the consequent reduction of traffic, taken into consideration before they were approved?

The HONORARY MINISTER (Hon. J. D. Connolly), for the Minister for Railways, replied: 1, For the present financial year, £33,000. 2, To partly make up the deficiency